

**TRINDEL INSURANCE FUND
MINUTES
BOARD OF DIRECTORS MEETING
May 14 & 15, 2009
BLM Office, 1491 5th Street,
Susanville, Lassen County, California 96130**

Thursday, May 14, 2009, 8:49AM

1. Roll Call

Voting Members & Alternates Present:

Peggy Scroggins – Colusa

Sherri Adams – Del Norte

Karen Fouch – Lassen

Ron Vossler - Lassen

Mark Charlton – Modoc

Richard Inman – San Benito

Van Maddox – Sierra (President)

David Nelson – Trinity (Vice-President)

Members Absent:

Alpine

Mono

Others Present:

Brian Muir – Mono

Don Hemphill – Staff

Gene Herndon - Staff

2. Election of President, Vice-President and Secretary for the 2009-10 fiscal year.

Van Maddox nominated and motion by San Benito for President, second by Colusa, unanimous approval to elect Van Maddox President for the 09-10 fiscal year, with Van Maddox abstaining.

David Nelson nominated and motion by Lassen for Vice-President, second by Colusa, unanimous approval to elect David Nelson Vice- President for the 09-10 fiscal year, with David Nelson abstaining.

Rita Sherman nominated and motion by San Benito for Secretary, second by Lassen, unanimous approval to elect Rita Sherman Secretary for the 09-10 fiscal year.

3. Appointment of two members to the Executive committee (the president and Vice-president are automatically members) for the 2009-10 fiscal year.

Peggy Scroggins & Karen Fouch nominated by San Benito for the Executive Committee, second by Del Norte, unanimous approval to elect Peggy Scroggins & Karen Fouch to the Executive Committee for the 09-10 fiscal year.

4. Approval of Minutes of November 6/7, 2008.

Motion by Lassen, second by Colusa to approve the November 6/7, 2009 minutes as presented, unanimous approval, San Benito abstains.

5. Informational Item: Register, checks & invoices between the dates of 10-25-08 and 05-1-09 are available for review pursuant to Bylaws Article XIV, Section 2 with certification from Assistant Treasurer.

Discussion about a better way of sorting so that members can easily see what has been charged to them. Staff will see what sorts will work best for everyone and send these out on a bi-monthly basis to each member.

No action taken, information only.

6. Discussion/Action on a biennial review of Trindel's Conflict of Interest Code as required Government Code Section 87306.5.

Item pulled. No action taken. Item does not need to be addressed until next year.

7. Discussion/Adoption of Resolution No. 09-01 setting premiums for the 2009-10 fiscal year for all programs.

Staff presented the 09-10 premium estimates with detailed supporting documentation. Discussion ensued on using the 09-10 actual Excess premiums, the actuarial estimate for the 10-11 year and development of the Admin and Safety Officer budgets to arrive at a premium for 10-11 in November 2009. Thus the November 2009 premium generated for 10-11 will be a number that everyone can use for the 10-11 year and it will not change. Then, if necessary, true up the 10-11 premiums in November 2010 for the 11-12 year and follow the same methodology as used for 10-11, detailed above. A question was also raised if there was enough included in the Administration Budget for the replacement of the Executive Director. **Motion by Trinity, second by San Benito**, to make what has historically been the next years premium estimate, that is

presented in November of each year (starting with the 10-11 year premiums) the actual premium for the next year, add \$50,000 to the Administration Budget for the 09-10 year for costs associated with the replacement of the Executive Director and adoption of Resolution No. 09-01 setting the 09-10 year premiums, as amended, unanimous vote.

There was also discussion on an individual member being able to request the Executive Director to reduce/increase their premium based on the member's budgetary needs. **Motion by Colusa, second by Lassen** to allow a member to reduce/increase their premium (for 09-10 and future years) by an amount that does not reduce that members confidence level funding below 90% for any individual program, if the request will reduce the confidence level below 90%, for an individual program, then the Board must approve the request, unanimous vote.

8. Discussion/Adoption of Resolution No. 09-02 approving the return of funds and giving the option to take a credit as partial payment of the 09-10 premium invoice or taken as a return of cash.

Discussion on return of funds calculations. Discussion on surplus in Med Mal. **Motion by Del Norte, second by Lassen** to authorize a return of Med Mal funds in excess of one SIR/Deductible, unanimous vote. **Motion by Lassen, second by Del Norte**, to correct Del Norte workers comp return amount and adopt Resolution No. 09-02 as amended, unanimous vote.

