

Summary Minutes
Risk Management Trust Fund
Wednesday, August 7, 2013 - 6:00 PM
City Hall - Council Chambers
5850 W. Glendale Avenue
Glendale, AZ 85301

Members Present

Diane Goke
John Stern, President
Julie Stiak, Trustee
Sandra Oates, Trustee
Yvonne Knaack, Vice-Mayor and Trustee

Members Absent

None

Staff Present

Dianne Shoemake, Risk Manager
Lorena Sanchez, Risk & Safety Analyst
Nick DiPiazza, Acting City Attorney

1. Call to Order

John Stern called the meeting to order at 6:05 PM.

2. Awards Presentation and Signature of Oaths

John Stern presented a plaque honoring Julie Stern for her service since April, 2006. Dianne Shoemake advised that John Stern was sworn in June 11, 2013 at the City Council meeting to serve as President through July 24, 2014, Julie Stiak was sworn in as a Trustee to serve until July 24, 2016 and Dianne was sworn in as Ex-Officio until July 24, 2016.

3. Executive Session

John Stern made a motion to enter into executive session which was seconded by Sandra Oates. Nick DiPiazza provided an update of the claims/lawsuits greater than \$50,000. Yvonne Knaack made a motion to leave executive session and Diane Goke seconded.

4. Minutes of April 1, 2013 Risk Management Trust Fund Board

Dianne Shoemake presented the minutes to the Board. Diane Goke made a motion to accept the minutes and Yvonne Knaack, seconded. All voted "aye" and the minutes were approved.

5. Discussion of Risk Management Trust Fund 2013/2014 Year End Revenue and Expenses

Dianne Shoemake provided a spreadsheet listing the revenues and expenses for the risk management trust fund for the period 7/1/2012 through 6/30/2013. The fund balance was \$2,848,120. The actuary required the minimum balance, 55% confidence level, at \$2,028,462. The fund is above the minimum requirement by \$818,658.

6. Discussion of Fiscal Year 2013/2014 Property and Liability Insurance Renewals

Dianne Shoemake reported on the outcomes of the insurance renewals for property, crime, excess liability, airport liability, fiduciary liability. The total cost of insurance for the fiscal year is \$999,002. Dianne advised that City Council approved the purchase of insurance at their meeting on June 11, 2013. A summary of each policy was provided to the Trustees.

7. Final Results Risk Management Trust Fund Request for Quotations for Actuarial Services, RFQ 13-001 RMD.

Risk Management previously provided the specifications for request for quotations for actuarial services. The request for proposal was sent to seven companies. Only one response was received from Aon Risk Solutions. The contract was given to Aon as they met all specifications. Risk Management received City Council approval to enter into a contract with Aon for 1 year, which may be extended a total of four additional years, not to exceed \$49,500. This cost is to evaluate both the risk management and workers' compensation trust funds. A copy of the contract between the City and Aon was provided to the Trustees.

8. Risk Management Trust Fund Board Accomplishments 2012/2013

A draft Risk Management Trust Fund Board yearend report for fiscal 7/1/2012 through 7/1/2013 was presented to the Trustees by Dianne Shoemake. The report provided innovative and administrative changes made, accomplishments and goals for the upcoming fiscal year. Under the accomplishments, the board added "City Attorney presents the claims/lawsuits estimated to be above \$50,000 at each meeting which provides a greater understanding of the exposures facing the City". Under the Goals listed, the board added "Evaluate the budget office cost allocations for insurance premiums charged to city departments".

9. Management Report

John Stern asked for an update of the changes to the Risk Management Trust Fund, which was provided by Nick DiPiazza in Executive Session. Dianne Shoemake provided an update of the Risk Management Trust Fund Audit which was completed last year by the audit department. Risk Management is providing the audit department the documentation to show the items have been completed so that the audit items can be closed.

10. Adjournment

Yvonne Knaack made a motion to adjourn the meeting and Julie Stiak seconded. The meeting was adjourned at 7:30 PM.