

**BOARD OF DIRECTORS REGULAR MEETING**

August 25, 2021

**MINUTES**

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**1. CALL TO ORDER:**

The regular meeting of the Board of Directors was held on August 25, 2021 via Zoom Webinar. The Meeting was called to order by President Wetter at 10:03 a.m.

Members Present: President Dean Wetter, Vice President Larry Mazzuca, Secretary Colin Miller, Director Lorena Cervantes, Director Jim Friedl, Director Michelle Lacy, and Director Jill Nunes.

CAPRI Staff Present: Executive Director Matthew Duarte, Safety Analyst Kirk Andre, Administrative Analyst Monica Breck, and Administrative Assistant Emma Breck.

Others Present: Mr. Byrne Conley (Gibbons & Conley), Mr. Doug Wozniak (Alliant Insurance), Charles Toretta (George Hills), Amber Abella (Sedgwick), Dori Zumwalt (Sedgwick), Allison Kaune (PFM), and two members of the public.

**2. INTRODUCTIONS:**

None.

**3. PUBLIC COMMENTS:**

None.

**4. CLOSED SESSION:**

The Board convened to Closed Session at 10:06 a.m. regarding the following matters:

**4.1 Liability & Property – Existing Litigation Pursuant to Government Code § 54956.9(d)(1)**

- Caoile v. Hayward Area Recreation & Park District
- Kreuzer v. Strawberry Recreation & Park District
- Velez v. Isla Vista Recreation & Park District
- Fulton-El Camino Property Claim
- Jurupa Area Property Claim

- Truckee-Donner Property Claim
- CAPRI \$5K Summary

#### 4.2 Workers' Compensation – Existing Litigation Pursuant to Government Code § 54956.9(d)(1)

- Brockus v. Pleasant Valley Recreation & Park District
- Dickerson v. Cordova Recreation & Park District
- Johnson v. Cordova Recreation & Park District
- Sena v. Hayward Area Recreation & Park District

### 5. **REPORT FROM CLOSED SESSION:**

Pursuant to Government Code Section 54957.1, the Board must report in open session any action taken, or lack thereof, taken in closed session.

*No Reportable Action.*

The Board concluded Closed Session at 11:35 a.m. After a brief recess, the Board returned to open session at approximately 11:43 a.m.

### 6. **CONSENT AGENDA:**

- 6.1 Approval of CAPRI Board Minutes
  - June 23, 2021
- 6.2 LAIF Regular Monthly Statement – June 2021
- 6.3 Warrant Listings for the months of April 2021 – June 2021
- 6.4 Statement of Net Position
- 6.5 Statement of Revenue and Expenses Budget to Actual
- 6.6 Statement of Revenue, Expenses, and Change in Net Position

#### **MOTION:**

*Vice President Larry Mazzuca made a motion to approve consent agenda items 6.1 – 6.6. Director Michelle Lacy seconded the motion.*

**Ayes:** *Wetter, Mazzuca, Miller, Cervantes, Friedl, Lacy, and Nunes*

**Nays:** *None*

**Abstain:** *None*

### 7. **PULLED CONSENT ITEMS:**

None.

## **8. SPECIAL REPORTS:**

### **8.1 Investment Stats Report – Allison Kaune, PFM**

Ms. Allison Kaune with PFM provided a report on the status of CAPRI's investment holdings. Ms. Kaune noted that the investment portfolio remains consistent with CAPRI policy.

### **8.2 Insurance Market Update – Doug Wozniak, Alliant Insurance Services**

Mr. Doug Wozniak with Alliant Insurance Services provided an update regarding the current insurance market after finalizing the renewal and as we look forward. While Workers' Compensation came in within the budget, both Liability and Property exceeded the budgeted amount as we continue to see a hard market. Mr. Wozniak also noted that Cyber coverage is becoming difficult to place as well.

### **8.3 WC Program Status Report**

Executive Director Duarte reviewed and discussed the status of the Workers' Compensation Program. At the close of the 2020-21 fiscal year, claims frequency and claims costs are down.

### **8.4 General Liability Program Status Report**

Executive Director Duarte reviewed and discussed the status of the General Liability Program. At the close of the 2020-21 fiscal year, claims frequency and claims costs are also down.

