

**BOARD OF DIRECTORS
MEETING MINUTES
July 13, 2016**

Board President Viegas called the regular Board meeting of the Golden State Risk Management Authority to order at 6:00 PM.

1. WELCOME AND INTRODUCTIONS:

2. ROLL CALL:

Directors present:

Charles Bergson, John Viegas, Michael Schaeffer and James "Buck" Ward

Directors joined via WebEx:

George Ouzounian

Directors Absent:

Keith Corum and Kim Vann

Also present:

Executive Director Scott Schimke and Counsel Bob Hunt. Leaving at 8:33 PM: Chief Operations Officer Rick Krepelka, Assistant Risk Manager Jennifer Peters, Operations Manager Cathy Mudd, Safety Officer Mark Marshall and Administrative Assistant Tracey Crosby.

3. ELECTION OF OFFICER FOR JULY 1 – DECEMBER 31, 2016

Executive Director Schimke advised the Board with the exit of Vice-President Gee (City Representative) that, pursuant to GSRMA's governing documents, the Board needed to elect new a Vice-President to finish out July 1, to December 31, 2016 time frame.

Board Member Ward moved to elect Keith Corum for Vice-President and was seconded by Board Member Schaeffer. The motion carried by the following vote:

Ayes:	Board Members Viegas, Ouzounian, Schaeffer, Ward and Bergson
Noes:	None
Absent:	Board Members Corum and Vann

4. UNSCHEDULED MATTERS

No unscheduled matters were discussed.

5. CONSENT AGENDA:

Executive Director Schimke reviewed the Board the consent agenda. After discussion, Board Members Ward and Bergson recused themselves from the vote; stating they did not feel comfortable voting on minutes of a meeting that they did not attend. In light of that, the Board did not have a quorum to sustain a vote. The May 13, 2016, minutes have been tabled to be voted upon at the September 20, 2016, Board of Directors meeting. No action taken by the Board.

6. INFORMATION – REPORTS:

a) Member Services/Loss Prevention

Assistant Risk Manager Peters provided the Board with an update regarding the upcoming Annual Training, discussing the new format this year. The training will be held October 20-21, 2016, at Rolling Hills Resort in Corning, CA. The flyers and on-line registration are in the finalization stages and should be ready soon. Mrs. Peters provided updates on GSRMA's staff member visits, which have increased due to the addition of two new staff members. Mrs. Peters also shared that the 15/16 Loss Prevention Subsidy Fund (LPSF) program has closed with all monies used; the 16/17 LPSF program opened July 1 with at least 6 district members already requesting funds. She reported on TargetSolutions online training program utilization by district. Mrs. Peters also provided a report on the HR Hotline program utilization, noting the program allows members to obtain free advice on HR issues. Mrs. Peters also shared that the Employee Benefits program renewal rates will be available within the next week or two. No action was taken by the board.

b) Claims

Executive Director Schimke reviewed with the Board a report provided by Medata, Inc. our Worker's Compensation medical bill review company. This report showed the savings provided during the 15/16 policy year. He noted that Medata Inc. continues to provide an excellent service to GSRMA. No Action was taken by the board.

Mr. Schimke then provided similar information provided by Express Scripts. They provide GSRMA with prescription drug bill review and discounts for workers' compensation costs. He reported that the cost for their services continues to provide tremendous value to GSRMA. No action was taken by the Board.

c) Executive Director

Executive Director Schimke reviewed information on the following:

- CAJPA annual Conference– September 13-16, 2016 to be held in Lake Tahoe, CA. - Board Members Ouzounian and Schaeffer attending
 - List of Members who terminated participation with GSRMA effective 07/01/2016
 - List of Members who submitted their Notice of Intent to Withdraw for 07/01/2017
- No action taken by the Board

d) Board Comments:

No comments were presented by the Board.

