

## TRINDEL INSURANCE FUND

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## TRINDEL INSURANCE FUND MINUTES

### BOARD OF DIRECTORS

November 2 & 3, 2006

At CSAC-EIA Office, 3017 Gold Canal Drive, Rancho Cordova, CA 95670, Phone 916-631-7363

Thursday, November 2, 2006, 9:03AM

1. Roll Call  
Members & Alternates Present:  
Randi Makley – Alpine  
Judy Molnar – Alpine (11-2-06 only)  
Peggy Scroggins – Colusa (11-3-06 only)  
Ron Vossler - Lassen  
Mike Maxwell – Modoc  
Rita Sherman - Mono  
Richard Inman – San Benito  
Van Maddox – Sierra  
Larry Layton - Trinity  
David Nelson – Trinity  
  
Members & Alternates Absent:  
Del Norte  
  
Others Present:  
Robert Zunino – Colusa  
Don Hemphill – Staff  
Gene Herndon - Staff
2. Approval of Minutes of May 10, 11 & 12, 2006 meeting.  
  
**Motion by Trinity, second by Lassen** to approve the May 10, 11 & 12, 2006 minutes as presented, unanimous approval.
3. Informational Item: Register, checks & invoices between the dates of 5-6-06 and 10-15-06 are available for review pursuant to Bylaws Article XIV, Section 2.  
  
**No action taken**, information only.

4. Discussion/Adoption of Resolution No. 06-05 amending the budget for the 05-06 fiscal year to reflect actuals for the Liability/Property, Med Mal, Workers Comp, Undistributed Loss Prevention Subsidy Funds, Pollution Program, Administration and Safety Officer budgets.

Staff presented the item as set forth in the Resolution and backup material. **Motion by Modoc, second by Trinity** to adopt Resolution No. 06-05 as presented, unanimous vote.

5. Discussion/Adoption of Resolution No 06-06 repealing and replacing Resolution No. 99-03 Establishing a Definition of Allocated Costs and How those Allocated Costs are to be Distributed. Updates the existing Resolution to reflect that there are now 9 members, there were 8 at the time the Resolution was adopted and that Alpine and Sierra will each pay one ninth (current resolution specifies that Alpine and Sierra split one share).

Staff presented the item as set forth in the Resolution and backup material. **Motion by Modoc, second by San Benito** to adopt Resolution No. 06-06 as presented, unanimous vote.

6. Presentation/discussion by the Executive Director on how to read the Balance Sheet and Income Statements. Presentation/discussion by the Safety Officer on Cal-OSHA reporting. The Board may give direction to staff.

The Executive director reviewed the summary sheets of the September 30, 2006 Monthly Balance Sheet & Income Statement. Due to a lack of time the detail spreadsheets will be reviewed at the next Board meeting. Staff will report to the Board, at each Board meeting, on all members that are in a deficit position in any of the programs and an explanation as to what may have caused the deficit and any remedial action that may need to be taken.

The Safety Officer reviewed the reporting, not recording, of what needs to be reported to CalOSHA. Time frame is 8 hours of employer knowledge of a reportable injury. If you are not sure if it needs to be reported do the reporting, when in doubt report the injury. Lassen (Dawn Barnett) has developed a laminated business card size information document to give to their supervisors/managers with phone numbers and reportable information. Fines/penalties are significant for failure to report and/or report timely. Lengthy discussion ensued with specific examples and scenarios. Trindel will explore possibility of having a quantity made to be distributed to the members.

**No action taken**, information only.

7. Staff report on activities since the May 2006 Board meeting. Review of progress on Strategic Plan activities identified at the May 05 planning session. Update on AB1234 with a possible regional training session to train those that were unable to attend an in-county training. Authorize, by consensus, staff to pursue alternative SIRs for our excess insurance programs and other miscellaneous reports by staff and/or members. Some of these items may be included as action items else where on the agenda.

