

**ASSOCIATION OF BAY AREA GOVERNMENTS POOLED  
LIABILITY ASSURANCE NETWORK  
(ABAG PLAN)**

**MINUTES OF THE FINANCE COMMITTEE  
MEETING OF MAY 30, 2017**

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A regular meeting of the Finance Committee was held on May 30, 2017, at Bay Area Metro Center, 375 Beale Street, Suite 700, San Francisco, CA 94105.

**MEMBERS PRESENT:** Ann Ritzma, Chair, Foster City  
Mary Furey, Saratoga  
Richard Lee, South San Francisco  
Yulia Carter, Half Moon Bay

**1. CALL TO ORDER:**

The May 30, 2017, Finance Committee meeting was called to order and a roll call was taken.

**2. PUBLIC COMMENTS:**

None.

**3. APPROVAL OF AGENDA AS POSTED (OR AMENDED):**

*A motion was made to approve the minutes from the January 24, 2017 Finance Committee meeting.*

**4. REVIEW OF PLAN FINANCIALS AND INVESTMENT REPORTS:**

**A. Audited Financial Reports for FY 2015/16**

The Financial Audit was conducted by Maze & Associates which stated that PLAN's financial statements presented fairly, in all material respects.

The auditors did not identify any deficiencies in Internal Controls that were considered to be material weaknesses during the audit process.

**B. Quarterly Investment Report as of March 2017**

ABAG PLAN staff reviewed the Quarterly Investment Report with the Committee and noted PLAN is financially well-positioned and able to meet the expenditure requirements for the next six months. As of March 30, 2017, PLAN's balance sheet and statement of financial position remains very strong and no issues of meeting financial obligations were anticipated.

*A motion was made to approve Financial Statements, MOIC, and Investment Report as presented.*

**5. TPA CLAIMS ADMINISTRATION:**

**A. York Claims Administration Contract Renewal:**

York has served as PLAN's Claim Administrator since August 1, 2014, after entering a three-year contract for services that would end July 31, 2017. With the contract expiring, a contract amendment to extend the original agreement has been received. This amendment provides for services to continue annually for an additional three years with the provision of a 3% cost escalator on the service fee, that is set to expire July 31, 2020.

The agreement still contains a provision for York to handle member subrogation for a fee of 20%. ABAG staff currently manages this activity and is assisting with recovery efforts for matters below deductible.

*A motion was made to approve the contract as presented.*

**6. REVIEW OF PRELIMINARY ADMINISTRATIVE BUDGET AND COMPARISON TO PRIOR YEAR:**

**A. PLAN Administrative Budget**

ABAG PLAN Staff reviewed the Administrative budget for fiscal year 2017/18 with the Committee and noted with the approval of the contract for services between ABAG and MTC, MTC's budget allocation methodology would be applied going forward.

*A motion was made to approve PLAN Administrative Budget for FY 2017/18.*

**7. OTHER BUSINESS**

None.

**8. ADJOURNMENT**

The Regular Meeting of the PLAN JPA Finance Committee was adjourned.

  
Heather McLaughlin, Board Secretary