CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY

SPECIAL BOARD OF DIRECTORS WEBEX MEETING
Monday June 28, 2021 - 1:30 p.m.

CJPRMA
3201 Doolan Road, Suite 285
Livermore, CA 94551
(925) 837-0667

This meeting is being held in accordance with the Brown Act as currently in effect under the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20 issued on March 17, 2020 that allows attendance by members of the City Council, City staff, and the public to participate and conduct the meeting by teleconference, videoconference, or both.

MEETING LINK:

https://cjprma.webex.com/cjprma/j.php?MTID=m94d344cbbf6e76306f81ead8f21978ca

MEETING NUMBER: 146 500 1890 **PASSWORD**: SPEC0628

JOIN BY PHONE: 1-415-655-001, 145 500 1890 **ACCESS CODE**: 146 500 1890

AGENDA

I. **CALL TO ORDER**

II. **ROLL CALL**

III. **CLOSED SESSION** - none

IV. **ACTION ON CLOSED SESSION**

V. **PRESENTATIONS**

VI. **THIS TIME IS RESERVED FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD OF DIRECTORS ON MATTERS OF BOARD BUSINESS. STATE LAW PROHIBITS ACTION BY THE BOARD ON NON-AGENDA ITEMS.**

VII. **COMMUNICATIONS**

A. Board Members
B. General Manager/Secretary
C. Next Scheduled Meetings: Executive Committee (06/30/21) WebEx
Board of Directors (08/20/21) TBA

Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services to participate in the meeting, are requested to contact CJPRMA at (925) 837-0667 24 hours in advance of the meeting.

VIII. APPROVAL OF MINUTES - none

IX. CONSENT CALENDAR - none

X. ACTION (A) AND INFORMATION (I) CALENDAR

1. Approve Changes to the MOC 2021-2022 **(A)** (Page 3)

2. Approve YCPARMIA Recission of Withdrawal from CJPRMA **(A)** (Pages 4 - 5)

XI. ADJOURNMENT

Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services to participate in the meeting, are requested to contact CJPRMA at (925) 837-0667 24 hours in advance of the meeting.

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AGENDA BILL

ITEM: 1	**TITLE: AUTHORIZE GENERAL MANAGER TO UPDATE MEMORANDUM OF COVERAGE**
MEETING: 06/28/2021	
GENERAL MANAGER: A.B.G.	

Recommended Actions
Authorize the general manager to modify the Memorandum of Coverage (MOC) to conform with language in reinsurance contracts and make those modifications effective July 1, 2021.

Strategic Direction
Strategic Goal #3, "100% Member Retention"

Item Explanation
CJPRMA purchases reinsurance to provide limits in excess of CJPRMA's retention. Reinsurance generally follows form to the CJPRMA MOC, but there are some exclusions and sub-limits in the reinsurance contracts. For several years now, the reinsurance form has remained stable, but there are some new exclusions and sub-limits to evaluate, and CJPRMA has increased its retention from $5 million to $7.5 million. CJPRMA tries to have the language in the MOC reflect the reinsurance language so that all coverage is described in the MOC.

The liability renewal for program 2021/22 is happening much later than in previous years. Normally, the liability reinsurance program would be bound by early June, but as of June 23, 2021, it is not bound. CJPRMA has not had an opportunity to review all the changes to sub-limits and exclusions that will be in the reinsurance contracts. The liability program will most likely have six carriers involved. The greatest impact is in the lower layers, but it is important to evaluate the coverage in all layers.

Staff will likely not have sufficient time to update the MOC to reflect the changes in the reinsurance contracts before July 1, 2021. The general manager requests authority to modify the MOC as required based on the language in the reinsurance contracts, with those changes being effective July 1, 2021. Staff will bring the modified MOC to the next regularly scheduled Board of Directors meeting for formal ratification by the Board.

Fiscal Impact
None. Changes to the MOC will reflect the language in the reinsurance contracts.

Exhibits
None.

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AGENDA BILL

ITEM: 2	**TITLE: APPROVE YCPARMIA RECISSION OF WITHDRAWAL FROM CJPRMA**
MEETING: 06/28/2021	
GENERAL MANAGER: A.B.G.	

Recommended Actions
Approve request from YCPARMA to rescind their withdrawal from CJPRMA and remain a member of CJPRMA.

Strategic Direction
Strategic Goal #3, 100% Member Retention; Strategic Goal #4, Determine if growth should be a priority.

Item Explanation
YCPARMIA delivered formal notice of withdrawal from CJPRMA on December 30, 2020 and applied for membership with California Affiliated Risk Management Association (CARMA). Marylin Kelley, former Interim CEO for YCPARMIA is now working as a consultant for YCPARMIA. She called the general manager on June 22, 2021, and asked if CJPRMA would consider allowing YCPARMIA to rescind its withdrawal. CARMA recently announced an increase in proposed premium and a reduction in reinsurance limits, which prompted the request from YCPARMIA.

For YCPARMIA to remain in CJPRMA, it would require an affirmative vote of two-thirds of the Board of Directors. Article XXI of the Joint Powers Agreement states:

> *Any member entity which withdraws as a participant of any pooled coverage program or as a party to this Agreement, shall not be re-admitted except upon the affirmative vote of two-thirds of the participants of such pooled coverage program or the Authority.*

YCPARMIA Board of Directors has its next meeting on June 24, 2021. This agenda bill is being drafted on June 23, 2021. YCPARMIA also needs to confirm that they can withdraw from CARMA this close to the new program year. If they can withdraw from CARMA, and the YCPARMIA Board of Directors approves staying with CJPRMA, the general manager recommends allowing YCPARMIA to rescind its withdrawal and remain a member of CJPRMA.

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Fiscal Impact

Any increase in premium due to the addition of YCPARMIA will be paid for by YCPARMIA. This will not affect the liability rate charged to current members.

Exhibits

None.