SMALL CITIES ORGANIZED RISK EFFORT
TRAINING & LONG RANGE PLANNING
BOARD MEETING AGENDA

Location:    Gaia Hotel
             4125 Riverside Place
             Anderson, CA  96007

Date:       Thursday, October 13, 2016
Time:       Breakfast available at 7:45 am
            Special Training at 8:00 am
            Long Range Planning at 9:30 am

MORNING TRAINING

Time Certain
8:00 am –
8:30 am
SCORE Orientation for New Members
The Program Administrators will provide an orientation for new members and review of
SCORE policies and procedures for established members over breakfast. Come to meet
your fellow members and get your questions answered about SCORE.

8:30 am –
9:00 am
SCORE Member Services
This session is for new and established Board members who are interested in the services
that Vendors make available through SCORE membership.

9:00 am –
9:30 am
SCORE Advanced Session
The session is open to all SCORE members who are interested in items related to SCORE
Funding, Programs and Administrative Expenses-topics that will be discussed in greater
detail later today.

LONG RANGE PLANNING

PAGE

A. CALL TO ORDER - 9:30 am

9:30 am
B. ROLL CALL

C. APPROVAL OF AGENDA AS POSTED

D. PUBLIC COMMENTS

E. OPENING COMMENTS

   1. President’s Report

       Roger Carroll will address the Board on items pertaining to SCORE.
F. IMPORTANT FUNDING ITEMS

9:45 am – 11:15 am

Pg. 4

1. Mini-Cities Pool Funding

The Board will receive an overview of the following issues related to Mini-Cities funding as addressed by an Ad Hoc Committee.

   a. Administrative Expense Allocation
      The Board will receive analysis regarding proposed changes in the allocation of administrative expenses for the Workers’ Compensation Program and may make a recommendation to change the allocation.

   b. Mini-Cities Composition
      The Board will receive analysis regarding the current composition of the Mini-Cities Pool for the Workers’ Compensation Program and may make a recommendation to change the composition of the Mini-Cities Pool.

   c. Experience Modification Factors
      The Board will receive analysis regarding the possibility of temporarily capping member Experience Modification Factors to ease the impact of changing the expense allocation and mix of Mini-Cities members.

11:15 a.m. - 11:30 a.m.

   BREAK

11:30 a.m. – 12:15 p.m.

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G. TRAINING PRESENTATIONS

1. Employment Practices Training – Legal Update

Michael Christian from Jackson Lewis will provide an update on recent legislation and case law related to Employment Practices Liability (EPL) and trends regarding EPL litigation, with time for Q&A from the members.

12:15 pm – 1:15 pm

LUNCHTIME PRESENTATION – Hiring Best Practices and Pitfalls
Michael Christian – part two.

2. Risk Control Services

a. Sewer Staffing – Benchmarking Report Presentation
   Randy Musgraves will present an overview of the Sewer Staffing Benchmarking report completed for SCORE members.

b. DKF Website Resources
   DKF will present the Board with a demo of the new Website Resources available to SCORE members.

c. DKF Scorecard Update
   DKF will present the Board with an update of the Scorecard and recent member visits.

2:15 pm – 2:30 pm

BREAK
3. **Target Funding Benchmarks**  
Marcus Beverly will present an overview of SCORE’s financial condition relative to the funding benchmarks established by the Board.

4. **State of the Insurance Market 2017**  
The Board will receive a presentation on the current state of the insurance market including emerging risks.

**H. CLOSING COMMENTS**

**I. ADJOURNMENT**

**IMPORTANT NOTICES AND DISCLAIMERS:**

Per Government Code 54954.2, persons requesting disability related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Michelle Minnick at Alliant Insurance at (916) 643-2715. The Agenda packet will be posted on the SCORE website at www.scorejpa.org. Documents and material relating to an open session agenda item that are provided to the SCORE Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection and copying at 2180 Harvard Street, Suite 460, Sacramento, CA  95815.

