

CALIFORNIA JPIA

MINUTES

EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS

REGULAR MEETING

May 22, 2024

5:30 P.M.

CALL TO ORDER

President Finlay called the regular meeting of the Executive Committee of the California JPIA to order at 5:30 p.m. in the El Capitan Room at the California JPIA, 8081 Moody Street, La Palma, CA 90623.

ROLL CALL

A quorum was established by roll call.

PRESENT:

Steve Croft
Marshall Goodman
Sonny Santa Ines
Steve Tye (*Teleconference*)
Chuong Vo
Mark Waronek (*Teleconference*)
Secretary, Tom Chavez
Vice President, Mary Ann Reiss (*Teleconference*)
President, Margaret Finlay

EX OFFICIO:

Thaddeus McCormack, Managers Committee
Chairman
Jose Gomez, Finance Officers Committee
Chairman
Brad McKinney, Risk Managers Committee
Chairman

ATTENDEES:

Chris Kustra, Carl Warren & Company
Richard Babbe, PFM Asset Management
(*Teleconference*)
Andrew Halsall, Government Entities Mutual
(GEM)
Melody Bartlette, City of Santa Clarita
(*Teleconference*)

STAFF: Alex Smith, Chief Executive Officer
Olga Berdial, Communications Director
Melaina Francis, Senior Risk Manager
Maria Galvan, Senior Risk Manager
Jason McBride, Finance Director
Alex Mellor, Risk Services Director
Courtney Morrison, Management Analyst
(*Teleconference*)
Veronica Ruiz, Agency Clerk
Jeff Rush, Workers' Compensation Program
Manager
Nikki Salas, Administrative Services Director
Carl Sandstrom, Business Projects Manager
Jennifer Torres, Administrative Assistant
Kelly Trainer Policky, Employment Practices
Manager
Paul Zeglovitch, Claims and Insurance Director

**ORAL
COMMUNICATIONS**

There were no requests to address the Executive Committee.

CONSENT CALENDAR

President Finlay presented the items appearing on the Consent Calendar.

Director Chavez moved that the Consent Calendar Items be approved, received, and filed in one action. The motion was seconded by Director Croft. The motion carried unanimously by roll call vote.

The Consent Calendar included:

- Executive Committee Minutes of April 26, 2024 Regular Meeting
- Treasurer's Monthly Compliance Report for April 2024
- Local Agency Investment Fund Quarterly Report as of March 31, 2024
- Los Angeles County Pooled Investment Fund Report as of March 31, 2024

RECEIVE AND FILE
Government Entities Mutual
(GEM) Presentation

President Finlay presented the Government Entities Mutual (GEM) Presentation item.

Andrew Halsall, GEM's President and CEO gave the presentation.

Director Santa Ines moved to receive and file the Government Entities Mutual (GEM) Presentation. The motion was seconded

by Director Croft. The motion carried unanimously by roll call vote.

RECEIVE AND FILE
Investment Performance
Review for the Quarter Ended
March 31, 2024

President Finlay presented the Investment Performance Review for the Quarter Ended March 31, 2024 item.

Jason McBride, Finance Director, introduced Richard Babbe of PFM Asset Management. Babbe presented a market update and review of the Authority's investment portfolio for the quarter ended March 31, 2024.

Director Santa Ines moved to receive and file the Investment Performance Review for the Quarter Ended March 31, 2024. The motion was seconded by Director Croft. The motion carried unanimously by roll call vote.

RECEIVE AND FILE
PFM Asset Management's
Review of California JPIA's
2023 Actuarial Study

President Finlay presented PFM Asset Management's Review of California JPIA's 2023 Actuarial Study item.

Jason McBride, Finance Director, introduced Richard Babbe of PFM Asset Management. Babbe presented the results of the actuarial study of claim reserves for the period ending June 30, 2023.

Director Santa Ines moved to receive and file PFM Asset Management's Review of California JPIA's 2023 Actuarial Study. The motion was seconded by Director Croft. The motion carried unanimously by roll call vote.

CONSIDERATION
Investment Policy Review

President Finlay presented the Investment Policy Review item.

Jason McBride, Finance Director, explained that on an annual basis the Authority's investment Policy is reviewed to ensure compliance. McBride stated that the following Policy revision was recommended:

- Section G.12 – Add language regarding asset-backed securities to align the Authority's Investment Policy with Senate Bill 882, which took effect January 1, 2024. Note the modification does not change the type of quality of investments allowed.

Director Santa Ines moved to adopt the proposed revisions to the Authority's Investment Policy. The motion was seconded by Director Croft. The motion carried unanimously by roll call vote.

