

San Joaquin Valley Insurance Authority

BOARD OF DIRECTORS

SUSAN B. ANDERSON

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POOCHIGIAN

PETE VANDER POEL

Meeting Location:
Fresno County Employee Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
January 14, 2011
9:00 AM

AGENDA DATE: January 14, 2011

ITEM NUMBER: 5

SUBJECT: Status Report and Request Direction on SJVIA Insurance Policies

REQUEST(S): That the Board of Directors receive a verbal report on required SJVIA insurance policies and give direction

DESCRIPTION: SJVIA staff has worked with Robyn Henry, Risk Manager at the County of Tulare in recommending and placing appropriate insurance policies to protect the business of the SJVIA. Group purchase insurance programs currently offered by CSAC-EIA and designed for public entities seem to be a logical fit for the requirements of the SJVIA. The program is designed for small public-sector entities.

In discussing the requirements with Ms. Henry, the focus of the report and update will be on placing the following coverage for the SJVIA:

- ✓ **Crime Bond** – Coverage is provided for incidents such as public employee dishonesty, forgery or alteration, theft, computer fraud and embezzlement.
- ✓ **Fiduciary Liability Insurance Program (FLIP)** – Fiduciary liability insurance is a popular vehicle for the financial protection of fiduciaries of employee benefit plans against legal liability arising out of their role as fiduciaries, including the cost of defending those claims that seek to establish such liability. Coverage is provided for incidents such as miscalculation, a class action lawsuit, and enrollment errors.
- ✓ **Special Liability Insurance Program (SLIP)** – This program provides coverage for claims from third parties alleging damages due to negligence arising out of personal injury, property damage and public officials' errors and omissions.

As of the date of that this item was published, the actual quotes on coverage had not been received. It is anticipated that they will be received in advance of the Board meeting and provided to the Board upon staff receipt to allow for review in advance of the meeting. The purpose of this item is to update your Board on recommended policies and receive direction on next steps based on the quotes received. The goal is to place coverage as soon as possible.

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FISCAL IMPACT/FINANCING:

The cost for these programs would be paid out of funds collected for SJVIA Administration. The amount approved on November 5, 2010 in the SJVIA 2010-2011 budget for all administrative cost is \$214,968.

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
Fresno County Employee Benefits Manager

**BEFORE THE BOARD OF DIRECTORS
SAN JOAQUIN VALLEY INSURANCE
AUTHORITY**

IN THE MATTER OF Status Report and Request Direction on SJVIA Insurance Policies

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF DIRECTOR _____, SECONDED BY DIRECTOR _____, THE FOLLOWING WAS ADOPTED BY THE BOARD OF DIRECTORS, AT AN OFFICIAL MEETING HELD _____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

BY: _____

* * * * *

That the Board of Directors received a verbal report on required SJVIA insurance policies and gave direction to SJVIA staff.