Access to some buildings and offices may require routine provisions of identification to building security. However, SCORE does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3.
MINI-CITIES POOL FUNDING

ACTION ITEM

ISSUES: The Board appointed an Ad Hoc Committee to address issues related to the Mini-Cities group within the Workers’ Compensation (WC) Program, including that SCORE has no established criteria for Mini-Cities admission (per language in the Workers’ Compensation Master Plan documents). In addition, the Mini-Cities have grown to be the largest member of the WC Program, and this may not be in keeping with SCORE’s mission and objectives. The Mini-Cities group may have grown too large, outlived its function, or outlived the funding formula. These issues have also raised questions regarding whether or not the Mini-Cities mix of members:

1. Is appropriate regarding allocation of administrative costs,
2. How members of similar size and/or risks are treated,
3. Whether or not the risk sharing within the Mini-Cities is equitable.

The Program Administrators have evaluated various options, and based on feedback from the Ad Hoc Committee and Board present the following analysis of proposed changes to how the administrative expenses are allocated and to the mix of Mini-Cities members.

ISSUE F.1.a: Administrative Expense Allocation

Currently the administrative expenses are allocated 50% fixed (equal shares to each member) and 50% variable (based on payroll), with the Mini-Cities treated as one member. The proposed change is to allocate the expenses without treating the Mini-Cities as one member, but phase in the change over three years.

- In the First Year the expenses would be allocated 30% fixed and 70% variable.
- In the Second Year the allocation would be 40% fixed and 60% variable,
- And, in the Third Year the expenses would be allocated 50% fixed and 50% variable.

Attachment #1 illustrates the change in the current administrative expenses, using the allocation method described above. The increases to the current Mini-Cities in the first year range from $4,604 to $7,671, or 69% to 132%, with corresponding decreases in the remaining members from <$2,761> to <$14,382>, or <5%> to <53%>. The changes then trend in the same direction in the 2nd year, and in the 3rd year (when the allocation reaches 50-50%) each of the Mini-Cities Member’s administrative expense have increased by $8,344 - - and each regular member’s expense have decreased by <$11,919> from the current level.

ISSUE F.1.b.: Mini-Cities Member Composition

Based on feedback from the Board the Program Administrators have developed a loss allocation formula based on Mini-Cities Members with fiscal year DE-9 payroll averaging below $500,000 for the last three years. This results in three of the current Mini-Cities Members, Loomis, Portola and Rio Dell, moving out of the group. Attachment #2 illustrates the changes in loss allocation and includes a column comparing each member’s Experience Modification Factor (Ex-Mod) before and after the change. Based on the losses currently used for the calculations, the Ex-Mod for the Mini-Cities increased from 1.25 to 1.47, further...
exacerbating the proposed increase in the administrative expenses. This is due to the impact (and importance) of the Relative Loss Rate.1

As a result, members considered capping the Ex Mods at 1.25, and the Program Administrators projected what the Ex Mods will be for FY 2017/18, based on losses as of 9/30/16. The projection is that the Mini-Cities Ex Mod will decrease, from 1.25 to 1.15, reducing the need to consider capping, though the final numbers will be calculated based on losses at 12/31/16.

Attachment #3 illustrates the changes if the Ex-Mods were capped at no more than 1.25. This limitation would help to ease the transition to a different administrative expense formula and could be reevaluated once the change has been fully implemented. However, based on the projected FY 17/18 Ex Mods the cap would only apply to Mt. Shasta. This capping would be phased out over time, as discussed directly below in the RECOMMENDATION section.

RECOMMENDATIONS:
ISSUE F.1.a. - Administrative Expense Allocation: Change the administrative expense allocation to treat all members the same, phasing in the change over three years.

ISSUE F.1.b. - Mini-Cities Member Participation: Set criteria for the Mini-Cities to consist of members with three-year average payroll below $500,000 (and noting that any Member can leave the Mini-Cities with proper notice so as not to negatively impact the remaining Members – with deadlines to be determined.)

ISSUE F.1.c. - Ex-Mods: To ease the impact of the transition by setting limits on all member Ex-Mods for the following three years and then re-evaluate, with the goal to increase the cap until it has no impact in the future for any member. For FY 17/18 the cap is proposed at 1.25, increasing to 1.30 for FY 18/19 and 1.35 for FY 19/20. At this point the only member who may hit the cap is Mt. Shasta.

FISCAL IMPACT: Increase in administrative expenses for Mini-Cities Members and decrease for the remaining members. See attached spreadsheets for details.