CONSIDERATION
Annual Contributions 2024-25:
Primary and Excess Liability
and Workers'
Compensation Programs

President Finlay presented the Annual Contributions 2024-25:
Primary and Excess Liability and Workers' Compensation
Programs item.

Alex Smith, Chief Executive Officer, presented a review of the
Primary and Excess Contribution computations for 2024-25.

Director Chavez moved to approve the Annual Contributions
2024-25 for Primary and Excess Liability and Workers'
Compensation Programs. The motion was seconded by Director
Goodman. The motion carried unanimously by roll call vote.

CONSIDERATION
Annual Contributions 2024-25:
Property Program

President Finlay presented the Annual Contributions 2024-25:
Property Program item.

Alex Smith, Chief Executive Officer, presented an overview of
the Property Program Contributions for 2024-25.

Director Chavez moved to approve the Property Program
Contributions for 2024-25. The motion was seconded by
Director Goodman. The motion carried unanimously by roll call
vote.

APPROVAL
Endorsements Providing for
Member Co-Payments

President Finlay presented the Endorsements Providing for
Member Co-Payments item.

Maria Galvan, Senior Risk Manager, presented the staff report
and outlined the recommendations.

Director Goodman moved to 1) Renew L.A. IMPACT's
endorsement excluding coverage associated with its high-risk
policing activities for coverage period 2024-25; 2) Renew Palm
Desert's \$250,000 property deductible endorsement for losses to
buildings at One Quail Place, 72-600 Fred Waring Drive, for
coverage period 2024-25.; 3) Renew West Hollywood's self-
insured retention of \$500,000 applicable to the Excess
Liability Program Coverage for the city and its employees or
officials for employment practices injury protection for coverage
period 2024-25; and 4) Authorize that each of the three
endorsements be renewed in perpetuity so that it is not required
to be brought back to the Executive Committee on an annual
basis. The motion was seconded by Director Santa Ines. The
motion carried unanimously by roll call vote.

APPROVAL
2024-25 Memorandum of
Coverage – Liability Program

President Finlay presented the 2024-25 Memorandum of
Coverage – Liability Program item.

Paul Zeglovitch, Claims and Insurance Director, reported that staff discussed revisions with the Authority’s General Counsel, Byrne Conley and have agreed to the following three changes:
Page 18: Exclusion “H”

Added the term “excessive pressure” to the exclusion. The consensus of our review was that claims of this nature fall into the proper provision of a utility to paying residents, which is something the Liability MOC is not designed to cover.

Page 20: Exclusion “P”

We have amended the exception to the exclusion to be limited to claims of bodily injury and property damage. As the exception was previously stated the area of physical enforcement of an ordinance was too broad and gave rise to the Authority defending many cases that were clearly code enforcement disputes, but there was a sliver of an allegation of trespass or other physical wrongdoing.

Page 21: Exclusion “X”

We have amended the language in part 2 to include penalties. At the same time, we took the opportunity to reconfigure the language to make it read more clearly by using the terms imposition and collection.

Alex Smith, Chief Executive Officer, stated the Coverage Committee met prior to the Executive Committee and approved of the recommendation.

Director Waronek moved to approve the changes to the 2024-25 Memorandum of Coverage – Liability Program as recommended by the Coverage Committee. The motion was seconded by Director Croft. The motion carried unanimously by roll call vote.

APPROVAL
2024-25 Memorandum of
Coverage – Workers’
Compensation Program

President Finlay presented the 2024-25 Memorandum of Coverage – Workers’ Compensation Program item.

Jeff Rush, Workers’ Compensation Program Manager, stated that the only substantive change proposed was to exclude coverage for injuries from employees who regularly work outside the United States.

Alex Smith, Chief Executive Officer, stated the Coverage Committee met prior to the Executive Committee and approved of the recommendation.

Director Chavez moved to approve the changes to the 2024-25 Memorandum of Coverage – Workers’ Compensation Program as recommended by the Coverage Committee. The motion was

seconded by Director Croft. The motion carried unanimously by roll call vote.

**RESOLUTION
NO. 2024-05 WR**
Warrant Register

President Finlay read, by title only, Resolution No. 2024-05 WR,

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS OF THE CALIFORNIA JOINT POWERS INSURANCE AUTHORITY ALLOWING CERTAIN CLAIMS AND DEMANDS IN THE TOTAL OF \$10,404,729.98.

Director Santa Ines moved to waive further reading and adopt Resolution 2024-05 WR. The motion was seconded by Director Chavez. The motion carried unanimously by roll call vote.

ADJOURNMENT

President Finlay adjourned the meeting at 6:47 p.m. to the next regular meeting on June 26, 2024, at 5:30 p.m., in the El Capitan Room of the California JPIA, 8081 Moody Street, La Palma, CA 90623.

Tom Chavez, Secretary