### **8.5 Property Program Status Report**

Executive Director Duarte reviewed and discussed the status of the Property Program. At the close of the 2020-21 fiscal year, claims frequency is lower than years past. Claims severity; however, remains high. This is in part due to claims from previous years settling and being paid in 2020-21.

## **9. DISCUSSION/ACTION ITEMS:**

### **9.1 Budget Revision 2021-2022**

Executive Director Matthew Duarte presented revisions to the 2021/2022 CAPRI Budget. The Budget was adopted in June with the understanding that it was pending final insurance premiums, which have now been updated. The Year-to-Date actual was also updated to reflect the full fiscal year.

### **MOTION:**

*Director Jim Friedl made a motion to adopt the revised CAPRI Budget for FY 2021-2022 as presented. Secretary Colin Miller seconded the motion.*

**Ayes:** Wetter, Mazzuca, Miller, Cervantes, Friedl, Lacy, and Nunes  
**Nays:** None  
**Abstain:** None

## 9.2 Annual WC Program Dividend Distribution Review

The Board reviewed and discussed the financial position of the WC Program and the possibility of a dividend. CAPRI provided a 10% discount on quarterly billing throughout the year as our membership was impacted by the pandemic, which may be considered in lieu of a dividend, as we collected less premium than was budgeted. Additionally, Staff is still in the process of collecting final payroll and reconciling the final WC Program premium.

### MOTION:

*Director Michelle Lacy made a motion to direct Staff to review this item with the Finance/Personnel Committee in October and bring a recommended action to the Board meeting in December. Director Lorena Cervantes seconded the motion.*

**Ayes:** Wetter, Mazzuca, Miller, Cervantes, Friedl, Lacy, and Nunes  
**Nays:** None  
**Abstain:** None

## 9.3 Annual GL/Property Program Dividend Distribution Review

The Board reviewed and discussed the financial position of the GL/Property Program and the possibility of a dividend. Based on the program's recent loss history, particularly in the Property Program, the issuance of a dividend is not appropriate this year.

### MOTION:

*Secretary Colin Miller made a motion to decline to issue dividends from the GL/Property Program this fiscal year. Director Michelle Lacy seconded the motion.*

**Ayes:** Wetter, Mazzuca, Miller, Cervantes, Friedl, Lacy, and Nunes  
**Nays:** None  
**Abstain:** None

## 9.4 WC Payroll Classification Codes Review

The WC payroll classification codes were overdue for a review. Staff conducted an exhaustive review of the WCIRB Class Codes and determined that our current list of four (4) class codes remains an accurate representation of our Member Districts' staffing. We have found that other similar organizations have added Class Code 8871, Clerical Telecommuter Employees, as many continue to work from home.

**MOTION:**

*Director Jim Friedl made a motion to approve the addition of WC Payroll Classification Code 8871, effective for any potential 2021-22 mid-year additions and onward. Director Lorena Cervantes seconded the motion.*

**Ayes:** Wetter, Mazzuca, Miller, Cervantes, Friedl, Lacy, and Nunes

**Nays:** None

**Abstain:** None

**10. EXECUTIVE DIRECTOR/STAFF REPORTS:**

**10.1 District Visit Update**

The Board of Directors had no comments or questions.

**10.2 CARPD Update**

The Board of Directors had no comments or questions.

**10.3 CAPRI Website Update**

CAPRI won an Eagle Award for our Member Portal from PRISM!

**10.4 CAPRI Banking Institution Update**

The Board of Directors had no comments or questions.

**10.5 News of Note**

The Board of Directors had no comments or questions.

**11. BOARD MEMBER REPORTS:**

**11.1 Board Member Comments**

Secretary Colin Miller noted that Car Shows have been a very popular event with the Arden Park community. Other districts looking for ideas to draw a crowd might want to try the same type of event.

**12. FUTURE AGENDA ITEMS:**

Director Jim Friedl suggested one additional future agenda item, CAPRI's unfunded liabilities with PERS, be discussed at the Personnel/Finance Committee and then brought to the Board.

**13. ANNOUNCEMENTS:**

The Board of Directors had no comments or questions.

**14. ADJOURNMENT:**

The Board adjourned the meeting at 12:59 p.m.



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Colin Miller,  
Secretary for the CAPRI Board of Directors