9. Discussion/Adoption of Resolution No. 09-03 adopting budgets for all programs and activities for the 2009-10 fiscal year and a review of our investment policy pursuant to Government Code Section 53646(a) and authorizing the Treasurer to invest, reinvest, sell or exchange securities for the 2009-2010 fiscal year as required by Government Code Section 53607.

The 09-10 Budget was presented, needs to include the \$50,000 that was approved in Item #7. Discussion on how Pollution premiums are distributed and the fact that there is a \$100,000 SIR and do we need to start funding for this, no decision made. Investment policy was discussed and the need to streamline the document also delete the next to last paragraph on the last page "The aggregate of all investments or deposits...". **Motion by Trinity, second by Lassen** to adopt Resolution No. 09-03 with the inclusion of the \$50,000 in the Administration Budget and deletion of the next to last paragraph on the last page of the Investment policy, unanimous vote.

10. Discussion/Direction: staff report on deficit balances, if any, as requested in Item #6 at the 11-2/3-06 Board meeting, and review the Balance Sheet & Income Statement detail spreadsheets as of April 30, 2009, if time permits.

Staff reported on deficit balances in the Liability/Property program. Mention was made to make sure that the CPS departments have a policy for taking children out of the home and that they train their staff, and the Sheriffs Office, on that policy. Direction to staff to provide work comp check registers to each member.

11. Staff report on activities since the November 2008 Board meeting. This item will also include the opportunity for individual members to discuss any topics of interest relating to their specific county, i.e. how do others handle xxx, this is what we are doing xxx, State program/funding issues.

The Executive Director presented a proposal for airport/aircraft coverage outside the EIA program. If premium from alternate carrier is below \$45,000 then we will take a serious look, must include Del Norte at \$45m and Trinity's aircraft. The CAJPA accreditation standards require an Information Technology Policy and a Disaster Recovery Plan for excellence, policies will be developed and a telephonic meeting will be called to adopt them, hopefully before this years accreditation review is done in August. There was some discussion on emails from Alliant telling the member that they had not responded to a deadline, the member states that they did not receive the original email, members will forward these to the Executive Director and he will follow up with Alliant.

The Safety Officer suggested that Trindel, along with possibly Shasta and Butte, sponsor the fall 2010 CSOOC Conference which the Board was agreeable to assist **Motion by San Benito, second by Del Norte**, unanimous vote. Presentation on the new Trindel web page. Report on slip & falls from ice and purchase of shoe traction (Yak Tracs are one type) and auto damage claims and the Vehicle Use Policy. There was also a brief discussion of light duty for injured workers.

The Board discussed a few items of interest to their specific jurisdiction.

12. Discussion/Action on performance evaluations of contractors possibly including, but not limited to: George Hills Company, HealthMetrics (hearing testing), Bragg & Associates, Alliant Insurance Services, CSAC-EIA, defense attorneys, etc., evaluations may also be discussed during other agenda items that are specifically related to a particular vendor.

Consensus was the George Hills is doing a great job. HealthMetrics is doing OK there is still an issue of scheduling, solution is to give him the date. Alliant is doing a good job, but seems there is a problem with emails, members will send the emails that are of concern (see discussion in Item #11) and Executive Director will follow up with Belquis. Bragg is generally doing a good job, but concern was expressed regarding prior approval of investigations, switch from iVOS, Redding office work load. Executive director will address all issues with the vendors.

13. Discussion/Action on mutual agreement to extend Agreement with the Executive Director for 12 months effective 7-1-2009. Discussion/Action on the succession for the Executive Director position.

Motion by Trinity, second by Colusa to approve the amendment to the Executive Director's agreement to extend the agreement for 1 year with an additional clause that the Executive Director will stay on on a month to month basis (under the terms of the agreement in effect as of 6-30-10) until November 1, 2010 if a replacement Executive Director can't be on board till then, unanimous vote.

