

**CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY
STRATEGIC PLANNING RETREAT**

October 5, 2000 * Embassy Suites Hotel, South Lake Tahoe

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MISSION STATEMENT

The California Joint Powers Risk Management Authority is dedicated to maintaining a commitment to excellence in the protection of its member entities from catastrophic liability and other financial losses.

THREE YEAR GOALS

Maintain financial stability

Develop and implement a market growth plan

Provide training for the Board and member entities

Improve communication at all levels

Improve accountability at all levels

SIX MONTH STRATEGIC OBJECTIVES

(October 5, 2000 – April 15, 2001)

THREE YEAR GOAL

Maintain financial stability

SIX MONTH STRATEGIC OBJECTIVES

- 1. By November 1, 2000, the General Manager and Actuary will present the financial impact of the loss of the two JPAs to the Board.**
- 2. Beginning January 1, 2001 and quarterly thereafter, the General Manager will monitor the financial stability and report to the Board.**
- 3. By February 1, 2001, the Executive Committee will explore and recommend to the Board for consideration a policy regarding equity formation and redistribution.**

THREE YEAR GOAL

Develop and implement a market growth plan

SIX MONTH STRATEGIC OBJECTIVES

- 1. By January 15, 2001, Lindquist (lead), Kaslar, Marylin Kelley and the General Manager will develop a visual presentation about CJPRMA's history, successes, and benefits of being a member to present to potential members.**
- 2. By February 1, 2001, the General Manager will ensure that an independent consultant conducts a survey of other existing JPAs to determine their products, services, costs, how CJPRMA compares, and report the results to the Board.**
- 3. By March 15, 2001, the Executive Committee (Bill-lead) will make a recommendation to the Board on how/where JPA should grow.**
- 4. By the April 15, 2001 Board meeting, the General Manager will provide a status report on the marketing goal to the Board.**
- 5. By the April 15, 2001 Board meeting, the General Manager will make a recommendation to the Board on a marketing consultant(s).**

FUTURE OBJECTIVE:

- 1. By the June 21, 2001 Board meeting, the General Manager will ensure that a marketing consultant develops and begins to implement a Marketing Plan.**

THREE YEAR GOAL

Provide training for the Board and member entities

SIX MONTH STRATEGIC OBJECTIVES

- 1. By November 16, 2000, the Administrative Analyst will review and update the Administrative Manuals of the member entities.**
- 2. By December 31, 2000, and within 60 days of appointment of new Directors, the General Manager will implement a face to face orientation for Directors (mandatory) and Alternates (optional).**
- 3. Beginning in January 2001 and quarterly thereafter, Caren will provide updates to the administrative manual online.**

FUTURE OBJECTIVES:

- 1. By May 1, 2001, the General Manager will ensure that the Lapidus Consulting Group reviews and analyzes the primary training programs of the member entities and their risk management policies and procedures and makes a presentation to the Executive Committee.**
- 2. At the June 21, 2001 Board meeting, the Executive Committee will recommend to the Board an annual training program (including which training should be mandatory and which should be optional).**

THREE YEAR GOAL

Improve communication at all levels

SIX MONTH STRATEGIC OBJECTIVES

- 1. Beginning in November 2000 and quarterly thereafter, the General Manager will send to all Board members a report on the master calendar project status and achievement.**
- 2. Beginning in November 2000 and annually thereafter, the General Manager will provide an Annual Report including coverage lines and financial condition.**
- 3. Beginning with the November 16, 2000 Board meeting, the General Manager will establish an agenda distribution procedure to have the Board agenda packet received by Board members at least one week prior to the Board meeting.**
- 4. By December 1, 2000, the ad hoc Communication Committee (Bob K.-lead) and the General Manager will establish a needs assessment survey process for individual personal contact of Board members by the General Manager.**
- 5. By January 1, 2001, the General Manager, with input from the Board Counsel, Broker and the ad hoc Communications Committee, will begin a group email system to deliver updates on “hot topic” legal, legislative and insurance-related issues.**
- 6. Beginning in January 2001 and monthly thereafter, Caren will collect “hot topic” information from Broker, Board members and Board Counsel and distribute to the Board.**

THREE YEAR GOAL

Improve accountability at all levels

SIX MONTH STRATEGIC OBJECTIVES

- 1. At the January 18, 2001 Board meeting, the Executive Committee will recommend to the Board whether a change should occur regarding broker services.**
- 2. At the January 18, 2001 Board meeting, the Executive Committee will make recommendations to the Board to improve accountability of brokerage service by: determining member needs, investigating market availability and what coverage/price other JPAs are getting, setting and communicating goals to broker, and developing standards to measure the broker’s performance, including cost.**
- 3. On January 18, 2001, the ad Communications Committee (Bob K.-lead) will develop and report on the process for holding a roundtable where each member of the Board advises the Board of significant developments at its agency (e.g., new significant building project, new skateboard park, Council recall election, new risk management program (in closed session, claims update)).**
- 4. By April 1, 2001, the Claims Committee (Patricia-lead), General Manager and Board Counsel will establish and report to the Board criteria for measuring claims handled by members at the primary level (e.g., timelines of reporting and reserving).**

FUTURE OBJECTIVE:

1. On April 18, 2001, the Personnel Committee (Robyn-lead) and the General Manager will find ways to delegate non-claims work to staff and determine staffing needs to meet the Board's goals (e.g., claims handling, training, financial management) and report to the Board.

