



1750 Creekside Oaks Drive
Suite 200
Sacramento, CA 95833

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www.caltiponline.org

CalTIP BOARD OF DIRECTORS MEETING AGENDA

**Thursday, April 19, 2018
9:00 a.m.**

**The Westin Sacramento
4800 Riverside Boulevard
Sacramento, CA 95822**

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation to participate in this meeting, please contact Maria De Leon at (916) 244-1187 or (916) 244-1199 (fax). Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Documents and materials relating to an open session agenda item that are provided to the Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection at 1750 Creekside Oaks Dr., Suite 200, Sacramento, CA 95833.

<u>Page</u>	1. CALL TO ORDER
	2. INTRODUCTIONS
	3. APPROVAL OF AGENDA AS POSTED (OR AMENDED)
	4. PUBLIC COMMENTS - This time is reserved for members of the public to address the Committee relative to matters of the California Transit Indemnity Pool 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.
6	5. CONSENT CALENDAR If a Board member would like to discuss any item listed, it may be pulled from the Consent Calendar.
7	*A. Minutes of the November 30, 2017, and December 1, 2017, CalTIP Board of Directors Meeting
20	*B. Treasurer's Report as of October 31, 2017
63	*C. Treasurer's Report as of January 31, 2018
107	*D. Interim Financial Statements as of October 31, 2017
116	*E. Interim Financial Statements as of January 31, 2018
127	*F. CalTIP General Account Check Register – 11/1/2017 – 3/31/2018

- 128 *G. 2017/18 Risk Control Work Plan Status Update
- 137 *H. CalTIP Conflict-of-Interest Code
- 141 *I. City of Culver City – Rescind Notice of Intent to Withdraw from CalTIP
- 142 *J. City of Santa Rosa – Rescind Notice of Intent to Withdraw from CalTIP
- 143 *K. Golden Empire Transit District – Rescind Notice of Intent to Withdraw from CalTIP
- 144 *L. Agreement with Aon Global Risk Consulting for Actuarial Services for 2018/19 (Executed)
- 155 *M. Proposal from Aon Global Risk Consulting for Actuarial Services for 2019/20
- 166 *N. Notice of Change to Self-Insured Retention – Tahoe Transportation District
- 167 *O. GEM – Long-Term Reinsurance Strategy
- 170 *P. Aon/APTA 2018 Public Benchmark Analysis – Request to Participate
Recommendation: Approval of the Consent Calendar.

6. CLOSED SESSION

A. Pursuant to Government Code Section 54956.95(a), the Board of Directors will recess to closed session to discuss the following claims:

- Aguirre v. Omnitrans
- Lutz v. Yolo County Transportation District
- Sanchez v. Yolo County Transportation District
- Homet v. Monterey-Salinas Transit District
- Walmart v. Monterey-Salinas Transit District
- Franklin v. Omnitrans
- Francis v. City of El Monte
- Smith v. Central Contra Costa Transit Authority
- John Doe v. Golden Empire Transit District
- Dietz v. Mendocino Transit Authority
- Holmes v. Riverside Transit Agency
- Vargas v. Gold Coast Transit District
- Jackson v. Amador Transit
- Morgan v. Monterey Salinas Transit District
- Montano v. Omnitrans

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

7. REPORTS

- A. Report by Board Chair (Verbal) – Mr. Charlie Anderson
Recommendation: None
- 185 B. Report by General Manager – Ms. Micheon Balmer
Recommendation: None

8. ADMINISTRATIVE MATTERS

- 187 A. Appointment of CalTIP Deputy General Manager
Recommendation: The Oversight Committee recommends the Board of Directors approve the appointment of Ms. Yahaira Martinez as the CalTIP Deputy General Manager.

