

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, February 9, 2022 at 4:00 p.m.**, a public hearing will be conducted virtually via Zoom (Meeting ID: 562 012 1037; Password: 875411). The Board of Directors will consider adopting the following Ordinance:

Ordinance 2022-01 entitled “An Ordinance of The Board of Directors of The Special District Risk Management Authority Increasing Board Member Compensation”

The proposed Ordinance would increase per-day compensation by adoption of this Ordinance for all Board Members in an amount equal to six and eight-tenths percent (6.8%) over the two-year period, which is less than the annual five percent (5%) adjustment for each calendar year from the operative date of the last adjustment. If approved, the per-day compensation would change from \$220/day to \$235/day.

If adopted on February 9, 2022, the Ordinance shall become final and effective sixty (60) following its adoption.



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

Publication date: January 28 and February 4, 2022



Mike Scheafer, Board President

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

Timothy Unruh, CSDM
Jesse Claypool
Thomas Wright

Special District Risk Management Authority
Regular Board Meeting

Wednesday, February 9, 2022
1:30 p.m.

Held Remotely Via Zoom

Phone: (669) 900-9128

Meeting ID: 562 012 1037

Password: 875411

This Virtual Meeting is held pursuant to AB 361 because state and local officials are recommending measures to promote social distancing

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 Adopt Resolution 2022-02 Making Findings and Determinations under AB 361 for Continued Virtual Meetings
- 1.3 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 5, 2022 Board Meeting (Board Clerk)
- 4.2 **Review** recent marketing activities (Chief Member Services Officer)
- 4.3 **Ratify** payment of bills paid for the month of December 2021 (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 2021-22 (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)
- 5.4 **Review** of CSDA Committees Updates (Board President)

6.0 BOARD ITEMS

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

None

- 6.2 **Subject:** **Quarterly Review of Loss Prevention Activities**

Presenter: Enriqueta (Henri) Castro, Safety/Loss Prevention Manager

Recommendation: **Receive and file** the status report regarding safety and loss prevention efforts by SDRMA for the quarter ending December 31, 2021

- 6.3 **Subject:** **Claims Quarterly Review**

Presenter: Debbie Yokota, Chief Risk Officer

Recommendations: Staff recommends the following actions:

- 1) **Receive and file** status report concerning open claims for the quarter ending December 31, 2021; and
- 2) **Approve** claims settlements as presented in the status report

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

Presenter: C. Paul Frydendal, Chief Operating Officer

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

6.5 **Subject:** **Credit Incentive Program Criteria**

Presenter: Debbie Yokota, Chief Risk Officer

Recommendation: **Approve** the proposed Credit Incentive Program (CIP) criteria for the Property/Liability and Workers Compensation Programs for Program Year 2022-23

6.6 **Subject:** **2021-22 Member Longevity Distributions**

Presenter: Jennifer Chilton, Finance Manager

Recommendation: **Approve** a Longevity Distribution for Program Year 2021-22 to be applied to members' renewal invoices for 2022-23 using the Gross Interest Rate with a 4x optional multiplier for the Workers' Compensation Program and no Longevity Distribution for the Property/Liability Program

6.7 **Subject:** **Board Policy and Resolution Revisions**

Presenter: C. Paul Frydendal, Chief Operating Officer
Jennifer Chilton, Finance Manager

Recommendation:

Approve the following Board Policies:

- 2022-03 - Establishing Procedures Governing Record Inspection
- 2022-04 - The Signing of Checks and Reporting Fed Wires and Automated Clearing House (ACH) Transactions
- 2022-05 - Investment Policy
- 2022-06 - Establishing Guidelines for Director Elections, Director Appointments, And Creation of a Supervising Election Committee

Approve the following Board Resolutions:

- 2022-03 - Authorized Signers for Bank of NY Mellon
- 2022-04 - Authorized Signers for LAIF
- 2022-05 - Authorized Signers for River City Bank
- 2022-06 - Authorized Signers for CAMP
- 2022-07 - Authorizing Application to the Director of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities

Repeal the following Board Policy:

- 2015-07 - Use of Presidents Electronic Signature

6.8 **Subject:** **Annual Internal Controls Policies Review/Proposed Revisions**

Presenter: C. Paul Frydendal, Chief Operating Officer
Jennifer Chilton, Finance Manager

Recommendation: **Approve** Policy 2022-07 Defining Financial Internal Controls with proposed revisions

6.9 **Subject:** **FY 2022-23 Rate Estimates**

Presenter: Laura S. Gill, Chief Executive Officer

Recommendation: **Receive and File** the rate estimates for the Workers' Compensation and Property/Liability Programs

6.10 **Subject:** **FY 2022-23 Cost of Living Adjustment (COLA) for Budget Calculations**

Presenter: Laura S. Gill, Chief Executive Officer

Recommendation: **Approve** a 5.0% Cost-of-Living Adjustment for FY 2022-23

6.11 **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 9, 2022 – 1:30 pm

7.1 Subject: Special District Reinsurance Group (SDRG) Captive Update

Presenter: C. Paul Frydendal, Chief Operating Officer

Recommendation: Staff recommends the following actions:

- **Receive and file** SDRG Captive Update
- **Approve** \$5 million of additional capital investment into the captive

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

Wednesday, February 9, 2022 – 4:00 pm

7.3 Subject: PUBLIC HEARING: Board Member Compensation

Presenter: Laura S. Gill, Chief Executive Officer

Recommendation: Conduct public hearing and upon conclusion, adopt Ordinance No. 2022-01 Increasing Board Member Compensation

8.0 OPPORTUNITY FOR PUBLIC TO ADDRESS CLOSED SESSION MATTERS

9.0 CLOSED SESSION

10.0 ANNOUNCEMENT OF REPORTABLE ACTION IN CLOSED SESSION

11.0 REPORTS/COMMENTS/OTHER BUSINESS

11.1 Staff Reports and Updates

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

12.0 ADJOURNMENT

The next Board meeting will be held March 23, 2022 at the Hilton Sacramento Arden West, 2200 Harvard St, Sacramento, CA 95815. Items to be discussed at this meeting include:

- Strategic Planning Workshop: FYs 2022-23 through 2024-25
- FY 2022-23 Rate Estimates
- Potential Member Notices of Intent to Withdraw

Posted on February 3, 2022



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.*