



- 1:00 p.m. 6. Actuary Committee Report**
- A. Actuarial Review of the Liability Program\* Information**  
Michael Harrington, Principal Actuary, Bickmore Risk Services, will present his firm's report, including a calculation of the PLAN's liabilities as of 6/30/08 and member funding of expected losses for FY 2008/09.
- B. Options for Liability and Property Programs \*\* Information**  
Seth Cole, Vice President, Alliant Risk Services, will present his firm's results in marketing the PLAN's excess liability and property coverage for FY 2008/09.
- C. Funding Policy Revisions\* Action**  
Marcus Beverly, Risk Manager, will present recommended revisions to the PLAN's Funding Policy for approval. The revisions reflect updates since the last Policy change and include an additional financial benchmark.
- D. Funding Options and Recommendations \* Action**  
Marcus Beverly will present the Liability and Property Program funding options and recommendations, including a comparison to the benchmarks and goals of the PLAN Funding Policy. The Board will be asked to approve funding for FY 2008/09.
- 2:00 p.m. 7. Risk Management Committee Report\* Action**  
**Risk Management Programs & Funding**  
Gertruda Luermann, Risk Management Analyst, will present an overview of member progress in implementing the Risk Management Policy, feedback and suggestions for the risk management programs, and recommended funding for our FY 08-09 programs.
- 2:15 p.m. --BREAK--**
- 2:30 p.m. 8. Finance Committee Report Action**
- A. Financial Report as of December 31, 2007\***
- B. Audited Financials as of June 30, 2007\***
- C. Investment Policy\***  
Staff will present the PLAN's Financial Report as of December 31, 2007, and the audited financial statements of June 30, 2007, for Board approval. The Board will also be asked to adopt the Investment Policy with no changes.
- 2:50 p.m. 9. Claim Committee Report Action**
- A. Update on Activities\*\***  
Staff will present an update on the activities of the Claims Committee, including significant claim settlements.
- B. Revision of Memorandum of Coverage (MOC)\*\***  
Ken Moy, ABAG & PLAN legal counsel, will present proposed changes to the MOC, including a revision to the inverse exclusion.
- 3:00 p.m. 10. Administrative Budget FY 2008-09\* Action**  
Staff will present the proposed administrative budget for Board approval.

- 3:15 p.m. 11. Strategic Planning Discussion\*\* Action**  
Board members and staff will review the issues addressed in the special presentation prior to the meeting. Members will be asked to confirm an action plan for addressing the issues raised.

**Please Note: Item 12. will be discussed in closed session pursuant to the requirements of the Ralph M. Brown Act. All actions taken will be announced in open session prior to the adjournment of the meeting.**

- 3:45 p.m. 12. Conference with Legal Counsel--Anticipated Litigation Action**  
Pursuant to Govt C. Sec. Section 54956.9(b) – One Case\*\*

- 4:15 p.m. 13. Open Session - Announcements**

- 4:20 p.m. 14. Other Business**

- 4:30 p.m. 15. Adjournment**

**Note: The Board may act on any agenda item**

\* Enclosure

\*\* To be provided at meeting

Draft



Agenda  
Item  
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**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**

Julie Carter, Chair

**Jurisdiction**

Dublin

**Committee Members Present**

Bronda Silva

Letty Juarez

Larry Anderson

Heather McLaughlin

Jesse Takahashi

Dan Rich

Jill Lopez

Brian Dossey

Sandy Abe

Paul Rankin

Kristi Chappelle

Chris de Groot

LeeAnn McPhillips

Jud Norrell

Kathy Leroux

Starla Jerome Ronison

Nick Pegueros

Orry Korb

American Canyon

Atherton

Burlingam

Benicia

Campbell

Campbell

Campbell

Colma

Cupertino

Dublin

Foster City

Foster City

Gilroy

Half Moon Bay

Hillsborough

Los Altos

Los Altos Hills

Los Gatos

LaRae Brown  
Emma Karlen  
Flora Tzeng  
Jack Dilles  
Cecilia Quick  
Jim O'Leary  
Jeff Maltbie  
Yulia Rasulova  
Shawn Mason  
Jim Steele  
Herb Lester  
Heidi Bigall

Millbrae  
Milpitas  
Milpitas  
Morgan Hill  
Pacifica  
San Bruno  
San Carlos  
San Carlos  
San Mateo  
South San Francisco  
Suisun City  
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