7. FINANCE REPORTS:

- a) Current bills for payment approval, claims payment accounts transaction summaries, and financial reports

Chief Operations Officer Krepelka presented and reviewed with the Board the disbursements made between April 1, 2016 and May 31, 2016 for approval; claims payments made April 2016 through May 2016 for ratification; and financial reports through May 31, 2016.

A motion to approve the financial reports as presented was moved by Board Member Schaeffer and seconded by Board Member Bergson. The motion carried by the following votes:

Ayes: Board Members Viegas, Ouzounian, Schaeffer, Ward and Bergson
Noes: None
Absent: Board Members Corum and Vann

8. MEMBERSHIP

- a) New Members for Board consideration

Assistant Risk Manager Peters presented new members for Board consideration: Deer Creek Irrigation District and Sites Project Authority.

A motion to approve the membership for the above mentioned districts was moved by Board Member Schaeffer and seconded by Board Member Ouzounian. The motion carried by the following votes:

Ayes: Board Members Viegas, Ouzounian, Schaeffer, Ward and Bergson
Noes: None
Absent: Board Members Corum and Vann

9. ADMINISTRATION:

- a) Resolution 2016-01 recognizing and honoring Vice-President & Board Member Charlie Gee

Executive Director Schimke presented to the Board Resolution 2016-01 recognizing and honoring Vice-President and Board Member Charlie Gee for his 11 years of service on the GSRMA Board of Directors.

A motion to approve Resolution 2016-01 was moved by Board Member Schaeffer and seconded by Board Member Bergson. The motion carried by the following votes:

Ayes: Board Members Viegas, Ouzounian, Schaeffer, Ward and Bergson
Noes: None
Absent: Board Members Corum and Vann

- b) Extension of Medata, Inc. contract for WC bill review services

Executive Director Schimke reviewed with the Board the amended contract with Medata, Inc. The contract period is 07/01/16 – 06/30/2019 with the same terms and conditions.

A motion to approve the amended of Medata Inc. contract with GSRMA was moved by Board Member Ouzounian and seconded by Board Member Bergson. The motion carried by the following votes:

Ayes: Board Members Viegas, Ouzounian, Schaeffer, Ward and Bergson
Noes: None
Absent: Board Members Corum and Vann

c) Payment options and Interest Rate Policy to replace Finance Charge Policy

Chief Operations Officer Krepelka presented a Payment options and Interest Rate Policy to replace the Finance Charge Policy. Board member Schaeffer requested that the policy be clearly communicated to all members going forward.

A motion to approve Payment options and Interest Rate Policy was moved by Board Member Schaeffer and seconded by Board Member Ward

Ayes: Board Members Viegas, Ouzounian, Schaeffer, Ward and Bergson
Noes: None
Absent: Board Members Corum and Vann

d) 2016/17 Loss Prevention Incentive Program changes

Assistant Risk Manager Peters reviewed with the Board changes for the 2016/17 Loss Prevention Incentive Program.

A motion to approve the changes for the 2016/17 Loss Prevention Incentive Program was moved by Board Member Schaeffer and seconded by Board Member Bergson. The motion carried by the following votes:

Ayes: Board Members Viegas, Ouzounian, Schaeffer, Ward and Bergson
Noes: None
Absent: Board Members Corum and Vann

e) CAJPA Accreditation Report of GSRMA

Assistant Risk Manager Peters reviewed with the Board the CAJPA Accreditation Final Report, noting GSRMA has been awarded continuous "***Accreditation with Excellence***" pending the completion of one requirement and one suggestion.

A motion to approve the CAJPA Accreditation Final Report was moved by Board Member Schaeffer and seconded by Board Member Ward. The motion carried by the following votes:

Ayes: Board Members Viegas, Ouzounian, Schaeffer, Ward and Bergson
Noes: None
Absent: Board Members Corum and Vann

f) Renewal of Ardee, Inc. agreement of Administration Services for GSRMA Health Plan

Executive Director Schimke presented the revised Ardee, Inc.'s proposed contract with GSRMA for the Administration Services of GSRMA's Health Plan. The term is 07/01/16 – 06/30/19. He noted that these changes were in line with the CAJPA Accreditation requests.