Safety Officer reviewed the AB1234 & AB1825 training, attendance at Loss Prevention & Law Enforcement meetings. Discussion ensued regarding attendance at the Loss Prevention meetings, suggestion to alternate between Chico and Sacramento, Jan 07 meeting to be held at EIA office in Rancho Cordova. Working with Butte College to set some specific times for training (perishable skills) for Trindel member law enforcement staff, was also discussed. Board members need to promote attendance at and participation in Trindel trainings/meetings. Keeping peace in the workplace has become a popular training topic. Reviewed EIA web based training set-up progress and is expected to be up and running soon, frustrating process to get it set up with EIA. A successful mediation took place.

The Executive Director reviewed the action frames included in the Strategic Plan notes from the May 2005 planning session. If there is any need for a regional AB1234 training to pick up those that missed previous scheduled training, please contact staff. Scheduling issues with the hearing testing contractor, the LPS group will be addressing the scheduling problem before next years tests are scheduled. Sierra County gave a report on their experience with the EIA health program for small entities, Modoc expressed interest. Staff will be meeting with EIA staff to explore raising and/or lowering SIR's/Deductibles on the various programs and bring back the info to the next meeting.

**No action taken**, information only.

8. Discussion/Action/Direction to Staff on agreement with ShawValenza LLP (Jennifer Brown Shaw's new firm) for training including but not limited to AB1234, AB1825, EEOC, workplace violence, etc.

Staff presented the item as set forth in the backup material. **Motion by Modoc, second by Lassen** to ratify the action of the Executive Director in approving the agreement with ShawValenza LLP for training services, unanimous vote. Staff is to report to the Board at the May 2007 Board meeting on the use and effectiveness of this agreement.

9. Discussion/Action/Direction to staff on becoming a member of CalPERS for retirement & health benefits.

Staff presented the item as set forth in the backup material. **Motion by Lassen, second by San Benito** to authorize up to 4 valuation studies with the Executive Committee to determine which benefit formulas and options to include in each valuation and authorize the Executive Director to execute the agreement for the valuations, unanimous vote. If one of the current Executive Committee members is unable to attend then David Nelson, Trinity, is authorized to participate. Discussion centered on targeting the benefit formula to the age group that Trindel would likely be recruiting from i.e. a person from a PERS agency in the 40 to 50 year old age group.

For items #10 & #11 the Board went into Closed Session at 2:55pm on November 2, 2006 and came out of Closed Session at 3:40pm on November 2, 2006 **No action taken**:

10. Discussion/Action on evaluation of Executive Director. Evaluation may include past performance as well as future direction and setting priorities by the Board.

**No action taken.**

11. Discussion/Action on evaluation of Safety Officer. Evaluation may include past performance as well as future direction and setting priorities by the Board.

**No action taken.**

Open Session:

12. Discussion/Action on a biennial review of Trindel's Conflict of Interest Code as required by Government Code Section 87306.5 as well as for the CAJPA accreditation standards.

Staff presented the item as set forth in the backup material, the Board reviewed the Code. **No Action taken.**

Items #13, 14, 20 & 21 were taken up on Friday, November 3, 2006 starting at 8:35am, these were the only items addressed on Friday. All other items were addressed on Thursday, November 2, 2006.

13. Discussion/Direction to staff on the continuing analysis of the EIA Primary Workers Comp (PWC) program.

Staff presented the item as set forth in the backup material. Suggestion was to name the tabs on the spreadsheets, not just on these but all files that have multi-sheet spreadsheets. Discussion once again centered on if individual members should have the ability to leave the PWC or stay as they choose. But it is clear that if there is not a significant reduction in premium then the possibility is that they might not financially be able to continue in the PWC. All members have seen significant reductions in PWC claim costs. We will review again at the Feb 28, 2007 Board meeting. An alternative that was discussed was to take the EIA premium and have Trindel allocate that premium its self rather than have EIA do the allocation to better meet the Trindel member goals as a group, this does bring up additional issues. If Trindel were to join the PWC, not the individual members, what would that do to the total premium, staff will discuss with EIA, this does mean that we would then only have 1 voice rather than 8 (Mono is not in the PWC). Staff will verify with EIA how the premium is calculated and what options there may be and bring this information back to the Board at the Feb 28, 2007 Board meeting, decision to stay or leave the PWC must be made by May 1 each year. Another comment is that in actuality San Benito's premiums are coming down and may end up correcting its self over time, Lassen is just the opposite and they may be the one that wants to exit the program as their premium continues to increase. **No Action taken.**

