

**CALIFORNIA ASSOCIATION FOR PARK AND RECREATION INDEMNITY
(CAPRI)**

**MINUTES OF THE BOARD OF DIRECTORS
Meeting on February 21, 2018**

A meeting of the Board of Directors was held on February 21, 2018 at CAPRI office in Citrus Heights, California at 10:00 a.m.

MEMBERS PRESENT: Lindsay Woods, President, Hesperia Recreation & Park District
Dean Wetter, Valley-Wide Recreation & Park District
Colin Miller, Arden Park Recreation & Park District
Tim Barry, Livermore Area Recreation & Park District
Brigitte Shearer, Highlands Recreation District
Jim Friedl, Conejo Recreation & Park District

MEMBERS ABSENT: Stephen Fraher, Secretary, Arcade Creek Recreation & Park District

OTHERS PRESENT: Patrick Cabulagan, Administrator (CAPRI)
Bebe Pearson, Administrative Analyst (CAPRI)
Doug Wozniak, Alliant Insurance Services
Byrne Conley, Gibbons & Conley
Chuck Torretta, George Hills Services
Dori Zumwalt, York Risk Services Group
Allison Kuane, PFM Asset Management
Brandy Ream, Gilbert Associates, Inc.

1. CALL TO ORDER

The February 21, 2018 Board of Directors meeting was called to order at 10:00 a.m. by President Lindsay Woods.

2. INTRODUCTIONS

None.

3. PUBLIC COMMENTS

None

4. CLOSED SESSION

The Board convened to Closed Session, pursuant to Government Code section 54956.95 & section 54957 at 10:00 a.m.

The Board discussed the claims for the payment of tort Liability losses, Workers' Compensation losses and Property losses incurred by the Joint Powers Authority and employee evaluation.

5. REPORT FROM CLOSED SESSION

The Board reconvened to Open Session at 10:21 p.m. pursuant to Government Code Section 54957.1, the Board must report in open session any action taken, or lack thereof, taken in closed session.

No Reportable Action.

6. SPECIAL REPORTS**A. Investment Status Reports – Public Financial Management**

Allison Kaune discussed in detail the investment portfolio. Allison informed the board of directors that two-year treasury yields moved notably higher for the ended December 31, 2017; the increase was most pronounced during the fourth quarter as markets responded to another rate hike by the Federal reserve. The yield on the 2-year U.S. Treasury note has increased by 70 basis points (0.70%) this year, while the yield on the 10-year U.S. Treasury note has decreased by 3 basis points (0.03%) since the beginning of the year as expectations of future growth and inflation prospects have fallen. As a result, the spread between the 10-year U.S. Treasury and the 2-year U.S. Treasury is currently near a 10-year low. Higher yields, narrow credit spreads, and a flat yield curve created a challenging investment landscape. We have kept duration slightly short of the benchmark's duration in order to hedge against the negative impacts of rising interest rates.

Allison Kaune left the meeting at 11:46am

Recessed for lunch at 11:46 a.m.

Reconvened from lunch at 12:18 p.m.

B. Insurance Market Update

Doug Wozniak from Alliant Insurance Services gave a presentation on the State of the Insurance Market. Renewal rates for Property (APIP) will likely increase 10-15% in the 2018-19 fiscal year, Pat Cabulagan and Doug will look at deductible options available to the district members. The General Liability market the Auto Liability has increased as a result of sexual abuse claims, police liability and vehicular accidents and the cost to repair the vehicles. Members will most likely see an increase of 10-15%. Workers' Compensation (Excess Comp) rates will likely decrease slightly for CAPRI.

7. CONSENT ITEMS

Board of directors moved item #6E – 11/13/17 Board Meeting minutes to Pulled Consent Items to amend changes.

Dean Wetter made a motion to approve the consent items #6A - #6D. Tim Barry seconded the motion.

Ayes: Lindsay Woods, Dean Wetter, Colin Miller, Tim Barry, Brigitte Shearer and Jim Friedl.

Nays: None

Abstain: None

8. PULLED CONSENT ITEMS

Consent Item #6E – 11/13/17 in Board Meeting minutes, the Board of Directors recommended changes to the following items on minutes: Item #7, Item #8B, Item #9B, Item #10E, G, H, I, J and Item#12A. The Board of Directors would like these changes incorporated and corrected for the next board meeting on March 28 2018.