The second part of the agenda item, direction on Executive Director succession was discussed starting at 10:30am on Friday 5-15-09, Sierra & Trinity were absent during this discussion. Numerous items were discussed with the result being, (because 2 current Board members have expressed an interest in the position) that we would look exclusively internally first. To that end a special Board meeting was called for June 3, 2009 at 7pm at the Hilton Hotel in Sacramento (EIA committees and Board are meeting at the same facility on June 4/5, 2009). At this meeting we will review and firm up the job description, form of application, set salary range and develop questions for the interview. Time frames are tentatively set as follows: 1. Applications sent out the week of June 15th. 2. Applications and resume must be received by 4pm on July 1, 2009. 3. Special Board meeting to be set for August 6 or 7, 2009 to conduct interviews. 4. Tentative job offer pending completion of back ground and credit check. 5. Week of August 10th Rich and Mark will conduct negotiations for an agreement with the successful candidate. 6. If an internal candidate is successful then decide the time frame for training by the current Executive director. 7. If no successful internal candidate then use the procedure and timeline provided for in the Succession Plan.

14. Acceptance/Rejection of Annual Audit for the period ended 6-30-08.

Motion by San Benito, second by Lassen, to accept the audit for year ending 6-30-08, unanimous vote.

15. Discussion/Action on continuing approval of agreement with HealthMetrics for hearing tests for 09-10 year and authorization for Executive Director to sign agreement.

Motion by Del Norte, second by Colusa, to authorize HealthMetrics to conduct the hearing tests for the 09-10 year and authorized the Executive Director to execute an agreement, if necessary, to provide the services, unanimous vote.

Item #16 held in Closed Session:

16. Discussion/Action on evaluation of Safety Officer.

The Board went into closed session. The President reported out of closed session that the evaluation of the Safety Office had been completed. **No action taken.**

17. Discussion/Direction/Action on providing support to the California Chamber of Commerce for an Amicus Brief in the appeal from the Almaraz/Guzman workers comp cases.

Discussion on Almaraz/Guzman and potential financial impact on workers comp claims. Next agenda to include topic of Trindel getting more involved in legislation also consider appointment of ambassadors. Staff was directed to forward email from CAJPA when they concern support/opposition to legislation. **No specific action taken.**

- 18, Discussion/Direction/Action on the CALSTAR lawsuit naming Trindel and related action by CSAC-EIA.

Motion by Colusa, second by Lassen to authorize the Executive Director to execute any and all documents necessary to the defense of the "CALSTAR" lawsuit, unanimous vote.

19. Discussion/Action on adoption a Resolution No. 09-04 in the matter of "Authorized Positions" authorized as signatories for LAIF and amending/replacing previous Resolution No. 03-09 dated 5-15-03 and authorizing the Executive Director to take necessary actions to require two signatures to deposit and/or withdraw funds from LAIF.

After discussion it was determined that this step is not necessary as LAIF will only transfer funds to an existing Trindel account and the only way to change that account is with 2 signatures on the form required by LAIF. **No action taken.** There was also

direction from the Board to email check registers every 2 months sorted by member so that they can see what is being paid for on a more regular basis.

20. Discussion/Action to authorize the Executive Director to execute the amendment to the CSAC-EIA Memorandum of Understanding Excess Liability Program and authorizing the Executive Director to execute all future CSAC-EIA program MOUs.

Motion by San Benito, second by Del Norte, to authorize the Executive Director or Trindel's designated representative to CSAC-EIA to execute this amendment and all future CSAC-EIA Excess Liability MOU amendments, unanimous vote.

21. Discussion/Action of implementing the Medicare set aside requirements for certain liability and workers comp claims, including authorizing the Executive Director to take steps and execute agreement(s) to implement the direction/action taken by the Board.

Staff presented the item to the Board.

Motion by San Benito, second by Colusa, to authorize the Executive Director to enter into the necessary agreement or agreements to provide compliance services for purposes of implementing the requirements of the State Children's Health Insurance, Medicare reporting and implementation requirements, unanimous vote.

22. Discussion/Action/Approval of amendment to the agreement with George Hill, Co. Inc amending the Fee Schedule and related items and authorize the Executive Director to execute the amendment.

Motion by Colusa, second by Del Norte, to approve the Amendment to George Hills Co. Inc agreement effective 7-1-09 and authorize the Executive Director to execute the amendment, unanimous vote.

23. 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.

Ron Vossler spoke on enhanced "COBRA and "gross misconduct".

24. Future meetings – The fall 2009 meeting will be held on November 5 & 6 at the EIA Office in Rancho Cordova or as a webex meeting. The winter 2010 meeting will be held in conjunction with the CSAC-EIA March 2010 Board meeting. The Annual Organizational meeting for **May/June 2010, is tentatively scheduled for Mono**. County.

Adjourn. Date: 5-15-09 Time: 11:45am

Approved: 11-5-09, Board meeting

Submitted by ___Donald P. Hemphill