14. Discussion/Action/Direction to staff on a Succession Plan for Trindel and the Executive Director position.

Staff presented the item as set forth in the backup material. After a lengthy discussion there was a **Motion by Trinity, second by Mono** to adopt Option A, unanimous approval. San Benito will take a look at the Executive Director job description. There was a further suggestion that we need to take a closer look at our internal controls, bank statements sent to President, have the Assistant Treasurer do a written statement to the effect that they have reviewed the Treasurer's actions, all checks and invoices etc. Assistant Treasurer will develop a certification to be presented to the Board at each meeting.

15. Discussion/ Review and possible Action on Trindel's Investment Policy and Guidelines originally adopted on 2-11-97 amended by Resolution No. 00-07 on 10-27-00, further amended by Resolution No. 02-12 on 11-8-03. Government Code 53646(a) requires that this policy be reviewed annually, as do the CAJPA accreditation standards.

Staff presented the item as set forth in the backup material, Ron Vossler (Lassen) recused himself from the discussion, the Board reviewed the policy **No Action taken.**

16. Discussion/Adoption of Resolution No. 06-07 amending the budget for the 06-07 fiscal year to reflect changes to the original budget, including funds for the CAJPA accreditation, for the Liability/Property, Med Mal, Workers Comp, Undistributed Loss Prevention Subsidy Funds, Pollution Program, Administration and Safety Officer budgets.

Staff presented the item as set forth in the Resolution and backup material. **Motion by Modoc, second by Alpine** to adopt Resolution No. 06-06 as presented, unanimous vote.

17. Discussion/Action Election of Secretary for the remainder of the 2006-07 fiscal year.

**David Nelson nominated and motion by Alpine for Secretary, second by Lassen**, unanimous approval to elect David Nelson Secretary for the remainder of the 06-07 fiscal year, with David Nelson abstaining.

18. Presentation/Discussion and possible direction to staff on the draft CAJPA Accreditation Report dated 10-22-06.

Staff presented the item as set forth in the backup material. **No Action taken.** The Board was presented with a copy of the draft accreditation report and reviewed same.

19. Discussion/Action to authorize the Executive Director to execute an amendment to the CSAC-EIA Excess Liability Program Memorandum of Understanding and approving same.

This is the document that was recently approved at the CSAC-EIA Board meeting. All of you should also have received it. Section 11 of the MOU authorizes the EIA member to execute this document without your local Board approving it, however that will be up to your discretion. Staff's purpose in putting this on the agenda was to remind the members that they also need to execute one for your county and to make sure that as a Trindel Board member you understand what the document is and why it is being amended.

Staff presented the item as set forth in the backup material. The Board does not need to actually authorize or approve this document as Section 11 of the existing MOU allows the Executive Director to execute the MOU. **No Action taken.**

20. Public Comment

Matters under the jurisdiction of the Board, whether or not on the posted Final Agenda, may be addressed by the general public at this time. The total amount of time for public comment shall be no more than fifteen minutes. The Chair, with consensus of the Board, may establish reasonable regulations including, but not limited to, limiting the amount of time allocated for a particular issue and for each speaker. No action is to be taken or substantive discussion pursued on matters not on the posted Final Agenda.

There was no Public Comment.

21. Future meetings – The winter meeting, tentative date of February 28, 2007, will be held in conjunction with the March 1 & 2, 2007 CSAC-EIA Board meeting at the Hilton in Sacramento or set a different date. (PARMA is Feb 13-16). The annual meeting is scheduled for May 9, 10 & 11, 2007 in Hollister.

**No Action taken**, meeting dates remain as shown above.

22. Adjourn. Date: 11-3-06 Time: 11:10am

Approved: 2-28-2007, Item #2

Submitted by \_\_\_\_\_, Don Hemphill, Executive Director