BACKGROUND: The issue of the Mini-Cities composition has been discussed at previous Board meetings, with the Board directing the Program Administrators to study options for Mini-Cities membership and the impact on funding. Several members have been added to the Mini-Cities since it was formed in 2001, including Tulelake (2015), Etna, (2005), Montague (2006), and Loyalton (2011). No formal criteria was used to place them in the MC other than comparing their size and payroll to the members of the Mini-Cities at the time of their admission.

ATTACHMENTS:
- Attachment #1: Proposed administrative expense allocations
- Attachment #2: Proposed Mini-Cities < $500,000 payroll allocations
- Attachment #3: Proposed Mini-Cities < $500,000 payroll allocations with capped Ex-Mods

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1 The Ex-Mod for any group is influenced by the size of the Membership. As a result, the Relative Loss Rate will change as the number of members being compared changes. With fewer members in the Mini-Cities there are more members overall whose loss rates are being compared. The group changes from 8 members being compared, 7 regular and 1 Mini-cities, to 11 members, 10 regular and 1 Mini-Cities.
## Funding Analysis FY 2016/17: Three-Year Transition of Admin Allocation

<table>
<thead>
<tr>
<th>MEMBER ENTITY</th>
<th>Current FY 2016/17 Total Admin With Mini-Cities</th>
<th>Total Admin With No Mini-Cities</th>
<th>$ Change Admin</th>
<th>% Change Admin</th>
<th>Total Admin With No Mini-Cities</th>
<th>$ Change Admin From First Year</th>
<th>% Change Admin From First Year</th>
<th>Total Admin With No Mini-Cities</th>
<th>$ Change Admin From Second Year</th>
<th>% Change Admin From Second Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
<td>E</td>
<td>F</td>
<td>G</td>
<td>H</td>
<td>I</td>
<td>J</td>
</tr>
<tr>
<td></td>
<td>Current</td>
<td>First Year</td>
<td>Second Year</td>
<td>Third Year Completed Transition</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td></td>
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<td>$13,801</td>
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<td>10%</td>
<td>$15,033</td>
<td>$1,231</td>
<td>9%</td>
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<tr>
<td>Dunsmuir</td>
<td>$34,190</td>
<td>$22,704</td>
<td>$(11,487)</td>
<td>-34%</td>
<td>$22,487</td>
<td>$(216)</td>
<td>-1%</td>
<td>$26,765</td>
<td>$(1,097)</td>
<td>-4%</td>
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<tr>
<td>Live Oak (does not participate)</td>
<td>$38,594</td>
<td>$28,869</td>
<td>$(9,725)</td>
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<td>$27,772</td>
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<td>$26,675</td>
<td>$(1,097)</td>
<td>-4%</td>
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<tr>
<td>Mt. Shasta</td>
<td>$53,796</td>
<td>$50,152</td>
<td>$(3,644)</td>
<td>-7%</td>
<td>$46,014</td>
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<td>Susanville</td>
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<tr>
<td>Weed</td>
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<tr>
<td>Yreka</td>
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<td>-7%</td>
<td>$36,366</td>
<td>$(3,035)</td>
<td>-8%</td>
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### Subtotal Members

