



Mike Scheafer, Board President

Sandy Seifert-Raffelson, Vice President
Bob Swan, Secretary
David Aranda, CSDM

Jean Bracy, CSDM
Tim Unruh, CSDM
Jesse Claypool

Special District Risk Management Authority
Regular Board Meeting

Wednesday, February 10, 2021
1:00 p.m.

Thursday, February 11, 2021
8:00 a.m.

Held Remotely Via Zoom

Phone: (669) 900-9128

Meeting ID: 562 012 1037

Password: 875411

This Virtual Meeting is held pursuant to Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 that directs Californians to follow public health directives including canceling large gatherings. The Executive Order also allows local legislative bodies to hold meetings via conference calls while still satisfying state transparency requirements. Executive Order N-33-20, prohibits people from leaving their homes or places of residence except to access necessary supplies and services or to engage in specified critical infrastructure employment.

Note: Pursuant to the Brown Act, Section 54953(b)(2). Section (b) (2) 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. The Board may take action whether items are listed as action, information or discussion. The meeting is being held solely by remote means and will be made accessible to members of the public seeking to attend and address the Board solely through the phone number set forth above, except that 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 make arrangements for such reasonable accommodations: Ashley Flores, Board Clerk, (916) 231-4132 or aflores@sdrma.org

AGENDA

1.0 CALL MEETING TO ORDER

- 1.1 Roll Call
- 1.2 Approval of Agenda (Board President)

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 ADMINISTRATIVE ITEMS AND PRESENTATIONS

- 3.1 Recognition Staff Anniversaries (Board President)
- 3.2 Review Meeting, Conference, and Educational Schedules (Chief Executive Officer)
- 3.3 Review communication and correspondence (Chief Executive Officer)
- 3.4 Review of Executive Summary of Training (Board President)

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

- 4.1 **Approve** draft meeting minutes from the January 6-7, 2021 Board Meeting (Board Clerk)
- 4.2 **Review** recent marketing activities (Chief Member Services Officer)
- 4.3 **Ratify** payment of bills paid for the months of December 2020 (Finance Manager)
- 4.4 **Receive and file** financial reports presented for the Property/Liability, Workers' Compensation, Health Benefits Programs and Joint/Common Allocated Operations (Finance Manager)
- 4.5 **Receive and file** Underwriting Status Quarterly report for the second quarter of 2020-21 (Chief Member Services Officer)

5.0 CSDA-RELATED ITEMS

- 5.1 **Review and discuss** CSDA business and activity (CSDA Chief Executive Officer)
- 5.2 **Review and discuss** Alliance Executive Council business and activity (CSDA Chief Executive Officer; Chief Executive Officer; AEC Members)
- 5.3 **Review and discuss** Special Leadership Foundation business and activity (CSDA Chief Executive Officer; Chief Executive Officer; SDLF Members)

6.0 BOARD ITEMS

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

Presenter: Ellen Doughty, Chief Member Services Officer

Recommendation: **Approve** admission of new members into the following programs: None

- 6.2 **Subject: Claims Status Update**

Presenter: Debbie Yokota, Chief Risk Officer

Recommendation: **Receive and file** the status of claims development for the Property/Liability and Workers' Compensation programs for the quarter ending December 31, 2020

- 6.3 **Subject: Claims Development and Loss Prevention**

Presenter: Debbie Yokota, Chief Risk Officer

Recommendation: **Receive and file** the status report concerning claims and loss prevention activities for the quarter ending December 31, 2020

6.4 **Subject: FY 2021-22 Rate Scenario Review**

Presenter: Laura Gill, Chief Executive Officer

Recommendation: **Receive and File** receive and file the update to the rate review for the Workers' Compensation and Property/Liability Programs

6.5 **Subject: 2020-21 Member Longevity Distributions**

Presenter: Jennifer Chilton, Finance Manager

Recommendation: **Approve** a Longevity Distribution for Program Year 2020-21 to be applied to members' renewal invoices for 2021-22 using the Total Return Rate for the Workers' Compensation Program and no Longevity Distribution for the Property/Liability Program

6.6 **Subject: AGRiP Self-Evaluation and Certification for Advisory Standards Recognition**

Presenter: Laura Gill, Chief Executive Officer

Recommendation: **Approve** the self-evaluation and authorize the Board President to electronically sign the Attestation of the AGRiP Agreement form to process the Advisory Standards Recognition Application

6.7 **Subject: Strategic Business Plan Mid-Year Report**

Presenter: Laura Gill, Chief Executive Officer

Recommendation: **Receive and file** the status report on the Strategic Business Plan Vision 2022 activities for Mid-Year ending December 31, 2020

6.8 **Subject: 2021-22 Cost of Living Adjustment (COLA) for Budget Calculations**

Presenter: Laura Gill, Chief Executive Officer

Recommendation: **Approve** a 1.7% Cost-of-Living Adjustment for FY 2021-22

6.9 **Subject: Board Committee Assignments**

Presenter: Mike Scheafer, Board President

Recommendation: **Ratify** the Board President's Board committee appointments

7.0 **TIMED ITEMS**

(This section will include presentations with a specific day and time for specific speakers: consultants, brokers, legislative director, coverage counsel, etc.)

