

## CALIFORNIA AFFILIATED RISK MANAGEMENT AUTHORITIES

### BOARD OF DIRECTORS

#### AGENDA

**Bodega Bay Lodge & Spa  
103 Coast Highway One  
Bodega Bay, California 94923  
(707) 875-3525**

**Friday, January 11, 2008  
9:00 a.m. - 12:00 p.m.**

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| 1. <b>CALL TO ORDER</b>  |             |
| 2. <b>INTRODUCTIONS</b>  |             |
| 3. <b>APPROVAL OF AGENDA AS POSTED (OR AMENDED)</b>  |             |
| 4. <b>PUBLIC COMMENTS</b> - This time is reserved for members of the public to address the Board relative to matters of the California Affiliated Risk Management Authorities not on the agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to five minutes per person and twenty minutes in total. |             |
| 5. <b>CONSENT CALENDAR</b>   | <b>1</b>    |
| *A. Minutes of the September 21, 2007, Board Meeting   |             |
| *B. Warrant Listings for September 1, 2007, through December 31, 2007  |             |
| *C. Investment Transaction Report for the Quarter Ended September 30, 2007   |             |
| *D. Treasurer's Report at September 30, 2007   |             |
| *E. Internal Financial Statements for the Quarter Ended September 30, 2007   |             |
| *F. Memo from Public Financial Management, Inc. Regarding the Downgrade of Merrill Lynch   |             |
| <i>Recommendation: Approval of Consent Calendar.</i>   |             |



6.	<b>FINANCIAL MATTER</b>	<b>Page</b>
	A. Financial Issues	<b>47</b>
	<i>Recommendation: Staff will have a recommendation at the meeting pending the outcome of the discussion of this issue at the 2008 Annual Workshop.</i>	
	*B. Review of CARMA Investment Policy	<b>48</b>
	<i>Recommendation: None.</i>	
7.	<b>ADMINISTRATIVE MATTERS</b>	
	A. Governance, Representation, and Communications	<b>57</b>
	<i>Recommendation: Staff will have a recommendation at the meeting pending the outcome of the discussion of this issue at the 2008 Annual Workshop.</i>	
	*B. Reaffirmation of the Conflict of Interest Policy	<b>58</b>
	<i>Recommendation: Staff recommends the Board reaffirm the conflict of interest policy as presented for the 2008 and 2009 calendar years.</i>	
	*C. Approval of Amended Resolution No. 1-2007/2008 Establishing Meeting Dates for the 2007/2008 Fiscal Year	<b>62</b>
	<i>Recommendation: Staff recommends the Board approve Resolution No. 1-2007/2008 as amended.</i>	
8.	<b>COVERAGE MATTERS</b>	
	A. Possible Expansion /Contractions of Coverage	<b>64</b>
	<i>Recommendation: Staff will have a recommendation at the meeting pending the outcome of the discussion of this issue at the 2008 Annual Workshop.</i>	
9.	<b>MARKETING MATTERS</b>	
	A. Marketing Strategy, Marketplace Position, and Member Retention	<b>65</b>
	<i>Recommendation: Staff will have a recommendation at the meeting pending the outcome of the discussion of this issue at the 2008 Annual Workshop.</i>	
10.	<b>OTHER DISCUSSION TOPICS</b>	
	A. Establishment of Goals and Objectives	<b>66</b>
	<i>Recommendation: Staff will have a recommendation at the meeting pending the outcome of the discussion of this issue at the 2008 Annual Workshop.</i>	

\* = Material on agenda item enclosed

\*\* = Material on agenda item enclosed for Board members only

11. **CLAIMS MATTERS**

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- A. Closed Session Pursuant to Government Code Section 54956.95(a) to Discuss Claims

Pursuant to Government Code Section 54956.95(a), the Board will hold a closed session to discuss the following claims for the payment of tort liability losses, public liability losses, or workers' compensation liability incurred by the joint powers authority:

Juarez/Brooks v. Highland (PARSAC)  
JR Enterprises v. Rancho Cucamonga (PARSAC)  
Chan v. Hanford (CSJVRMA)

- B. Report from Closed Session

Pursuant to Government Code Section 54957.1, the Board must report in open session any action, or lack thereof, taken in closed session.

12. **CLOSING COMMENTS**

This time is reserved for comments by the Board members and staff and to identify matters for future Board business.

- A. Board  
B. Staff

13. **ADJOURNMENT**

**NOTICES:**

The next Board of Directors meeting is currently scheduled for Thursday, April 17, 2008, at the offices of Bickmore Risk Services in Sacramento, California.

\* = Material on agenda item enclosed

\*\* = Material on agenda item enclosed for Board members only

**CONSENT CALENDAR**

**SUBJECT: Consent Calendar**

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**BACKGROUND AND STATUS:**

The Consent Calendar consists of items that require approval or acceptance but are self-explanatory and require no discussion. If the Board would like to discuss any item listed, it may be pulled from the Consent Calendar.

**RECOMMENDATION:**

Approval of Consent Calendar.

**REFERENCE MATERIALS ATTACHED:**

- \*A. Minutes of the September 21, 2007, Board Meeting
- \*B. Warrant Listings for September 1, 2007, through December 31, 2007
- \*C. Investment Transaction Report for the Quarter Ended September 30, 2007
- \*D. Treasurer's Report at September 30, 2007
- \*E. Internal Financial Statements for the Quarter Ended September 30, 2007
- \*F. Memo from Public Financial Management, Inc. Regarding the Downgrade of Merrill Lynch

**FINANCIAL MATTERS**

**SUBJECT: Financial Issues**

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**BACKGROUND AND STATUS:**

This item has been placed on the agenda for the Board to vote on any action items brought forth from the Annual Workshop the previous day.

