

**City of South Pasadena Finance Committee
Minutes for Special Meeting of:
April 21, 2014, 6:30 p.m.**

Location: City Hall Council Chambers
1424 Mission St.
South Pasadena, CA 91030

- I. Roll Call** Committee Chair Adrian – Present
Member Burke – Present
Member Catania – Present
Member Peters – Present
Member Robinson – Present
City Council Liaison Khubesrian - Excused
City Treasurer Pia – Present
Finance Director Batt – Present
Asst. Finance Director Lieu – Present

Also Present: Councilmember Diana Mahmud
Asst. City Manager Hilary Straus
Human Resources Director Mariam Ko
Management Analyst Jeannie Chiu
Michael Simmons, Alliant Insurance Svcs.
Conor Boughey, Alliant Insurance Svcs.

II. Public Comment

None.

III. Approval of Minutes for the Meetings of January 25, 2014 and February 13, 2014

Approved 5-0.

IV. Continuing Business

- a. Update on City's General Liability and Workers Compensation Program

Michael Simmons and Conor Boughey of Alliant Insurance Services gave a detailed presentation on the City's insurance programs, comparing the costs and services provided by the City's current insurer, the California Joint Powers Insurance Authority (CJPIA) and the proposal by the California State Assoc. of Counties Excess Insurance Authority (CSAC-EIA). They, along with Asst. City Manager Straus, answered numerous questions about the process, including how third-party administrators were chosen, settlement authority, training programs, coverage levels, self-insured retentions, transition between carriers, and loss prevention programs. They also described the steps that the City Council would need to take at the May 7, 2014 Council meeting should the City change insurance carriers, since CJPIA coverage is

set to terminate on June 30, 2014, in accordance with the notice from the City which was delivered last year.

Member Catania made a motion that the Finance Committee advise the City Council to change insurance carriers from CJPIA to CSAC-EIA, establish a \$100,000 self-insured retention for general liability, \$0 self-insured retention (or first dollar coverage) for workers compensation, establish settlement authority at \$0 - \$2,500 for the third-party administrators, \$2,500 - \$25,000 for the City Manager or his designee, and \$25,000 and up for the City Council, and incorporate an annual loss prevention review. Motion passed 5-0.

b. Review of 2014 Investment Policy

Finance Director Batt said that a review of the Investment Policy was requested by Councilmember Cacciotti due to concerns over low interest rates. There was some discussion about permitted investments, custodians, and problems with our current investment broker, Morgan Stanley. No action was taken to amend the policy at this time.

c. Update on Ad Hoc Downtown Project Advisory Committee

Member Catania gave a brief overview of the status of the Downtown Project.

V. Committee Member Comments

None.

VI. Adjournment

The meeting was adjourned at 8:15 p.m.

Accepted:

Carrie Robinson
Committee Chair Adrian

Jan 26, 2015
Date