



# Confirmation of Agenda

## NOTICE AGENDA OF THE FIRE AGENCIES MEETING OF THE BOARD

March 11, 2019 at 10:30 a.m.

To be posted by all Districts in accordance with the Ralph M. Brown Act, California Government Code Section 54950, et seq.

The Fire Agencies Insurance Risk Authority (“FAIRA” or the “Authority”) will hold the Board and the Executive Board Meeting on Monday, March 11, 2019, at 10:30 a.m. in the offices of Arthur J. Gallagher, 1255 Battery Street, Suite 450, Board Room, San Francisco, CA 94111.

# AGENDA

- 1 Call to Order and Determination of a Quorum-----5**
- 2 Confirmation of Agenda -----6**
- 3 Public Comment-----9**
  - Oral Communications to the Board, opportunity for public comment with respect to matters not on the Agenda -----9
  - This portion of the Agenda may be utilized by any person to address the Board of Directors’ on any matter within the jurisdiction of FAIRA not listed on the agenda. Depending on the subject matter, per the Ralph M. Brown Act, the Board may not be able to respond at this time or until the specific item is placed on the Agenda for a future meeting. Speakers are limited to three (3) minutes. -----9
- 4 Approval of the Minutes of the December 10, 2018 Board and Executive Board Meeting- 10**
  - Consideration and Possible Action ----- 24
- 5 General Manager’s Report----- 25**
  - 5.1 Update on FAIRA’s Governing Documents ----- 25**
    - 5.1.1 FAIRA Memorandum of Coverage ----- 25
    - Receive and File ----- 25
    - 5.1.2 Liability Risk-Sharing Agreement----- 25
    - Consideration and Possible Action ----- 25
    - 5.1.3 Joint Powers Authority----- 25
    - Receive and File ----- 25
    - Receive and File ----- 25
    - Consideration and Possible Action ----- 25
  - 5.2 Board Elections ----- 29**
    - 5.2.1 Governing Board Elections ----- 29
    - Consideration and Possible Action ----- 29
    - 5.2.2 Board Officers Elections ----- 29
    - Consideration and Possible Action ----- 29
    - 5.2.3 Proposed Timetable for the Upcoming Election ----- 29
    - Consideration and Possible Action ----- 29
  - 5.3 Claims Update----- 30**
    - Receive and File ----- 30
  - 5.4 Rate Stabilization Fund (RSF) ----- 33**
    - Consideration and Possible Action ----- 33

5.5	<b>Member Meetings and FAIRA Webinar</b>	<b>36</b>
	Receive and File	36
5.6	<b>Establish Vehicle Definitions</b>	<b>36</b>
	Consideration and Possible Action	36
<b>6</b>	<b><i>FAIRA Board Financial Consultant's Report</i></b>	<b>37</b>
6.1	<b>Audited Financial Statement year ending June 30, 2018 and 2017</b>	<b>37</b>
	Consideration and Possible Action	56
6.2	<b>Review of Accountant's Financial Statements at January 31, 2019</b>	<b>57</b>
	Receive and File	66
6.3	<b>Review of KCM Investments</b>	<b>67</b>
	Receive and File	76
6.4	<b>Review of Chase Bank and Electronic Payment Approval Process</b>	<b>77</b>
	Receive and File	77
6.5	<b>Presentation of the 2018-2019 Updated Annual Budget</b>	<b>78</b>
	Consideration and Possible Action	78
<b>7</b>	<b><i>Loss Control Consultant's Report</i></b>	<b>83</b>
7.1	<b>Loss Activity – Historical Trends</b>	<b>83</b>
	Receive and File	83
7.2	<b>Loss Control Visits - Planning</b>	<b>86</b>
	Receive and File	86
7.3	<b>Regulatory Changes</b>	<b>87</b>
	Receive and File	87
<b>8</b>	<b><i>Broker's Report</i></b>	<b>88</b>
8.1	<b>Insurance Renewal Timing</b>	<b>88</b>
	Receive and File	88
8.2	<b>Insurance Marketplace and Renewal Strategy</b>	<b>90</b>
	Receive and File	90
<b>9</b>	<b><i>President's Report</i></b>	<b>91</b>
9.1	<b>Update on FDAC</b>	<b>91</b>
	Receive and File	91
9.2	<b>Renewal of the 7/1/2019 agreement with FDAC</b>	<b>94</b>
	Consideration and Possible Action	94
9.3	<b>Discussion on FAIRA's Annual Meeting – June 17, 2019</b>	<b>100</b>
	Consideration and Possible Action	100
<b>10</b>	<b><i>Closed Session Conference with Legal Counsel</i></b>	<b>101</b>
	The Board may enter into Closed session at this time.	101
10.1	<b>Potential Litigation. [Government Code § 54956.9(b)]</b>	<b>101</b>
10.2	<b>Pending Litigation. [Government Code § 54956.9(a)]</b>	<b>101</b>
10.3	<b>FAIRA Claims and Loss Reports</b>	<b>101</b>
	The above matters described on the agenda may be held in closed session as a conference with counsel under the provisions of Government Code § 54956.9 (a) and (b). If closed sessions are held, a report of actions subject to disclosure will be made by the Authority's Counsel upon return to open session respectively.	101
<b>11</b>	<b><i>Other Business</i></b>	<b>102</b>

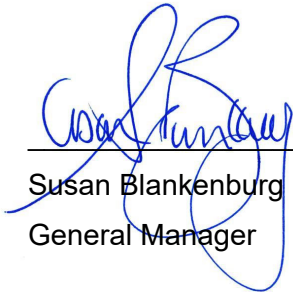
Other business as necessary so that FAIRA can perform its functions as authorized by law and which has arisen within seventy-two (72) hours prior to the initiation of this meeting and may be considered under the Brown Act.----- 102

**12 Correspondence and Informational Items ----- 103**

**12.1 FDAC Correspondence ----- 103**

**13 Adjournment ----- 105**

I certify that this Authority Agenda was posted and sent by First Class United States Mail to all Member's of the Authority 72 hours before the noted meeting. ----- 105



---

Susan Blankenburg  
General Manager

Date: February 11, 2019

FAIRA, in complying with the Americans with Disabilities Act (ADA), requests individuals who require specific accommodations to access, attend or participate in the Board Meeting, due to disability, to please contact the General Manager at 415-536-4005 at least two (2) business days prior to the scheduled meeting to ensure that the Authority may assist you. Others with questions concerning this Agenda please contact the General Manager at 415-536-4005.