9. DISCUSSION/ACTION ITEMS**A. Election of Officers**

The Board of Directors nominated Lindsay Woods as President, Dean Wetter as Vice President and Stephen Fraher as Secretary.

Colin Miller made a motion to approve Lindsay Woods as Board President, Dean Wetter as Vice-President and Stephen Fraher as Secretary. Tim Barry seconded the motion.

Ayes: Lindsay Woods, Dean Wetter, Colin Miller, Tim Barry, Brigitte Shearer and Jim Friedl

Nays: None

Abstain: None

B. WC Trending Report

The Board reviewed the WC Trending Report. Pat Cabulagan stated the number of open claims is dropping. Overall, maintenance employees seem to be the main area with the most claims. Board members requested district individual reports for each board district.

C. EIA Employees Benefits for CAPRI

At our November Board of Directors meeting, the EIA and GSRMA provided an overview of the employee benefits they provide to the membership. EIA and GSRMA have allowed CAPRI to be able to co-market the benefits to CAPRI's membership which include the following benefits: Health Insurance; Dental Insurance; Vision Insurance; Employee Assistance Program; Life and Disability Insurance; and several other benefits.

Colin Miller made the motion to co-market with EIA and GSRMA and offer the EIA employee benefits. Jim Friedl seconded the motion.

Ayes: Lindsay Woods, Dean Wetter, Colin Miller, Tim Barry, Brigitte Shearer and Jim Friedl

Nays: None

Abstain: None

D. PERS Outstanding Liability

The Board of Directors does want to continue with paying off the PERS Outstanding liability in 15 years with an annual payment of approximately \$62,000. The Board gave direction to staff to budget the money annually.

E. November Board of Directors Meeting Date

The Board of Directors decided to have the strategic meeting on November 4-6, 2018 in the Anaheim area. The Board directed staff to obtain quotes from hotels in and around the Anaheim area.

F. Recap of the Strategic Retreat

Byrne Conley provided an overview of the Strategic Retreat that was held in November 2017. The Board of Directors directed Pat Cabulagan to bring the revision of the bylaws to the board meeting in May as well as the Memorandum of Coverage.

G. Board of Directors Meeting – March and May 2018

The Board of Directors decided to hold the teleconference Board of Directors meeting on March 28th and the Board of Directors meeting on May 30th in South Lake Tahoe.

H. 2018/2019 CAPRI Budget

Brigitte Shearer asked if the PERS contribution of \$62,000 is incorporated in the budget and Pat will direct Gilbert Associates to add that into the budget for 2018-2019.

I. Liability/Property Dividend Update

Pat Cabulagan informed the Board of Directors that the dividend will be distributed next month in March.

10. ADMINISTRATOR/ STAFF REPORTS**A. Update on District Visitation**

The Board of Directors had no additional comments or questions on this writeup.

B. PARMA Conference February 14-16, 2018

The Board of Directors had no additional comments or questions on this writeup.

C. Updated on Tenant Next Door

Pat Cabulagan informed the Board of Directors that the tenant would like to continue doing month to month at this time.

D. CARPD Meeting Update – January 17, 2018

The Board of Directors had no additional comments or question on these reports.

E. Update on District Visits

The Board of Directors had no additional comments or questions on this writeup.

F. WC/Liability/Property Actuarial Analysis Update

The Board of Directors had no additional comments or questions on this writeup.

G. CAPRI Financial Audit

The Board of Directors had no additional comments or questions on this writeup.

H. Goals and Objectives Update

Lindsay Woods requested that Jim Friedl and Brigitte Shearer receive a copy of the new orientation material (board manual) so they could review and give feedback if necessary. Pat Cabulagan estimated that the brochure would be finished by March to be handed out at the May meeting and conference.

I. Liability Claims Summary Report

The Board of Directors had no additional comments or questions.

J. Workers' Compensation Claims Summary Report

The Board of Directors had no additional comments or questions.

K. Property Claims Summary Report

The Board of Directors had no additional comments or questions.

12. CLOSING COMMENTS

A. Board

None.

B. Staff

None.

13. ANNOUNCEMENTS

None.

14. ADJOURNMENT

The Board adjourned the meeting at 1:28p.m.

Stephen Fraher, Board of Directors Secretary