Wednesday, February 10, 2021 - 1:00 p.m.

7.1 **PUBLIC HEARING: Public Hearing: Ordinance 2021-01 Claims Administration**

Presenter: Laura Gill, Chief Executive Officer
Ann Siprelle, General Counsel, BB&K

Recommendation: **Read by title only, waive further reading, introduce and adopt** Ordinance No. 2021-01 entitled, "An Ordinance of the Board of Directors of the Special District Risk Management Authority Establishing Procedures for the Filing of Claims Against Special District Risk Management."

Thursday, February 11, 2021 - 8:00 a.m.

7.2 **Subject: Treasurer's Quarterly Investment Report**

Presenters: Lauren Brant, Managing Director, Public Financial Management
C. Paul Frydendal, Chief Operating Officer

Recommendation: **Receive and file** the Treasurer's Quarterly Investment Report, LAIF Statement, and Treasurer's Certification of Investments and Cash Flow Sufficiency

8.0 **REPORTS/COMMENTS/OTHER BUSINESS**

8.1 Staff Reports and Updates

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

9.0 ADJOURNMENT

The next Board meeting will be held March 24, 2021 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:

- FY 2021-22 rate approval
- FY 2021-22 rate policy adoption
- Credit Incentive Program criteria

Posted on February 4, 2020



Ashley Flores, Clerk of the Board

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 Ashley Flores, Clerk of the Board, at (800) 537-7790 or at aflores@sdrma.org. Request must be made as early as possible.*

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
NOTICE OF PUBLIC HEARING

***ATTENTION:** Pursuant to the Governor’s Executive Order N-29-20 dated March 17, 2020 authorizing local jurisdictions subject to the Brown Act to hold public meetings electronically and telephonically in order to respond to the COVID-19 pandemic, the regular meeting of the of the SDRMA Board of Directors on February 10, 2021 will be conducted electronically and telephonically via Zoom. The SDRMA Board Room will not be open to the public during the meeting.*

NOTICE IS HEREBY GIVEN that on **Wednesday, February 10, 2021 at 1:00 p.m.**, a public hearing will be conducted virtually through Zoom. Following its introduction, the Special District Risk Management Authority Board of Directors will consider adopting Ordinance No. 2021-01 entitled:

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY ESTABLISHING PROCEDURES FOR THE FILING OF CLAIMS AGAINST SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

SUMMARY:

1. If adopted, Ordinance No. 2021-01 would establish a procedure for the presentation of claims against the Special District Risk Management Authority (“SDRMA”) that are excepted from the claims presentation requirements of the Government Claims Act (Government Code Sections 810, et seq.), and that are not governed by any other statute or regulation.
2. If adopted, Ordinance No. 2021-01 would require that a claim for money or damages against SDRMA must be signed and presented on a form provided by SDRMA. The Ordinance also contains detailed requirements regarding the contents of a claim; how and when a claim must be presented and amended; when SDRMA may notify a claimant that a claim is insufficient; how and when a claim may be rejected and/or allowed; time limitations on when SDRMA must act upon a claim; and limitations on when a claimant may file suit in relation to a claim.
3. Proposed adoption of Ordinance No. 2021-01 is exempt from environmental review pursuant to Section 15378(b)(4) of the State of California Environmental Quality Act (CEQA) Guidelines. The full text of this Ordinance is available on SDRMA’s website at www.sdrma.org.
4. This Ordinance Summary was prepared in accordance with California Government Code Section 25124(a).
5. If adopted on February 10, 2021, the Ordinance shall become final and effective sixty (60) days following its adoption.



/s/ Ashley Flores, Clerk of the Board of Directors
Special District Risk Management Authority

ORDINANCE NO. 2021-01

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY ESTABLISHING PROCEDURES FOR THE FILING OF CLAIMS AGAINST SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

WHEREAS, California Government Code section 935(a) provides that claims against a local public entity for money or damages that are excepted from the claims presentation requirements of the Government Claims Act (Government Code Sections 810, et seq.), and that are not governed by any other statute or regulation, shall be governed by the procedure prescribed in any ordinance or regulation adopted by the local public entity; and

WHEREAS, it is in SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY's best interest to adopt an ordinance setting forth a procedure for such claims, as authorized by Government Code Section 935(a); and

WHEREAS, a summary of this Ordinance was published at least five (5) days before the date of its adoption in a newspaper published in the County of Sacramento pursuant to Government Code Section 25124(b); and

WHEREAS, all other applicable legal prerequisites to the adoption of this ordinance have been met.

