
MINUTES
ICRMA BOARD OF DIRECTORS MEETING
August 22, 2024

MEMBERS PRESENT:

Adelanto	Jessie Flores
Bell	Rickey Manbahal
Downey	James McQueen
El Monte	Rigoberto Gutierrez <i>(arrived at 10:15 a.m.)</i>
El Segundo	Rebecca Redyk <i>(left at 12:30 p.m.)</i>
	Paul Chung
Fullerton	Pamela Mackie
	Veronica Gutierrez <i>(left at 10:13 a.m.; returned at 10:40 a.m.; left at 1:31 p.m.)</i>
Glendora	Marie Ricci
	Rita Wendling
Huntington Park	Eduardo Sarmiento
Inglewood	Debra Carter
Lynwood	Patrick Matson
Santa Ana	Aarti Kaushal
San Fernando	Sergio Ibarra
South Gate	Thurman Green

MEMBERS ABSENT:

Hawthorne

OTHERS PRESENT:

AdminSure	Kristen Vanscourt <i>(left at 10:13 a.m.; returned at 10:40 a.m.; left at 1:31 p.m.)</i>
Eide Bailly	Brent Mason <i>(left at 10:13 a.m.; returned at 10:40 a.m.; left at 1:31 p.m.)</i>
Johnson Schachter & Lewis	Kellie Murphy
OneSource	Louise Edler <i>(left at 10:13 a.m.; returned at 10:25 a.m.)</i>
	Tyler Conlin <i>(left at 10:13 a.m.; returned at 10:25 a.m.)</i>
Carpenter, Rothans	Scott Carpenter <i>(left at 10:38 a.m.)</i>
PFM Asset Management	Richard Babbe <i>(left at 10:13 a.m.; returned at 10:40 a.m.; left at 11:35 a.m.)</i>
Risk Program Administrators	Amber Anderson
	Dani Rogacki
	Nilsa Quandt <i>(left at 10:13 a.m.; returned at 10:40 a.m.; left at 1:31 p.m.)</i>

1. CALL TO ORDER

President Sergio Ibarra called the meeting to order at 10:01 a.m.

2. ESTABLISHMENT OF QUORUM/INTRODUCTIONS

A quorum was established, and roll call was taken.

3. PUBLIC COMMENTS

None

4. APPROVAL OF AGENDA AS POSTED

Motion by James McQueen (Downey), seconded by Thurman Green (South Gate), to approve the agenda as amended.

Motion passed unanimously by all voting members present. El Monte was not present.

5. CONSENT CALENDAR

Sergio Ibarra requested to pull the following Consent Calendar items: *K. Annual Report: Notice of Intent to Withdraw*, and *N: ICRMA Strategic Plan Update: December Retreat*.

Motion by Patrick Matson (Lynwood), seconded by Eduardo Sarmiento (Huntington Park) to approve items A) Minutes of the June 20, 2024 Board of Directors Meeting, B) Mainstream Unlimited Contract Hours for the 2023-24 Program Year, C) Updated Risk Management Training and Universities for 2024-25, D) Claims Committee Appointment and receive and file items E) Board of Directors Attendance Record 2023-24, F) Claims Committee Attendance Record 2023-24, G) Approved Minutes of the May 8, 2024 Claims Committee Meeting, H) Disbursements Registers for June and July 2024, I) Quarterly Financial & Treasurer Reports as of June 30, 2024, J) Risk Management Fund Usage & Balance as of June 30, 2024, L) Annual Calendar Overview, and M) RPA Contract Deliverables for 2024-25.

Motion passed unanimously by all voting members present. El Monte was not present.

K. Annual Report: Notice of Intent to Withdraw: City of Hawthorne

Mr. Ibarra inquired about the process that happens when a member gives a notice to withdraw. Dani Rogacki, Executive Director, gave the Board an overview of the steps that are taken by the administrative team once the notice is received.

N. ICRMA Strategic Plan Update: December Retreat

Mr. Ibarra pulled this item to emphasize the Board retreat is an opportunity to discuss how are we meeting the members needs from a risk management perspective and what Bob May provides, the deliverables and how members are interacting with ICRMA. Most importantly, ICRMA's member retention strategy needs to be reviewed.

Motion by Rebecca Redyk (El Segundo), seconded by Pamela Mackie (Fullerton), to receive and file item K. Annual Report: Notice of Intent to Withdraw and item N: ICRMA Strategic Plan Update: December Retreat.

Motion passed unanimously by all voting members present.

6. CLOSED SESSION

The Board entered into closed session at 10:13 a.m.