NEXT STEPS

<u>WHEN</u>	<u>WHO</u>	<u>WHAT</u>
By October 10, 2000	All	Read the retreat record
Monthly	Bob G./ Board (on alternate months)	Review progress on the goals and objectives and review objectives as needed
April 18, 2001	Board/Staff	Strategic planning retreat to review progress on the goals and objectives and set objectives for the next six months

WHAT'S GOING WELL WITH THE CJPRMA (PARTICULARLY PROGRESS ON GOALS AND OBJECTIVES)?

Brainstormed List:

- claims have gone really well—reserve requirements are down
- good participation
- fully staffed
- internal reorganization—significant progress made
- progress made with respect to objectives
- status report on the goals and objectives is keeping people informed
- full CJPRMA accreditation, with excellence
- great participation of the Board
- strong problem-solving skills
- willingness to collaborate
- SB 996 got vetoed—the workers comp bill
- our Executive Committee is beginning to jell and is almost ready to take on an expanded role
- had a redistribution—we got money back
- retained earnings are up over last year
- strategic planning process
- the Board is being really involved in the organization—they're speaking up
- we have a draft of the litigation policies and procedures
- have a draft of the General Manager's financial reporting to the Board
- financially stable
- communications have improved
- stability of staff

- doing well assessing/evaluating where we are, what we need and where we want to go regarding personnel
- Board members are becoming a lot more familiar with strategic planning process and operations with the organization and why things are happening through the goals and objectives process
- diverse knowledge and background of the Board of Directors
- some of the Board members have been really involved in legislation
- good results with the FEMA regulations so far
- able to get into a 3-year property plan which has been a tremendous benefit that occurred as a result of a vendor recommendation—it saved us money
- absence of negatives, significant scandals and major problems
- we've hired three contractors to help achieve the objectives

WHAT'S NOT GOING AS WELL AS YOU'D LIKE INTERNALLY?

Brainstormed List:

- turnover of Board members
- weak staff report analysis regarding major agenda items
- process of achieving objectives is taking longer than expected
- lack of focus on price and service
- no forward movement on market growth
- unrealistic expectations of the Board
- lack of feedback to committee requests pertaining to goals and objectives
- loss of two members
- unhappy with website access
- workload is larger than originally anticipated
- problem where the Board either needs to hire more staff or pick up more workload itself
- inadequate training and guidelines on what is needed
- time constraints are causing problems arranging committee meetings
- still no training for new members such as requesting certificates of insurance, etc.
- lack of standardized, model programs (e.g., street maintenance)
- no updated manuals yet
- SIR options to attract moderate sized cities
- bad electronic communications
- lack of coordination of calendars with committee members and meetings
- subcommittee meetings have meant more Board involvement and that requires more staff time
- less time for General Manager to do regular work due to goals and objectives meetings
- lack of an easy-to-read annual report to have available for City Councils, etc.
- some focus on criticism rather than problem-solving
- lack of procedures for agenda items
- member retention has been a problem—competitive market
- frustration with the inability to complete goals
- insufficient information on agenda items

WHAT ARE THE EXTERNAL FACTORS/TRENDS THAT WILL/MIGHT HAVE A POSTIVE IMPACT ON CJPRMA IN THE COMING YEAR?

Brainstormed List:

- retirement of Board members will bring in some new faces
- hardening of the insurance market
- technology which makes it easier to communicate
- deferral of the FEMA regulations
- progress collecting data regarding claims
- growth of the economy
- new Insurance Commissioner
- Governor is listening to the business community—he did decide there wasn't enough reform in the workers comp bill
- the industry is becoming more cohesive—we're coming together with other similar organizations
- more information is available and accessible about what is happening with decisions at the State level

WHAT ARE THE EXTERNAL FACTORS THAT WILL/MIGHT HAVE A NEGATIVE IMPACT ON CJPRMA IN THE COMING YEAR?

Brainstormed List:

- CSAC is going to form a competitive pool
- LAPD and NYPD effects on all public entities
- retirement of Board members means loss of experience
- increasing cost of facilities and lack of their availability
- increase in public works contracts that will increase the claims
- earthquake
- possible federal legislation in the area of ergonomics
- lack of commitment and/or understanding of risk management by some agencies
- maverick 9th Circuit
- increasing property values
- problem replacing employees—high level of turnover
- continuing liberal legislature
- aging population
- possibility that the Insurance Commissioner may become an appointed and not an elected position, further politicizing the position
- consolidation of insurance companies and brokers
- turnover within our own organizations—having to continually train in risk management