



BIGHORN-DESERT VIEW WATER AGENCY

"To provide a high quality supply of water and reliable service to all customers at a fair and reasonable rate."

Finance/Public Relations/Education and Personnel Standing Special Committee Meeting Minutes

Committee Members: Director McBride & Director McKenzie

**BOARD MEETING OFFICE
1720 N. CHEROKEE TR.
LANDERS, CALIFORNIA 92284**

**April 20, 2021
Time – 4:00 P.M.**

**PUBLIC AND BOARD WISHING TO PARTICIPATE REMOTELY
TELECONFERENCE LINE THRU ZOOM 669-900-6833
OR**

Join Zoom Meeting

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/88152080230?pwd=cWlEZlFUazVvd01FQnl1Z3RPaHdsdz09>

Or Dial:

1-669-900-6833

Webinar ID: 881 5208 0230

Passcode: 771472

Please note that all requirements of the Brown Act requiring the physical presence of the board or staff have been waived per Executive Order N-29-20

CALL TO ORDER

Chairman McBride called the meeting to order at 4:00 pm

PLEDGE OF ALLEGIANCE

Led by Rosa Carrick.

ROLL CALL

Directors Present: Chairman McBride
Secretary McKenzie

Staff Present: Marina West
Rosa Carrick, Accounting Lead

Public Present: 0 member(s) of the public indicated they were participating via teleconference.
0 members of the public were present in the meeting room.

Paul Fuller, JPRIMA and CEO Allied Public Risk, LLC, participated by teleconference.

Scott Nelson, Sr. Associate, Eide Bailly LLP (Agency Consultant), participated by teleconference.

APPROVAL OF AGENDA

Vice President McBride and Director McKenzie approved the Agenda as presented.

Discussion and Action Items -

1. Status Update Fiscal Year 2020/21 Delinquent Accounts Subject to Property Tax Lien

Agency staff, Rosie Carrick, gave the staff report outlining true bad debt and the current outstanding liens that will be rolled to tax bills if not paid to the Agency by a date certain.

The true bad debt is \$2,247.50 mostly related to a bulk account. There is a total of \$84,682 on 180 accounts. There was a discussion about how to handle the tenant balances. Director McBride stated he believes we should lien these accounts. Director McKenzie believes that until "COVID" is lifted we should wait.

Questions were asked and answered from the Committee members.

2. Fiscal Year 2021/22 Property and Casualty Insurance and Workers Compensation Program Renewal: Review Special Districts Risk Management Authority (SDRMA) Renewal and Recommendation to Join CalMutuals /JPRIMA-Allied Risk. Final Presentation by Representative Paul R. Fuller, CEO, Allied Public Risk, LLC for a Minimum Three Year Period

GM West introduced Paul Fuller, Allied Public Risk, who gave a final presentation to the Committee regarding their quote for Property Liability and Workers Compensation insurance. He further outlined the expected relationship between Allied Risk and the Agency concerning the manner in which personnel issues are expected to be managed.

Mr. Fuller gave an overview of the products being offered to the Agency and the details of the risk management relationship. He believes public entities are well represented given that they are about half of the membership in JPRIMA. Mr. Fuller also wanted to be clear on the \$50,000 deductible for employment practices liability. This deductible would be lowered each year should the Agency avoid any employment issues leading to a claim. The deductible would step down over the three-year enrollment period from \$50,000 to as low as \$5,000 in year three. He also discussed the potential to lower the annual premium by \$10,000 should the Agency agree to relinquish some control on personnel issues. It would require the Agency to contract with the law firm Liebert Cassidy Whitmore to provide advice on issues that could result in an employment litigation claim against the Agency. LCW rates are pre-negotiated but are still steep. In summary, the premium deduction is tied to the legal services requirement.

Mr. Fuller also reviewed some of the "points of distinction" between JPRIMA and Special Districts Risk Management Authority (SDRMA). The differences are in the personal services and resources available to BDVWA through JPRIMA.

Director McKenzie asked about earthquake insurance. Mr. Fuller said the Agency should look to Federal Emergency Management Authority (FEMA) for funding to recover from disasters

because the Agency is an “essential service”. GM West noted that FEMA paid to put the Agency back in service following the 1992 earthquake.

Terry Burkhart asked about the number of Workers Compensation claims filed over the last three years. Mr. Fuller answered that the claims over the last three years was low enough that “dividends” were given every year. He gave a broad overview of “The Zenith” group in handling the Workers Compensation program. Mr. Fuller stated it was around 60-70 claims per year. She further asked about those that were settled and those that went to litigation. Mr. Fuller did not have that data to share but offered to obtain it. He noted that The Zenith has physicians and lawyers on staff. She asked what is covered under “employee dishonesty”. Mr. Fuller explained it is generally embezzlement of money by an employee or director. She asked about vetting the background of new employees and existing employees. Mr. Fuller stated that this type of service is included in the insurance.

Director McKenzie asked what would happen if periodic check reveals an issue. Mr. Fuller discussed the common issues encountered: bankruptcy, DUI and domestic violence. GM West clarified that all staff and the Board are monitored for driving violations through our current plan with SDRMA.

3. Workshop No. 2 - 2021 Staff Benchmark Salary Survey and Recommendations for Incorporation into the Fiscal Year 2021/22 Budget

GM West gave a PowerPoint presentation outlining issues raised since the last Finance Committee meeting. The primary request was to provide the ratio of salary plus benefits vs. total expenses followed by a chart representing the same ratio with the benchmarked increases included. Subsequent to the preparation of that chart additional questions were posed to staff and they were covered in the meeting.

4. Draft Fiscal Year 2021/22 Budget Review

GM West gave a brief staff report on the progress of the draft budget. Staff has compiled a majority of the budget items and is on-track to present a final draft budget at the May FPREP meeting. There is no draft to be presented tonight as there are still significant outstanding items: final determination on the Benchmark survey; medical benefits calculations, Insurance decisions (SDRMA v JPRIMA), SCE power estimates.

Director McKenzie asked about how the Agency will track the various consumptions by class. Staff will evaluate this further prior to implementation of the new billing rates.

5. Consent Items –

- a. FPREP Committee Meeting Minutes, March 17, 2021

Recommended Action:

Approve as presented (Items a):

No Public Comment.

Committee members approved the minutes as presented.

6. Public Comment Period

No Public Comment.

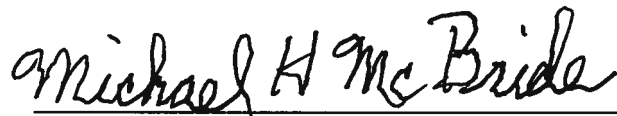
7. Verbal Reports - Including Reports on Courses/Conferences/Meetings.

1. Committee Members' Comments/Reports – none.

2. General Manager's Report – none.

8. Adjournment – Chairman McBride adjourned the meeting at 6:34 pm.

Approved by:



Michael McBride, Committee Chair

Official Seal

