



Yolo County Public Agency Risk Management Insurance Authority

AGENDA

YCPARMIA BOARD MEETING

Thursday, May 24, 2018

at 8:30 a.m.

LOCATION:

YCPARMIA

77 W. Lincoln Ave.

Woodland, CA 95695

1. Closed Session
 - a. Section 54956.9 – Liability Claims
2. Call to Order
 - a. Approval of Agenda
3. THIS TIME IS RESERVED FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD ON ANY MATTER WHETHER OR NOT IT IS ON THE AGENDA, BUT STATE LAW PROHIBITS ACTION BY THE BOARD ON NONAGENDA ITEMS
4. Communications
 - A. Board Members
 - B. CEO/Risk Manager
 - C. Next Meeting
5. Consent Calendar
 - A. Approval of Minutes
6. Action Item
 - a. Update Preliminary Budget
 - b. Appointment of CEO/Risk Manager to Excess Pool Board
7. Discussion with Chandler Asset Management
8. Information Items
 - A. YCPARMIA Financial Report
 - B. YCPARMIA Investment Statement
 - C. Notification of New Claims Received Since the Previous Board Meeting
 - D. Closed Liability Files
 - E. Workers' Comp Monthly Summary
 - F. Certificates Issued
 - G. Strategic Planning

The meeting room is wheelchair accessible and disabled parking is available. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact our office at (530) 666-4456 or Fax (530) 666-4491. Requests for such modifications or accommodations must be made at least 48 hours before the start of the meeting.

Yolo County Public Agency Risk Management Insurance Authority

Closed Session

A. Section 54956.9 – Liability Claims

Yolo County Public Agency Risk Management Insurance Authority

	COMMUNICATIONS
	AGENDA ITEM NO. <u>4B</u>
	DATE: <u>May 24, 2018</u>
SUBJECT:	CEO/Risk Manager's Report
RECOMMENDED ACTION:	Information Only

BACKGROUND INFORMATION:

1. We have updated our hardware/computers and will be purchasing/installing laptops and VPN systems over the next six (6) weeks. This will allow staff to access the server and emails from the field when out of the office and respond to Member questions/concerns in real time and instantaneously. This will cut down on lag times to respond to issues, allow staff the ability to work remotely on occasion and increase productivity and work life balance.
2. We are in the process of updating the phone system to allow for direct dialing to staff members extensions. This also allows for staff members to forward the lines to cell phones when out of the office and bypasses a switch board system. It further allows staff to work on other projects and not be confined to one work station all day.
3. YCPARMIA will be re-carpeting in July; the current carpet dates back to the building's construction in 1985.
4. We have a special presentation to announce at this time.

Respectfully submitted,



Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

	COMMUNICATIONS
AGENDA ITEM NO.	<u>4C</u>
	DATE: <u>May 24, 2018</u>
SUBJECT:	Next Meeting
RECOMMENDED ACTION:	Information Only

BACKGROUND INFORMATION:

The next Board meeting is scheduled for:

DATE: June 28, 2018

Respectfully submitted,



Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

CONSENT CALENDAR
AGENDA ITEM NO. 5A

DATE: May 24, 2018

SUBJECT: Minutes

RECOMMENDED ACTION: That the Minutes of the Regular Board Meeting of March 22, 2018 be Approved as Submitted

BACKGROUND INFORMATION:

Attached is a copy of the minutes of the YCPARMIA Regular Board Meeting for March 22, 2018 for your review.

Respectfully submitted,



Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

		ACTION ITEM
		AGENDA ITEM NO. <u>6A</u>
		DATE: <u>May 24, 2018</u>
SUBJECT:	Update Preliminary Budget	
RECOMMENDED ACTION:	That the Board review and accept the increase in the preliminary budget for FY 2018/2019	

BACKGROUND INFORMATION:

Attached is the proposed updated preliminary budget. A review of the preliminary budget was performed by the undersigned upon commencement of my duties. The budget is generally acceptable but I am recommending that we increase the budget in the areas of Professional Organizations fees by \$800 and travel and conference expenses by \$2500, for a total adjusted budget of \$3,300. These increases reflect the costs associated with membership in the Risk Insurance Management Society (RIMS), national and industry leader in Risk Management training, information and networking capabilities. By joining this organization, it allows all staff members to participate in continuing education courses in their respective professional fields (claims, insurance, safety, risk financing and workers compensation), allows membership to programs both locally in the Yolo/Sacramento counties and helps develop a national network for staff to utilize services that otherwise they would not have access.