THE BOARD OF DIRECTORS OF THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. **Claims in General**

Pursuant to the authority granted SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (herein referred to as "SDRMA") by California Government Code Section 935(a), all claims against SDRMA for money or damages which are excepted from the claims presentation requirements of the Government Claims Act (Government Code Sections 810, et seq.), and which are not governed by any other statute or regulation, shall be governed by the procedures set forth in this Ordinance.

SECTION 2. **Contents Of Claim**

All claims against SDRMA shall be signed under penalty of perjury by the claimant or by some person on the claimant's behalf. All claims against SDRMA shall be presented on the form provided by SDRMA. All claims against SDRMA shall set forth:

- a. The name and post office address of the claimant;

- b. The post office address to which the person presenting the claim desires notices to be sent;
- c. The date, place and other circumstances of the occurrence or transaction which gave rise to the claim asserted;
- d. A general description of the indebtedness, obligation, injury, damage or loss incurred so far as it may be known at the time of the presentation of the claim;
- e. The name or names of the public employee or employees causing the injury, damage, or loss, if known;
- f. The amount claimed if it totals less than \$10,000.00 as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage, or loss, insofar as it may be known at the time of presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds \$10,000.00, no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.

SECTION 3. Presentation Of Claim

- a. A claim, any amendment thereto, or an application for leave to present a late claim shall be presented to SDRMA by either of the following means:
 - 1. Delivering the claim to SDRMA at 1112 I Street, Suite 300, Sacramento, California.
 - 2. Mailing the claim to SDRMA at 1112 I Street, Suite 300, Sacramento, California 95814.
- b. Any period of notice and any duty to respond after receipt of service of a claim, amendment, application or notice is extended five (5) days upon service by mail, if the place of address is within the State of California, ten (10) days if the place of address is within the United States but outside of the State of California, and twenty (20) days if the place of address is outside of the United States. The extension provided under this subdivision shall not apply to the written notice of decision by SDRMA or the filing of a complaint after denial of a claim.

SECTION 4. Time For Presentation Of Claim

All claims against SDRMA for damages or money, when a procedure for processing such claims is not otherwise provided by state law, shall be presented not later than one (1) year after the accrual of the cause of action. If the cause of action for money or damages has a statute of limitations of less than one (1) year, a claim for such cause of action shall be presented not later than the period of time established as the statute of limitations.

SECTION 5. Amendment Of Claim

A claim may be amended at any time before the expiration of the period designated in Section 4 or before final action thereon is taken by SDRMA, whichever is later, if the claim as amended

relates to the same transaction or occurrence which gave rise to the original claim. The amendment shall be considered a part of the original claim for all purposes.

SECTION 6. Notice Of Insufficiency

If, in the opinion of SDRMA, a claim as presented fails to comply substantially with the requirements of this Ordinance, SDRMA may, at any time within twenty (20) days after the claim is presented, give written notice of its insufficiency, stating with particularity the defects or omissions therein.

SECTION 7. Disposition

a. If SDRMA finds any claim is not a proper charge against it, the claim shall be rejected in a written notice to the claimant. If any claim is determined to be a proper charge against SDRMA, the claim shall be allowed by written notification to the claimant setting forth as to each claim the name of the claimant, a brief statement of the claim, and the amount allowed. Any claim against SDRMA may be allowed in part and rejected in part by SDRMA.

b. Notice of decision by SDRMA shall be given by either:

1. Personally delivering the notice to the person presenting the claim or making the application.

2. Mailing the notice to the address, if any, stated in the claim as the address to which the person presenting the claim or making the application desires notices to be sent or, if no such address is stated in the claim, by mailing the notice to the address, if any, of the claimant as stated in the claim or application.

No notice need be given where the claim fails to state either an address to which the person presenting the claim desires notices to be sent or an address of the claimant.

SECTION 8. Time Limit For Action On Claim

a. SDRMA shall act on a claim within forty-five (45) days after the claim has been presented. If a claim is amended, SDRMA shall act on the amended claim within forty-five (45) days after the amended claim is presented. If a claim, or amendment to a claim, is presented or sent to SDRMA by mail, any duty to respond after receipt of service of the claim is extended by five (5) days.

b. The claimant and SDRMA may extend the period within which SDRMA is required to act on the claim by written agreement.

c. If SDRMA fails or refuses to act on a claim within the time prescribed by this section, the claim shall be deemed to have been rejected by SDRMA on the last date SDRMA was required to act upon the claim.

