



# SJVIA

San Joaquin Valley  
Insurance Authority

## BOARD OF DIRECTORS

ANDREAS BORGEAS

JUDITH CASE

MIKE ENNIS

ALLEN ISHIDA

PHIL LARSON

DEBORAH POCHIGIAN

PETE VANDER POEL

**Meeting Location:  
Tulare County  
Human Resource and  
Development Test Room  
2900 W Burrel  
Visalia, CA  
April 19, 2013 9:00 AM**

**AGENDA DATE:** April 19, 2013

**ITEM NUMBER:** 9

**SUBJECT:** Approve Amended & Restated JPA Agreement to Allow the Addition of the Central San Joaquin Valley Risk Management Authority as a Member of the San Joaquin Valley Insurance Authority

**REQUEST(S):** That the Board approve the amended and restated JPA Agreement adding the Central San Joaquin Valley Risk Management Authority as a member of the San Joaquin Valley Insurance Authority

### **DESCRIPTION:**

The Central San Joaquin Valley Risk Management Authority (RMA) is a joint powers authority comprised of 54 cities. The RMA provides cost-effective, risk financing and risk control services for cities located within the State of California that have a population of 75,000 or less at the time they become a member.

In early 2012, the RMA formed an ad hoc committee to explore options for a health care program to offer their members. In February of 2012, Staff and Gallagher Benefit Services met with this committee to review the SJVIA and its potential to benefit the members of the RMA. After extensive research and communication, the Ad Hoc Committee recommended joining the SJVIA to begin offering services to their member cities. On February 27<sup>th</sup>, 2013, the

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RMA Executive Committee met to discuss any final questions regarding the SJVIA and following the discussion the committee voted to recommend to the RMA Board to join the SJVIA. The RMA Board of Directors will consider and is expected to approve the recommendation of the Executive Committee to join the SJVIA as a party to the JPA Agreement at their June, 2013 meeting. To facilitate an effective date of July 1, 2013, it is recommended the SJVIA Board provide approval with the understanding that the respective County Boards will need to subsequently approve the amended and restated JPA agreement.

The addition of the RMA to the SJVIA as a JPA member entity will help to grow and promote the SJVIA to surrounding cities and counties. Although the RMA is not requiring all of its member entities to participate in the medical program, even though two RMA cities have joined, they are expected to promote the SJVIA as a viable option for it's member entities.

However, many of the member cities have expressed interest and have requested proposals from the SJVIA. The proposals that have been released to date are shown in the attached report and are proving to be an affordable alternative to the Cities and a good risk for the SJVIA. The size of the SJVIA, coupled with the RMA member cities entering as pool is expected to provide a much more stable environment for future health care costs.

As a result of this request, Staff and SJVIA legal counsel have recommended changes to the JPA Agreement. The agreement with the changes notated is attached for your review.

It is Staff's recommendation to approve the RMA as a member of the San Joaquin Valley Insurance Authority Joint Powers Authority effective July 1, 2013. The amended and restated JPA agreement and a summary of changes is attached to this item.

**FISCAL IMPACT/FINANCING:**

As members of the Central San Joaquin Valley Risk Management Authority become participating members of the SJVIA the budget will be amended to reflect the additional projected premiums and expenses.

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**ADMINISTRATIVE SIGN-OFF:**



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**Jeffrey Cardell  
SJVIA Manager**



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**Paul Nerland  
Assistant SJVIA Manager**

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

**IN THE MATTER OF** Approve Amended & Restated JPA Agreement  
to Allow the Addition of the Central San Joaquin Valley Risk Management  
Authority as a Member of the San Joaquin Valley Insurance Authority

**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 approved the amended and restated JPA Agreement adding the  
Central San Joaquin Valley Risk Management Authority as a member of the  
San Joaquin Valley Insurance Authority