FISCAL IMPACT

Approval of the proposed action would result in a minor increase in allocations for the members (on average), but the net return on investment given the access to information/training and development is well worth the small cost.

Respectfully Submitted,



Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

	ACTION ITEM
	AGENDA ITEM NO. <u>6B</u>
	DATE: <u>May 24, 2018</u>
SUBJECT:	CJPRMA Director
RECOMMENDED ACTION:	That the Board appoint Dennis Monahan as YCPARMIA's Director position on the CJPRMA Board, and Marinda Griese as Alternate

BACKGROUND INFORMATION:

YCPARMIA's excess liability pool, the California Joint Powers Risk Management Authority, (CJPRMA). Is governed by a Board with one director appointed by each participating member. The CEO/Risk Manager position has been YCPARMIA's appointed director since 1995; Marinda Griese has been the appointed alternate for the last few years. Upon the anticipated retirement of Jeffrey Tonks, effective July 1, 2017 Marinda Griese was appointed the Director and Mr. Tonks was appointed the alternate.

As the role of CEO/Risk Manager has now been filled, it is recommended that effective 07/01/2018 the roles be reversed with Marinda assuming the Alternate Director's position and Dennis Monahan, the new CEO/Risk Manager, be appointed to the Director role. This will allow for continuity for our continuing activity on the CJPRMA Board.

FISCAL IMPACT

Adoption of the recommended action has no anticipated fiscal impact

Respectfully submitted,



Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

	INFORMATION ITEM
	AGENDA ITEM NO. <u>7A</u>
	DATE: <u>May 24, 2018</u>
SUBJECT:	Chandler Asset Management Report
RECOMMENDED ACTION:	Information only, no action required

BACKGROUND INFORMATION:

Carlos Oblites, our account representative from Chandler Asset Management, is here today to discuss the investment portfolio and answer any questions members of the Board may have.

Respectfully Submitted,



Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

	INFORMATION ITEM
	AGENDA ITEM NO. <u>8A</u>
	DATE: <u>May 24, 2018</u>
SUBJECT:	YCPARMIA Financial Report
RECOMMENDED ACTION:	Information only, no action required

BACKGROUND INFORMATION:

Attached are the YCPARMIA's Financial Report through April 30, 2018 for your review.

Respectfully submitted,



Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

	INFORMATION ITEM AGENDA ITEM NO. <u>8B</u>
	DATE: <u>May 24, 2018</u>
SUBJECT:	YCPARMIA Investment Statement
RECOMMENDED ACTION:	Information only, no action required

BACKGROUND INFORMATION:

Attached are the YCPARMIA Investment Statements through April 30, 2018 for your review.

	<u>Investment Statement</u>
For your information:	
LAIF as of 4/30/2018	\$ no report
Chandler as of 4/30/2018:	\$ 13,761,845

	<u>Outstanding Reserves</u>
For your information:	
Total as of 4/30/2017:	\$ 7,010,349.00
Total as of 4/30/2018:	\$ 7,033,546.00

Respectfully submitted,


Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

	INFORMATION ITEM
AGENDA ITEM NO. _____	8C
	DATE: <u>May 24, 2018</u>
SUBJECT:	Notification of New Claims Received Since the Previous Board Meeting
RECOMMENDED ACTION:	Information only, no action required

BACKGROUND INFORMATION:

Attached is a list of new Liability claims that have been received by YCPARMIA since the last Board Meeting. For your convenience, we have also included a list of all open Liability claims.