**RECOMMENDATION:**

Staff will have a recommendation at the meeting pending the outcome of the discussion of this issue at the 2008 Annual Workshop.

**REFERENCE MATERIALS ATTACHED:**

None

**FINANCIAL MATTERS**

**SUBJECT: Review of CARMA Investment Policy**

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**BACKGROUND AND STATUS:**

The Board is required to approve the Investment Policy either as presented or as amended each year. Ms. Lauren Brant, Public Financial Management (PFM), and Ms. Nancy Broadhurst, Bickmore Risk Services, have reviewed the Investment Policy and do not feel that any changes are warranted at this time.

While no changes are required at this time, Ms. Brant has drafted a memo outlining upcoming changes to the Government Code, specifically AB 1745, for consideration by the Board. Ms. Brant's memo includes suggested language that may be added to the Investment Policy, at the Board's discretion.

**RECOMMENDATION:**

None.

**REFERENCE MATERIALS ATTACHED:**

- 2008 Draft Investment Policy
- Memorandum Regarding Annual Policy Review from Ms. Lauren Brant

**ADMINISTRATIVE MATTERS**

**SUBJECT: Governance, Representation, and Communications**

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**BACKGROUND AND STATUS:**

Time will be reserved for the Board to take action on any items brought forth from the Annual Workshop the previous day.

**RECOMMENDATION:**

Staff will have a recommendation at the meeting pending the outcome of the discussion of this issue at the 2008 Annual Workshop.

**REFERENCE MATERIALS ATTACHED:**

None

**ADMINISTRATIVE MATTERS**

**SUBJECT: Reaffirmation of the Conflict of Interest Policy**

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**BACKGROUND AND STATUS:**

The Political Reform Act requires every local government agency to review its Conflict of Interest Code biennially to determine if it is accurate and up-to-date or, alternatively, if the Code must be amended. At this time, there are no substantive changes being recommended to the Conflict of Interest Code.

**RECOMMENDATION:**

Staff recommends the Board reaffirm the conflict of interest policy as presented for the 2008 and 2009 calendar years.

**REFERENCE MATERIALS ATTACHED:**

- Conflict of Interest Code for the 2008 and 2009 calendar years

**ADMINISTRATIVE MATTERS**

**SUBJECT: Approval of Amended Resolution No. 1-2007/2008 Establishing Meeting Dates for the 2007/2008 Fiscal Year**

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**BACKGROUND AND STATUS:**

During the September 21, 2007, Board of Directors meeting, it was decided that alternative meeting dates should be selected for the April and June 2008 meetings. These two meetings are normally held at the offices of Bickmore Risk Services in Sacramento.

After seeking the input of the Board of Directors, it was determined the April meeting would take place on Thursday, April 17, 2008, and the June meeting would take place on Wednesday, June 11, 2008. Both meetings are scheduled to take place at the offices of Bickmore Risk Services.

Resolution 1-2007/2008 has been amended to reflect the change in dates. A draft of the Resolution is included for review by the Board.

**RECOMMENDATION:**

Staff recommends the Board approve Resolution No. 1-2007/2008 as amended.

**REFERENCE MATERIALS ATTACHED:**

- Amended Resolution No. 1-2007/2008 Establishing Meeting Dates for the 2007/2008 Program Year

**COVERAGE MATTERS**

**SUBJECT: Possible Expansion/Contractions of Coverage**

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**BACKGROUND AND STATUS:**

Time will be reserved for the Board to take action on any items brought forth from the Annual Workshop the previous day.

**RECOMMENDATION:**

Staff will have a recommendation at the meeting pending the outcome of the discussion of this issue at the 2008 Annual Workshop.

**REFERENCE MATERIALS ATTACHED:**

None

**MARKETING MATTERS**

**SUBJECT: Marketing Strategy, Marketplace Position, and Member Retention**

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**BACKGROUND AND STATUS:**

This item has been placed on the agenda for the members to evaluate the competition in the marketplace and to consider where and how CARMA's marketing efforts should be focused for the upcoming years.

**RECOMMENDATION:**

Staff will have a recommendation at the meeting pending the outcome of the discussion of this issue at the 2008 Annual Workshop.

**REFERENCE MATERIALS ATTACHED:**

None

**OTHER DISCUSSION TOPICS**

**SUBJECT:** Establishment of Goals and Objectives

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**BACKGROUND AND STATUS:**

Information on the above-listed topic has been provided on the workshop agenda under the tab entitled Discussion Topics and Develop Action Plan. This time is reserved for the Board to take action on any items brought forth from the 2008 Annual Workshop.

**RECOMMENDATION:**

Staff will have a recommendation at the meeting pending the outcome of the discussion of these issues at the 2008 Annual Workshop.

**REFERENCE MATERIALS ATTACHED:**

None

**CLAIMS MATTERS**

**SUBJECT: Closed Session Pursuant to Government Code Section 54956.95(a) to Discuss Claims**

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**BACKGROUND AND STATUS:**

Due to the content of the Litigation Manager's Report, staff has been advised to place this report within the parameters of closed session.

Pursuant to Government Code section 54956.95(a), the Board of Directors will hold a closed session to discuss the claims for the payment of tort liability losses, public liability losses, or workers' compensation liability incurred by the joint powers authority.

By placing the Litigation Manager's Report as a closed session item, the Board of Directors may discuss any or none of the claims presented.

**RECOMMENDATION:**

None.

**REFERENCE MATERIALS ATTACHED:**

- The Litigation Manager's Report dated December 24, 2007, was mailed under separate cover and will be collected at the meeting.