ABAG PLAN CORPORATION

Board of Directors
Planning Meeting
October 17, 2007

Palazzio Room
Testarossa Vineyards
300 College Ave # A
Los Gatos, CA 95030

Summary Minutes

Presiding	Jurisdiction
Julie Carter, Chair	Dublin

Committee Members Present	
Bronda Silva	American Canyon
Letty Juarez	Atherton
Larry Anderson	Burlingam
Heather McLaughlin	Benicia
Jesse Takahashi	Campbell
Dan Rich	Campbell
Jill Lopez	Campbell
Brian Dossey	Colma
Sandy Abe	Cupertino
Paul Rankin	Dublin
Kristi Chappelle	Foster City
Chris de Groot	Foster City
LeeAnn McPhillips	Gilroy
Jud Norrell	Half Moon Bay
Kathy Leroux	Hillsborough
Starla Jerome Ronison	Los Altos
Nick Pegueros	Los Altos Hills
Orry Korb	Los Gatos

LaRae Brown	Millbrae
Emma Karlen	Milpitas
Flora Tzeng	Milpitas
Jack Dilles	Morgan Hill
Cecilia Quick	Pacifica
Jim O'Leary	San Bruno
Jeff Maltbie	San Carlos
Yulia Rasulova	San Carlos
Shawn Mason	San Mateo
Jim Steele	South San Francisco
Herb Lester	Suisun City
Heidi Bigall	Tiburon

Staff Present – ABAG PLAN Corporation

Marcus Beverly	Risk Manager
Ken Moy	Legal Counsel
Gertruda Luermann	Risk Management Analyst

1. **Call to Order & Introductions / Opening Remarks:**
   The meeting was called to order at 1:00 p.m. Julie Carter, Chair and Assistant to City Manger of Dublin, welcomed those in attendance. Introductions were made by members and attendees.

2. **Public Comments**
   No Public Comments.

3. **Approval of Minutes of Board of Directors Meeting of June 6, 2007**
   Approval of minutes as presented. /Korb/S/Dilles/C/unanimously approved

4. **Presentation: Five Questions Every Board Member Should be Able to Answer.** Marcus Beverly presented a Power Point overview and lead a discussion of the PLAN's operations and strategic objectives by addressing the following questions:

   - What is our pool's mission?
   - Is the pool solvent?
   - What could rapidly change our financial picture?
   - Who are our competitors and how do we compare?
   - What are my responsibilities as a Board Member?

   Beverly reviewed the PLAN's Mission Statement and whether the PLAN's goals are still consistent with it. In addressing the question of solvency, Beverly gave an overview of the PLAN's financial status. Factors that could change the pool's financial picture are - among others - large losses, undetected trends, inaccurate loss data or a hard insurance market. This included a discussion on stress factors for member entities. Aging infrastructure, earthquake & flood risks with related FEMA problems, and driving issues were stated as concerns.

Our competitors are commercial insurers and other pools. Factors in comparison considerations are price, coverage, service and financial strengths, with PLAN comparing favorably in all those areas. Beverly provided an overview of Board Members' duties and responsibilities whereby the discussion centered on the issue of conflict between duties to member cities and duties to the pool.

Succession planning within PLAN and within member entities was addressed with the announcement of upcoming retirement dates of various PLAN staff. Member entities are faced with need for succession plans and strategies to deal with staff retirement or turnover.

5. Other Business

None

6. Adjournment

The meeting was adjourned at 5:00 p.m. /Anderson/S/Mason

Respectfully Submitted,

Marcus Beverly
Risk Manger & Secretary
ABAG PLAN Corporation