



Association of Bay Area Governments

**SUMMARY MINUTES**

**CLAIMS COMMITTEE**

**Regular Meeting**

**Wednesday, January 25, 2006**

**101 8<sup>th</sup> Street**

**Oakland CA 94607**

**Conference Room B**

<b>PRESIDING:</b>	Orry Korb	Los Gatos
<b>MEMBERS PRESENT:</b>	Gary Galliano Heather McLaughlin	Newark Benicia
<b>MEMBERS ABSENT:</b>	Maureen Cassingham Pamela Thompson	Los Altos Hills San Bruno
<b>Staff Present:</b>	Marcus Beverly – ABAG Plan Director Angela Salsbury, Claims Manager – ABAG Plan Carol Johnson, Secretary – ABAG Plan	

**1. Call To Order:**

Meeting called to order at 10:30 a.m.

**2. Public Comments:**

None

**3. Approval of Minutes, Meeting August 4, 2005**

Minutes were approved as presented.

Motion/Galliano/S/McLaughlin/C/Approved

**4. Claim Audit Results:**

Marcus Beverly presented the audit report from Farley Consulting along with a brief staff report outlining the audit findings and response. Audit findings included the areas of strength and areas in need of improvement.

Marcus Beverly recommended Committee Members accept the claim audit report dated November 17, 2005 and approve the steps outlined and discussed to implement the audit's recommendations.

Committee Members approved as presented.

/M/McLaughlin/S/Galliano/C/Approved

**5. Litigation Management and Reporting Software:**

Staff provided an update on the implementation and results of the litigation management process begun July 1, 2005.

Staff believes the Lextech process has been worthwhile, with some savings for members and further efficiencies for staff to be realized. Staff believes we should continue to monitor the results of this process and make further improvements in efficiency and effectiveness. Staff recommended continued use of Lextech for processing legal bills and again assessing the results at the end of the fiscal year. If the Lextech process is continued into 06/07 fiscal year a decision would need to be made to maintain the audit cost as an administrative expense or to charge the claim and member directly as an allocated loss adjustment expense.

After discussion and review Committee Members approved Staff's recommendation to continue use of the Lextech process for the next 6 months, the remainder of the fiscal year.

Motion/Galliano/S/McLaughlin/C/Approved

**6. Review of Claim Policy, MOC, and Reports:**

Staff presented a report of claim activities as listed in Claim Policy, including numbers of claims for 2005 and settlements over \$125,000. A report of open claims with potential over \$125,000 was presented in closed session. Staff also presented an outline of claim topics related to review of MOC and Claim Policy for discussion.

After discussion and review Staff requests Committee accept reports with no recommended changes to the Claim Policy or MOC at this time.

Motion/McLaughlin/S/Galliano/C/Approved

Item #7 was discussed in closed session pursuant to the requirements of the Ralph M. Brown Act. Closed session commenced at 11:50 a.m.

**7. Conference with Legal Counsel – anticipated or existing litigation:**

- \* Kotobuki vs. City of So. San Francisco
- \* Claims over \$125,000.

**8. Open Session Announcements:**

Orry Korb announced open session and reported no reportable actions taken in closed session.

**9. Approved Defense Counsel Request – no discussion or action.**

**10. Other Business:**

Staff announced that the City of Pacifica has retracted their withdrawal notice and will remain in the pool.

**11. Adjournment:**

Meeting adjourned at 12:30 p.m.

Respectfully Submitted,



Marcus Beverly  
Risk Manager & Secretary

/cj