SECTION 9. Suit

a. No suit for money or damage may be brought against SDRMA on a cause of action for which a claim is required to be presented in accordance with this Ordinance until a written claim therefor has been presented to SDRMA and has been acted upon by SDRMA, or has been deemed to have been rejected by SDRMA in accordance with Section 8.c above.

b. Any suit for money or damage brought against SDRMA on a cause of action for which a claim is required to be presented in accordance with this Ordinance must be commenced:

1. If written notice of decision by SDRMA is given, then not later than six (6) months after the date such notice is personally delivered or deposited in the mail.

2. If written notice of decision by SDRMA is not given, then within two (2) years from the accrual of the cause of action.

SECTION 10. Effective Date.

This Ordinance shall become effective thirty (30) days from the date of its adoption, presuming that a summary of the ordinance with the names of those board members voting for and against it is published within fifteen (15) days after its adoption; and if not, thirty (30) days after the date of such publication. (Government Code Sections 25123, 25124(c).)

SECTION 11. Publication.

The Clerk of the Board shall certify to the adoption of this Ordinance and cause it, or a summary of it, to be published within fifteen (15) days after its passage in a newspaper published within the County of Sacramento. (Government Code Section 25124(b).)

SECTION 12. CEQA.

Pursuant to the California Environmental Quality Act (Pub Resources Code, §§ 21000 et seq.) ("CEQA") and the CEQA Guidelines (Title 14, Cal. Code Regs., §§ 15000 et seq.) ("Guidelines"), the Board has determined that the adoption of this Ordinance is not a "project" within the meaning of CEQA because pursuant to Guidelines 15378(b)(4) it involves only a government fiscal activity that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. The Clerk of the Board or designee shall file a notice of exemption with the Sacramento County Clerk within three (3) days following adoption of this Ordinance.

SECTION 13. Severability.

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The Board of Directors hereby declares that it would have adopted this Ordinance regardless of the invalidity of any particular portion thereof.

MOVED, PASSED, AND ADOPTED at a regular meeting of the Board of Directors on this 10th day of February, 2021, by the following vote:

Ayes:

Nays:

Absent:

Abstain:

ATTEST

Special District Risk Management
Authority

Robert Swan, Secretary
Board of Directors

Mike Scheafer, President
Board of Directors

APPROVED AS TO FORM

Ann M. Sipelle
Best Best & Krieger LLP



Mike Scheafer, Board President

Sandy Seifert-Raffelson, Vice President
Bob Swan, Secretary
David Aranda, CSDM

Jean Bracy, CSDM
Tim Unruh, CSDM
Jesse Claypool

Special District Risk Management Authority Ad Hoc Captive Sub Committee Meeting

Thursday, January 11, 2021
8:30 a.m. - 10:30 a.m.

Held Remotely Via Zoom

Phone: (669) 900-9128

Meeting ID: 562 012 1037

Password: 875411

This Virtual Meeting is held pursuant to Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 that directs Californians to follow public health directives including canceling large gatherings. The Executive Order also allows local legislative bodies to hold meetings via conference calls while still satisfying state transparency requirements. Executive Order N-33-20, prohibits people from leaving their homes or places of residence except to access necessary supplies and services or to engage in specified critical infrastructure employment.

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AGENDA

1.0 CALL MEETING TO ORDER

1.1 ROLL CALL

1.2 APPROVAL OF AGENDA

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 Committee reserves the right to waive the foregoing time limits by a majority vote.

3.0 COMMITTEE ITEMS

3.1 Subject: Captive Formation Items

Presenter: C. Paul Frydendal, Chief Operating Officer
Mike Harrington, President and Principal, Bickmore Actuarial
Dick Huntington, President, The Huntington Group, LLC

Recommendation:

- **Designate** SDRMA staff as the management staff for the captive.
- **Receive and file** the update from Dick Huntington and Mike Harrington regarding various captive formation checklist items

3.2 Subject: Captive Investment Presentation

Presenter: C. Paul Frydendal, Chief Operating Officer
Lauren Brant, Managing Director, Public Financial Management
Jim Link, CEBS, Managing Director, Public Financial Management

Recommendation: **Receive and file** the presentation concerning potential investment options for the captive investment portfolio and **provide direction** for the development of an investment policy for the SDRG captive

4.0 ADJOURNMENT

The next Board meeting will be held March 24, 2021 at the SDRMA Administration Building, 1112 I Street, 3rd Floor, Earl Sayre Board Room Sacramento, CA 95814.

Posted on February 4, 2021



Ashley Flores, Clerk of the Board

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