A. Discussion of Open Claims and Conference with Legal Counsel pursuant to Government Code Section 54956.95:

- *Orr-Ryals v. El Segundo (GL)*

7. REPORT FROM CLOSED SESSION

The Board reconvened to open session at 10:40 a.m.

Kellie Murphy, General Counsel, stated no reportable action was taken.

8. OPEN SESSION

A. Accounts Receivable Status Report as of August 15, 2024

Brent Mason, Eide Bailly, provided on the update on the status of collections on member contributions, assessments, and fees. Mr. Mason stated all members' contributions have been collected; some assessments are still pending.

It was recommended to waive the interest for late payments from Santa Ana (\$15,819.80), Huntington Park (\$7,486.22), and Southgate (\$1,027.63). According to the Bylaws, the Board may waive or reduce a surcharge for good cause shown by the Member, no more than once per five (5) years.

Discussion ensued. It was determined that South Gate is ineligible to have their interest for late payment waived as they have had their fees waived within the last five years.

Motion by Ricky Manbahal (Bell), seconded by Patrick Matson (Lynwood), to approve waivers for the interest of late payments for Santa Ana (\$15,819.80) & Huntington Park (\$7,486.22).

Motion passed unanimously by all voting members present.

B. Investment Portfolio Presentation

Richard Babbe, Public Financial Management (PFM), updated the Board on the performance of the investment portfolio as of June 30, 2024. Mr. Babbe asserted that the portfolio is in compliance with both the terms of ICRMA's Investment Policy and the government code. PFM is actively engaged throughout the year in monitoring investment opportunities and is dedicated to providing the best support to enhance ICRMA's long-term portfolio performance.

Motion by Rigoberto Gutierrez (El Monte), seconded by Ricky Manbahal (Bell), to file the Investment Performance Review for the Quarter Ended June 30, 2024.

Motion passed unanimously by all voting members present.

C. Investment Policy: Approval of Policy & Delegation of Authority for 2024-25 Program Year

Mr. Mason provided the Board the annual review of the Investment Policy for the Board's review and consideration, noting the proposed policy had been reviewed by the Finance team, PFM as Investment Manager and provided in advance to the Administration team.

The policy, recommended two minor updates from the prior year described below:

- *Section F.7, Asset Backed Securities, is proposed to be adjusted to reflect a code change that took effect January 1, 2024. The primary substance of this change is to clarify that the limitations noted in this section only apply to securities not issued or guaranteed by an agency or issuer named in sections F.1 and F.2 of the policy.*
- *Section H, Term of Investment, is proposed to be adjusted to add clarification as to how to determine a security's term to maturity at the time of purchase. A sentence has been added to explicitly state that a security's term to maturity is measured from the settlement date. This change is consistent with a code revision that took effect January 1, 2023.*

Motion by Ricky Manbahal (Bell), seconded by Patrick Matson (Lynwood), to approve the ICRMA Investment Policy and delegate investment authority to the Executive Director for the 2024-25 program year.

Motion passed unanimously by all voting members present.

D. Litigation Management Policies & Procedures: Status Report

Tyler Conlin, Assistant Liability Program Manager, gave a brief introduction of himself and his past work experiences, as he had recently been added to the team. Mr. Conlin then provided an update on recent efforts to receive executed Litigation Management Policies and Procedures (LMPPs) from each attorney on ICRMA's defense panel. He stated there were a list of attorneys who have yet to respond after numerous emails and phone calls.

Mr. Conlin stated next steps include sending additional correspondence to attorneys advising that those who do not return signed LMPPs would risk being removed from the panel. An update will be provided at the next Claims Committee meeting.

E. Workers' Compensation Defense Panel Updates

Kristen Vanscourt, Workers' Compensation Program Manager, provided a review of the process regarding the current defense attorney panel. Ms. Vanscourt stated the panel was reviewed and approved by the Claims Committee at its July meeting. Any changes recommended by the Committee were completed and provided in the agenda packet.

Motion by Debra Carter (Inglewood), seconded by Eduardo Sarmiento (El Monte), to approve the proposed updates to the Workers' Compensation Defense Panel as recommended by the Claims Committee.

Motion passed unanimously by all voting members present.

F. Biennial Conflict of Interest Code Review

Amber Anderson, Assistant Executive Director, recalled to the Board that all public agencies are required to adopt a Conflict of Interest Code, update as necessary, and file biennially with the Fair Political Practices Commission (FPPC). No material changes have been made to the code since ICRMA underwent a thorough review and received approval in 2019. The Administration team reviewed with Legal Counsel, and determined the current code is appropriate.

Motion by Rigoberto Gutierrez (El Monte), seconded by Pam Mackie (Fullerton), to file Biennial Conflict of Interest Code.