Respectfully submitted,



Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

	INFORMATION ITEM
AGENDA ITEM NO. _____	8D
	DATE: _____
	May 24, 2018
SUBJECT:	Closed Liability Files
RECOMMENDED ACTION:	Information only, no action required

BACKGROUND INFORMATION:

Attached is our report on closed liability files. Recognizing that this agenda is a public document, it should be emphasized that the information provided is general. It is probable during the course of the year, that some files that close with a denial will re-open for litigation.

Respectfully submitted,



Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

	INFORMATION ITEM
AGENDA ITEM NO.	<u>8E</u>
	DATE: <u>May 24, 2018</u>
SUBJECT:	Workers' Comp Loss Run Summary
RECOMMENDED ACTION:	Information Only; no action required.

BACKGROUND INFORMATION:

Attached is the April 30, 2018 WC loss run summary reflecting first ten months of the year's results for the Workers' Compensation Program.

Summary:

- The first 10-month's frequency is trending higher than last year's numbers.
- Severity is flat when measured by indemnity versus medical only claims.
- Benefit costs are higher on average, over the 10 month average and running 13% higher than 2017 monthly averages.
- Future reserves on open files are down when compared to last year's February numbers, and essentially flat with the numbers for the start of this fiscal year.
- **When you combine the decrease of future reserves with the slight increase of benefits paid, you come out to what amounts to a flat projection- in other words, our financial position in this program is essentially unchanged during this fiscal year.**

Frequency:

We have received 279 new claims during the 10 months, or an average of 27.9 claims per month. We averaged 28.6 last year, and 30.3 the year before that. It is important to remember the adage that "frequency breeds severity;" more claims increase the odds of a serious injury/claim.

Severity:

Of the 279 new claims, only 21 were coded as indemnity, but an additional 23 claims were converted from medical only, meaning that 8.2% of new claims had exposures for temporary disability and/or permanent disability. This is significantly lower than the 17.8% that we had at this point last year.

Benefits:

Our average monthly benefit payments this year are \$255,935. This is up a bit from last year's average of \$224,983. It is important to recognize how one or two bad months can affect this picture. Year to date we are \$309,515 higher than last year at the same time, and on a pro rata basis we are \$371,418 behind last year's totals.

Temporary Disability: This number is trending a bit lower than last year but should be something to watch. Claims with TD exposures often trigger Permanent Disability payments down the road. The developing numbers suggest a year that will threaten an historical high for this category.

Permanent Disability: Permanent Disability payments are trending higher over last year. Given the higher TD trending in FY 17, it is not a surprise that these figures are seeing an upward movement.

Medical Costs: Our biggest benefit exposure is trending higher over last year. The fact that permanent disability claims are trending higher and the bulk of the claims are Medical Only may explain a good portion of this increase for the year.

Vocational Rehabilitation: is inconsequential.

Legal, Investigative, Sub-rosa: This area is trending lower for the year.

Future Reserves:

Future reserves on existing open files are at \$5,731,201, or \$278,799 less than the reserves a year ago, and remain consistent with the projections that our actuary made from 12/31 figures. It has been an internal goal to keep future reserves at about \$6M with roughly 300 open files (we are currently at 302).

Respectfully submitted,



Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

INFORMATION ITEM
AGENDA ITEM NO. 8F

DATE: May 24, 2018

SUBJECT: Certificates Issued

RECOMMENDED ACTION: Information Only; no action required.

BACKGROUND INFORMATION:

Attached is a list of the certificates that have been issued since the last Board Meeting.

Respectfully Submitted,



Dennis Monahan
CEO/Risk Manager

Yolo County Public Agency Risk Management Insurance Authority

	INFORMATION ITEM
	AGENDA ITEM NO. <u>8G</u>
	DATE: <u>May 24, 2018</u>
SUBJECT:	Strategic Planning
RECOMMENDED ACTION:	Information Only; No Action Required

BACKGROUND INFORMATION:

This agenda item is intended to allow the Board to discuss trends, actions, future risk management plans, and to direct YCPARMIA staff as needed.

Respectfully submitted,



Dennis Monahan
CEO/Risk Manager