<table>
<thead>
<tr>
<th>MEMBER ENTITY</th>
<th>Current FY 2016/17 Total Admin With Mini-Cities</th>
<th>Total Admin With No Mini-Cities</th>
<th>$ Change Admin</th>
<th>% Change Admin</th>
<th>Total Admin With No Mini-Cities</th>
<th>$ Change Admin From First Year</th>
<th>% Change Admin From First Year</th>
<th>Total Admin With No Mini-Cities</th>
<th>$ Change Admin From Second Year</th>
<th>% Change Admin From Second Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$5,720</td>
<td>$11,213</td>
<td>$5,493</td>
<td>96%</td>
<td>$12,638</td>
<td>$1,425</td>
<td>13%</td>
<td>$14,064</td>
<td>$1,425</td>
<td>11%</td>
</tr>
<tr>
<td>Biggs</td>
<td>$6,308</td>
<td>$12,036</td>
<td>$5,728</td>
<td>91%</td>
<td>$13,344</td>
<td>$1,308</td>
<td>11%</td>
<td>$14,651</td>
<td>$1,308</td>
<td>10%</td>
</tr>
<tr>
<td>Colfax</td>
<td>$5,634</td>
<td>$11,092</td>
<td>$5,459</td>
<td>97%</td>
<td>$12,535</td>
<td>$1,442</td>
<td>13%</td>
<td>$13,977</td>
<td>$1,442</td>
<td>12%</td>
</tr>
<tr>
<td>Etna</td>
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<td>$10,272</td>
<td>$5,224</td>
<td>103%</td>
<td>$11,832</td>
<td>$1,560</td>
<td>15%</td>
<td>$13,391</td>
<td>$1,560</td>
<td>13%</td>
</tr>
<tr>
<td>Fort Jones</td>
<td>$8,983</td>
<td>$15,781</td>
<td>$6,798</td>
<td>76%</td>
<td>$16,554</td>
<td>$773</td>
<td>5%</td>
<td>$17,327</td>
<td>$773</td>
<td>5%</td>
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<tr>
<td>Loomis</td>
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<td>$4,604</td>
<td>132%</td>
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<td>$1,870</td>
<td>23%</td>
<td>$11,840</td>
<td>$1,870</td>
<td>19%</td>
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<tr>
<td>Loyalton</td>
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<td>$10,511</td>
<td>$5,293</td>
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<td>15%</td>
<td>$13,562</td>
<td>$1,525</td>
<td>13%</td>
</tr>
<tr>
<td>Montague</td>
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<td>$6,735</td>
<td>76%</td>
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<td>$804</td>
<td>5%</td>
<td>$17,170</td>
<td>$804</td>
<td>5%</td>
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<tr>
<td>Portola</td>
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<td>2%</td>
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<tr>
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<td>14%</td>
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### Subtotal Mini Cities

<table>
<thead>
<tr>
<th>MEMBER ENTITY</th>
<th>Current FY 2016/17 Total Admin With Mini-Cities</th>
<th>Total Admin With No Mini-Cities</th>
<th>$ Change Admin</th>
<th>% Change Admin</th>
<th>Total Admin With No Mini-Cities</th>
<th>$ Change Admin From First Year</th>
<th>% Change Admin From First Year</th>
<th>Total Admin With No Mini-Cities</th>
<th>$ Change Admin From Second Year</th>
<th>% Change Admin From Second Year</th>
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</table>
### Fiscal Year 17-18 DRAFT Proposed Funding Analysis*

**Mini-Cities < $500,000 Payroll For Loss Funding**

No Mini-Cities for Admin Funding, 30% Fixed, 70% Variable Allocation

<table>
<thead>
<tr>
<th>MEMBER ENTITY</th>
<th>Projected Payroll (PP)</th>
<th>Current Ex Mod</th>
<th>Projected FY 17/18 Ex Mod*</th>
<th>Ex-Mod Adjusted Payroll (ExP)</th>
<th>NEW Loss Funding</th>
<th>Current Loss Funding</th>
<th>$ Change in Loss Funding</th>
<th>Proposed Admin Total First Year Transition</th>
<th>Proposed Total Deposit</th>
<th>Current Total Deposit</th>
<th>$ Change in Total Funding</th>
<th>% Change in Total Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dunsmuir</td>
<td>$501,483</td>
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<td>1.04</td>
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<td>$33,473</td>
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<td>$60,425</td>
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<td>$87,999</td>
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<td>$41,953</td>
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<td>-12%</td>
</tr>
<tr>
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<td>1.05</td>
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<td>$242,480</td>
<td>$237,385</td>
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<td>2%</td>
</tr>
</tbody>
</table>

**Subtotal Members** $17,968,748 0.92 0.97 $17,682,419 $1,184,004 $1,168,519 $15,485 $286,188 $1,470,192 $1,491,884 -$21,692 -1%