Motion passed unanimously by all voting members present.

A lunch break was taken from 11:37 a.m. to 12:31 p.m.

G. Ad Hoc Committee: Property Appraisal Update

Ms. Rogacki reminded the Board that at the April 11, 2024 Board meeting an Ad Hoc Committee was appointed to assist in selecting a vendor for Property Appraisal services. The Committee consists of Veronica Gutierrez (Fullerton), Debra Carter (Inglewood), and Sergio Ibarra (San Fernando). As of the date of the Board meeting, a Request for Proposal (RFP) had been posted to the website as well as the AGRiP website. Ms. Rogacki reviewed the current timeline for the Property Appraisal vendor selection and will provide a report to the Board at a later date.

Information only.

H. Vector Solutions Proposal

President Ibarra reviewed the proposal presented in the board materials speaking on his experience with the Vector Solutions online training platform while working with the City of Bell. Discussion ensued regarding pricing, and current Learning Management Systems provided by ICRMA to its members.

Item was tabled. In the meantime, the Administration team was asked to reach out to Vector Solutions to provide a demo of the LMS to the Board at a future meeting.

I. RPA Contract Deliverables and Final Payment for 2023-24 Program Year

Ms. Rogacki stated that based upon successful completion of the mutually agreed upon contract deliverables, RPA is eligible for final payment of the withheld 10% of its annual fee. Ms. Rogacki reviewed the successfully completed deliverables for program year 2023-24.

Motion by Rickey Manbahal (Bell), seconded by Marie Ricci (Glendora), approve payment of the final 10% of RPA's contract fee for 2023-24 based on successful completion of contract deliverables.

Motion passed unanimously by all voting members present.

J. Annual Review of Active ICRMA Contracts

Ms. Rogacki provided an annual review of active ICRMA contracts that will require attention of RPA or the Board in the 2024-25 program year. The following contracts were discussed:

- OneSource CMS – pursue a one-year extension expiring 06/30/2026.
- Eide Bailly – request pricing for a new contract.
- Property Appraisal Services – Currently out for RFP.
- Moss Adams Financial Audit – as a matter of routine, submit an RFP following completion of the current audit.
- Occu-Med – issue an RFP later in the year.
- Origami – expires June 30, 2025.
- TCTI – Board may decide whether to continue each year during the budget process.
- Liability Claims Auditor – issue an RFP around March 2025.

Information only.

K. Program Renewals Recap

Ms. Anderson presented an overview of key changes in coverage in connection with the 2024-25 renewals. The coverage programs include Excess Liability, Excess Workers' Compensation, Property & Equipment Breakdown, Auto Physical Damage, Earth Movement and Flood, Crime, Cyber Liability, and Terrorism.

Information only.

L. Lexipol Risk Pool Agency Health Report

Ms. Anderson gave a brief review of the Administration teams achieved goal of increasing communication between Lexipol and staff to encourage collaboration on member PD risk control efforts. An engagement and usage report is provided on a quarterly basis. The most recent report was included in the Board packet for review.

Motion by Rickey Manbahal (Bell), seconded by Marie Ricci (Glendora), to receive and file the Lexipol Risk Pool Agency Health Report.

Motion passed unanimously by all voting members present.

M. Granted Settlement Authority Report as of June 30, 2024

Ms. Murphy reported on all settlements approved in the fourth quarter of 2023-24 that are now finalized:

- Deborah Ferris vs. Hermosa Beach: \$850,000 settlement
- Aaron Coulter v. Azusa: \$3 million settlement
- Roseanne Germielle v. Inglewood: \$550,000 payment

Information only.

9. CLOSED SESSION

The Board entered into closed session at 1:31 p.m.

A. Discussion of Open Claims and Conference with Legal Counsel pursuant to Government Code Section 54956.95:

- *Welton v. Monrovia (WC)*
- *Germeille v. Inglewood (GL)*
- *Salgado v. Hawthorne (GL)*
- *Washington v. Hawthorne (GL)*
- *Ramirez v. Santa Ana (GL)*

B. Conference with Legal Counsel regarding Existing Litigation pursuant to Government Code Section 54956.9(d)(1):

- *Hawthorne v. ICRMA*
- *Redondo Beach v. ICRMA*
- *ICRMA v. Baldwin Park*
- *Hermosa Beach*

10. REPORT FROM CLOSED SESSION

The Board reconvened to open session at 2:35 p.m.

Kellie Murphy, General Counsel, stated no reportable action was taken.

11. CLOSING COMMENTS

None.

12. ADJOURNMENT

The meeting was adjourned at 2:40 p.m.