9. EXCESS AND REINSURANCE MATTERS

- 188 *A. 2018/19 Reinsurance and Excess Insurance Renewal Options – Alliant Insurance Services
Recommendation: 1) The Oversight Committee recommends the Board approve the renewal of CalTIP's 2018/19 Liability Program at a \$1.75M self-insured retention funded at the 90% confidence level, with Government Entities Mutual, Inc. providing reinsurance coverage of \$1.25M in excess of \$1.75M; and Munich Re providing reinsurance coverage of \$2M in excess of \$3M. Staff further recommends the Board discuss the renewal options presented by Alliant regarding the layers of coverage above the \$5M limits, and take action as appropriate.
- 2) The Oversight Committee recommends the Board approve the renewal of CalTIP's 2018/19 Vehicle Physical Damage Program at a \$100,000 self-insured retention, with Evanston providing excess insurance coverage of \$19.9M in excess of \$100,000 and Maxum Indemnity/Lloyd's/Hiscox providing TRIA and excess insurance coverage of \$10M in excess of \$20M for total limits of \$30M.*

10. ELECTIONS

- 193 A. Nominations for the Finance and Administration Committee, and Member Services Committee
Recommendation: Move the proposed slates of candidates for the Finance and Administration Committee and Member Services Committee to the Oversight Committee for approval.
- 195 B. Election of Oversight Committee Members
Recommendation: Elect the candidates recommended by the Nominating Committee to serve on the Oversight Committee for a term of two years, from May 1, 2018, through April 30, 2020.
- 196 C. Election of Board Officers
Recommendation: Elect the candidates recommended by the CalTIP Nominating Committee to serve as Board Chair, Vice Chair, and Treasurer for a term of two years, from May 1, 2018, through April 30, 2020.

11. GOVERNANCE MATTERS

- 197 *A. Approval of Resolution Establishing Meeting Dates for 2018/19 Program Year
Recommendation: 1) Adopt the Resolution Establishing Meeting Dates for the 2018/19 Program Year; and 2) Direct staff to proceed with scheduling the Management Committee meetings, as proposed.
- 200 *B. Approval of GP 4.05, CalTIP Credit Card Use Policy
Recommendation: The Oversight Committee recommends the Board approve Governance Policy 4.05, CalTIP Credit Card Use Policy as presented.
- 203 *C. Approval of GP 2.11, Allocation of Vehicle Physical Damage Program Insurance Limits of Liability
Recommendation: The Oversight Committee and staff recommend the Board approve Governance Policy 2.11, Allocation of Vehicle Physical Damage Program Insurance Limits of Liability.
- 206 *D. Approval of Revisions to GP 3.04, Litigation Management Policy – Policies and Procedures for the Handling of CalTIP Matters
Recommendation: The Oversight Committee recommends the Board of Directors approve the revisions to Governance Policy 3.04, Litigation Management Policy – Policies and Procedures for the Handling of CalTIP Matters, as presented.
- 240 *E. Approval of Revisions to GP 2.09, Litigation Management Policy – Policy and Procedure for Establishment, Maintenance and Assignment of Approved Defense Counsel Panel
Recommendation: The Oversight Committee recommends the Board of Directors approve Governance Policy 2.09, Litigation Management Policy – Policy and Procedure for Establishment, Maintenance and Assignment of Approved Defense Counsel Panel to allow for the use of in-house/staff counsel, as presented.

12. COVERAGE MATTERS

- 258 *A. Approval of Revised Liability Program Memorandum of Coverage for 2018/19
Recommendation: The Oversight Committee recommends the Board approve the revised Liability Program Memorandum of Coverage and Declarations page for the 2018/19 program year.
- 274 *B. Approval of Revised Vehicle Physical Damage Program Memorandum of Coverage for 2018/19
Recommendation: Approve the revised Vehicle Physical Damage Program Memorandum of Coverage for 2018/19.

13. SAFETY AND RISK CONTROL MATTERS

- 284 A. Approval of Transition of Electronic Employee Pull Notice Services to A-Check Services from SAMBA Fleetwatch
Recommendation: The Member Services Committee recommends the Board approve transitioning the CalTIP EPN Services from SAMBA to A-Check, and for staff to provide assistance to members through the transition process.
- 287 *B. Approval of Proposed 2018/19 Risk Control Work Plan
Recommendation: The Member Services Committee recommends the Board approve the 2018/19 Risk Control Work Plan, as presented.