<table>
<thead>
<tr>
<th>MEMBER ENTITY</th>
<th>Projected Payroll (PP)</th>
<th>Current Ex Mod</th>
<th>Projected FY 17/18 Ex Mod*</th>
<th>Ex-Mod Adjusted Payroll (ExP)</th>
<th>NEW Loss Funding</th>
<th>Current Loss Funding</th>
<th>$ Change in Loss Funding</th>
<th>Proposed Admin Total First Year Transition</th>
<th>Proposed Total Deposit</th>
<th>Current Total Deposit</th>
<th>$ Change in Total Funding</th>
<th>% Change in Total Funding</th>
</tr>
</thead>
<tbody>
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<td>Biggs</td>
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<td>1.15</td>
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<td>$40,652</td>
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<td>8%</td>
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<tr>
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<td>$2,986</td>
<td>7%</td>
</tr>
<tr>
<td>Etna</td>
<td>$382,228</td>
<td>1.25</td>
<td>1.15</td>
<td>$428,726</td>
<td>$28,707</td>
<td>$30,994</td>
<td>($2,287)</td>
<td>$11,092</td>
<td>$39,799</td>
<td>$36,627</td>
<td>$3,172</td>
<td>9%</td>
</tr>
<tr>
<td>Fort Jones</td>
<td>$316,012</td>
<td>1.25</td>
<td>1.15</td>
<td>$354,454</td>
<td>$23,734</td>
<td>$25,624</td>
<td>($2,006)</td>
<td>$10,272</td>
<td>$34,006</td>
<td>$30,672</td>
<td>$3,334</td>
<td>11%</td>
</tr>
<tr>
<td>Loyalton</td>
<td>$140,726</td>
<td>1.25</td>
<td>1.15</td>
<td>$157,454</td>
<td>$10,569</td>
<td>$11,411</td>
<td>($842)</td>
<td>$8,100</td>
<td>$18,669</td>
<td>$14,908</td>
<td>$3,761</td>
<td>25%</td>
</tr>
<tr>
<td>Montague</td>
<td>$335,336</td>
<td>1.25</td>
<td>1.15</td>
<td>$376,129</td>
<td>$25,185</td>
<td>$27,191</td>
<td>($2,006)</td>
<td>$10,511</td>
<td>$35,696</td>
<td>$32,410</td>
<td>$3,286</td>
<td>10%</td>
</tr>
<tr>
<td>Tulelake</td>
<td>$359,828</td>
<td>1.25</td>
<td>1.15</td>
<td>$403,601</td>
<td>$27,025</td>
<td>$29,177</td>
<td>($2,152)</td>
<td>$10,815</td>
<td>$37,840</td>
<td>$34,613</td>
<td>$3,227</td>
<td>9%</td>
</tr>
</tbody>
</table>

**Subtotal Mini Cities** $2,384,494 1.25 1.15 $2,674,565 $179,087 $193,350 ($14,263) $74,039 $253,126 $230,211 $22,915 10%

**Grand Total** $20,353,242 1.03 1.01 $20,356,983 $1,363,092 $1,361,869 $1,223 $360,227 $1,723,319 $1,722,095 $1,224 0%

Verification of Total $20,353,300 $20,353,300 1,362,511

Difference -$58 $20,876,905 $581

ExP Adjustment Factor 1.03

**Members Moving From Mini-Cities**

* Based on Losses as of 9/30/16
### Fiscal Year 2017-18 DRAFT Proposed Funding Analysis