The Board inquired about the indemnity and hold harmless language in the contract. Mr. Schimke explained to the Board the history behind said language. He also advised the Board that he was in the process of securing coverage for this exposure. He noted that he will be bringing an amended contract back to the Board revising this language by the July 2017 Board of Directors meeting.

A motion to approve the contract was moved by Board Member Schaeffer and seconded by Board Member Ward. The motion carried by the following votes:

Ayes: Board Members Viegas, Ouzounian, Schaeffer, Ward and Bergson
Noes: None
Absent: Board Members Corum and Vann

g) Revision of Ardee, Inc. contract for RM and WC Adjusting services as outlined in CAJPA Accreditation Report

Executive Director Schimke reviewed with the Board the revision to the Ardee, Inc. contract for Risk Management Services and Workers' Compensation Adjusting Services per recommendations outlined in the CAJPA Accreditation Report.

The Board inquired about the indemnity and hold harmless language in the contract. Mr. Schimke explained to the Board the history behind said language. He also advised the Board that he was in the process of securing coverage for this exposure. He noted that he will be bringing an amended contract back to the Board revising this language by the July 2017 Board of Directors meeting.

A motion to approve said changes was moved by Board Member Bergson and seconded by Board Member Ward. The motion carried by the following votes:

Ayes: Board Members Viegas, Ouzounian, Schaeffer, Ward and Bergson
Noes: None
Absent: Board Members Corum and Vann

h) Review of GSRMA Bylaws and trial Board member selection process for term 07/01/2017-06/30/2019

Executive Director Schimke reviewed with the Board GSRMA Bylaws, Article II, Offices, Paragraph (B) Composition of Board, Section 2 d. and e. and proposed new trial for term 07/01/2017 – 06/30/2019. Under this trial process, GSRMA will conduct an election to fill the Special District and Fire District Representatives for the next open terms rather than selecting via random drawing.

A motion to approve the proposed trial for the 07/01/2017 – 06/30/2019 as presented was moved by Board Member Bergson and seconded by Board Member Schaeffer. The motion carried by the following votes:

Ayes: Board Members Viegas, Ouzounian, Schaeffer, Ward and Bergson
Noes: None
Absent: Board Members Corum and Vann

i) Strategic Planning session 2016/17

Executive Director Schimke reviewed with the Board GSRMA's Strategic Plan for 2016/17. Mr. Schimke discussed each of the following main focus areas in detail:

Major Focus Areas

- Contribution Process Revision (cont.)
- Board Selection Process and Engagement
- Loss Prevention Review
- Claims Department Enhancements
- Employee Benefits Program Growth
- Membership Retention and Growth

A motion to approve the 2016/17 Strategic Plan was moved by Board Member Ward and seconded by Board Member Schaeffer. The motion carried by the following votes:

Ayes: Board Members Viegas, Ouzounian, Schaeffer and Ward
Noes: None
Abstain: Board Member Bergson
Absent: Board Members Corum and Vann

10. FUTURE MEETINGS:

- September 20, 2016
- November T.B.D.
- January 11, 2017

Executive Director Schimke noted the conflict with the CAJPA Annual Conference and the September 14th Board meeting. After discussion, Board member consensus was to hold the meeting on Tuesday September 20th, 2016.

11. CLAIMS REPORTS:

Closed Session (Pending Litigation):

Pursuant to Government Code §§54954.9(a) and 54956.95, the Board of Directors of the Golden State Risk Management Authority shall meet in closed session. The Board went into closed session at 8:34 PM and adjourned closed session at 8:46 PM.

12. ADJOURNMENT:

The Board meeting adjourned at 8:47 PM.