14. CLOSING COMMENTS

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

- A. Board Members
- B. Staff

15. ADJOURNMENT

NOTICES:

- The next Board of Directors Meeting will be held on April 20, 2018, at The Westin Sacramento.
- The Board Strategic Planning Meeting will be held on August 16, 2018; location to be determined.



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| | 4. GOVERNANCE MATTERS |
| | A. Verbal Report on Results of Election of Board Members to the Finance and Administration Committee, and the Member Services Committee
<i>Recommendation: None</i> |
| | 5. ACTUARIAL MATTERS |
| 4 | *A. Presentation of Liability Program Actuarial Study as of November 30, 2017
<i>Recommendation: The Finance and Administration Committee recommends the Board receive and file the Liability Program Actuarial Study as of November 30, 2017, dated April 6, 2018.</i> |

- 31 *B. Presentation of Vehicle Physical Damage Program Actuarial Study as of November 30, 2017
Recommendation: The Finance and Administration Committee recommends the Board receive and file the Vehicle Physical Damage Program Actuarial Study as of November 30, 2017, dated April 6, 2018.

- 56 *C. Presentation of Liability Program Experience Modification Factors Report for 2018/19
Recommendation: The Finance and Administration Committee recommends the Board receive and file the Liability Program Experience Modification Factors Report for 2018/19, dated April 6, 2018.

6. INVESTMENT MATTERS

- 67 A. Presentation of Investment Performance Review as of March 31, 2018
Recommendation: None

- 68 *B. Approval of Revised GP 4.04, Investment Policy
Recommendation: The Finance and Administration Committee recommends the Board approve the revised GP 4.04, Investment Policy.

- 82 *C. Approval of the California Management Asset Program (CAMP) Pool as an Alternative to the Local Agency Investment Fund (LAIF)
Recommendation: The Finance and Administration Committee recommends the Board approve to enroll in the CAMP Pool to be used as an alternative liquid investment option to LAIF.

7. FINANCIAL MATTERS

- 92 *A. Approval of Liability Program Retrospective Adjustment Calculation as of April 30, 2017
Recommendation: The Finance and Administration Committee recommends the Board approve the Liability Program Retrospective Adjustment Calculation as of April 30, 2017, with no distribution of equity.

- 98 *B. Approval of Vehicle Physical Damage Program Dividend Distribution
Recommendation: The Finance and Administration Committee recommends approval of the Vehicle Physical Damage Program dividend calculation, with a distribution of equity in the amount of \$335,590.

- 100 C. Approval of Liability Program Equity Building Component
Recommendation: The Finance and Administration Committee recommends approval of the Equity Building component in the Liability Program Calculation Budget in the amount of \$128,460.

- 102 *D. Approval of 2018/19 Revenue and Expense Budgets
Recommendation: The Finance and Administration Committee recommends approval of the 2018/19 Revenue and Expense Budgets, with the Liability Program at the 90% confidence level, and pooled retention to \$1.75 million, with the reinsurance and excess rates subject to finalization.
- 110 *E. Approval of 2018/19 Liability Program Contributions Calculation
Recommendation: The Finance and Administration Committee recommends approval of the 2018/19 Liability Program Member Contributions at the 90% confidence level and discounted at 1.0%, at the \$1.75 million pooled retention, with the reinsurance and excess rates subject to finalization.
- 119 *F. Approval of 2018/19 Vehicle Physical Damage Program Contributions Calculation
Recommendation: The Finance and Administration Committee recommends the approval of the 2018/19 Vehicle Physical Damage Program Member Contributions at the expected confidence level, with the excess insurance rates subject to finalization.
- 129 *G. CalTIP Pooled Loss Ratio Analysis as of November 30, 2017
Recommendation: None – information only.
- 133 H. Analysis of Net Program Costs to Members as of April 30, 2017
Recommendation: None – information only.

8. CLOSING COMMENTS

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

- A. Board Members
- B. Staff

ADJOURNMENT

NOTICES:

- The Board Strategic Planning Meeting will be held on August 16, 2018; location to be determined.