**Mini-Cities < $500,000 Payroll For Loss Funding**

*Ex Mods Capped at Maximum = 1.25*

<table>
<thead>
<tr>
<th>MEMBER ENTITY</th>
<th>Payroll (PP)</th>
<th>Ex Mod 17/18</th>
<th>Ex Mod Adjusted Payroll (ExP)</th>
<th>New Loss Funding</th>
<th>$ Change</th>
<th>Proposed Admin Total 30%-70%</th>
<th>Proposed Total Deposit</th>
<th>Current Total Deposit</th>
<th>$ Change Overall</th>
<th>% Change Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>DUNSMUIR</td>
<td>$501,483</td>
<td>1.03</td>
<td>Calc</td>
<td>$35,786</td>
<td>$2,310</td>
<td>$12,570</td>
<td>$48,353</td>
<td>$60,425</td>
<td>-$12,072</td>
<td>-20%</td>
</tr>
<tr>
<td>ISELTON</td>
<td>(does not participate)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LIVE OAK</td>
<td>$1,319,431</td>
<td>0.81</td>
<td>0.76</td>
<td>$1,024,284</td>
<td>$68,407</td>
<td>$69,396</td>
<td>$91,111</td>
<td>$103,586</td>
<td>-$12,475</td>
<td>-12%</td>
</tr>
<tr>
<td>LOOMIS</td>
<td>$760,704</td>
<td>1.25</td>
<td>0.84</td>
<td>$654,598</td>
<td>$43,717</td>
<td>$61,683</td>
<td>$70,948</td>
<td>$70,666</td>
<td>-$11,168</td>
<td>-16%</td>
</tr>
<tr>
<td>MT. SHASTA</td>
<td>$1,817,046</td>
<td>1.42</td>
<td>1.25</td>
<td>$2,325,920</td>
<td>$155,337</td>
<td>$166,928</td>
<td>$184,206</td>
<td>$205,522</td>
<td>-$21,316</td>
<td>-10%</td>
</tr>
<tr>
<td>PORTOLA</td>
<td>$742,971</td>
<td>1.25</td>
<td>1.23</td>
<td>$936,774</td>
<td>$62,563</td>
<td>$60,245</td>
<td>$78,125</td>
<td>$69,071</td>
<td>$9,054</td>
<td>13%</td>
</tr>
<tr>
<td>RIO DELL</td>
<td>$1,007,403</td>
<td>1.25</td>
<td>0.88</td>
<td>$906,998</td>
<td>$60,574</td>
<td>$81,167</td>
<td>$79,412</td>
<td>$92,853</td>
<td>-$13,441</td>
<td>-14%</td>
</tr>
<tr>
<td>SHASTA LAKE</td>
<td>$3,534,954</td>
<td>0.67</td>
<td>0.65</td>
<td>$2,335,403</td>
<td>$155,970</td>
<td>$154,310</td>
<td>$206,122</td>
<td>$208,106</td>
<td>-$1,984</td>
<td>-1%</td>
</tr>
<tr>
<td>SUSANVILLE</td>
<td>$3,784,517</td>
<td>1.01</td>
<td>1.15</td>
<td>$4,460,477</td>
<td>$297,894</td>
<td>$248,319</td>
<td>$351,138</td>
<td>$304,324</td>
<td>$46,814</td>
<td>15%</td>
</tr>
<tr>
<td>WOOD</td>
<td>$1,588,058</td>
<td>1.00</td>
<td>0.94</td>
<td>$1,526,565</td>
<td>$101,952</td>
<td>$103,374</td>
<td>$127,984</td>
<td>$139,942</td>
<td>-$11,958</td>
<td>-9%</td>
</tr>
<tr>
<td>YREKA</td>
<td>$2,912,180</td>
<td>1.00</td>
<td>1.05</td>
<td>$3,138,092</td>
<td>$209,578</td>
<td>$189,104</td>
<td>$252,014</td>
<td>$237,389</td>
<td>$14,625</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Subtotal Members</strong></td>
<td><strong>$17,968,748</strong></td>
<td><strong>0.92</strong></td>
<td><strong>0.97</strong></td>
<td><strong>$17,844,898</strong></td>
<td><strong>$1,191,774</strong></td>
<td><strong>$1,168,519</strong></td>
<td><strong>$23,255</strong></td>
<td><strong>$286,188</strong></td>
<td><strong>$1,477,962</strong></td>
<td><strong>$1,491,884</strong></td>
</tr>
<tr>
<td><strong>BIGGS</strong></td>
<td>$391,965</td>
<td>1.25</td>
<td>1.15</td>
<td>$461,802</td>
<td>$30,841</td>
<td>$31,783</td>
<td>$42,054</td>
<td>$37,503</td>
<td>$4,551</td>
<td>12%</td>
</tr>
<tr>
<td><strong>COLFAX</strong></td>
<td>$458,398</td>
<td>1.25</td>
<td>1.15</td>
<td>$540,071</td>
<td>$36,069</td>
<td>$37,170</td>
<td>$48,105</td>
<td>$43,478</td>
<td>$4,627</td>
<td>11%</td>
</tr>
<tr>
<td><strong>ETNA</strong></td>
<td>$382,228</td>
<td>1.25</td>
<td>1.15</td>
<td>$450,330</td>
<td>$30,075</td>
<td>$30,994</td>
<td>$41,167</td>
<td>$36,627</td>
<td>$4,540</td>
<td>12%</td>
</tr>
<tr>
<td><strong>FORT JONES</strong></td>
<td>$316,012</td>
<td>1.25</td>
<td>1.15</td>
<td>$372,316</td>
<td>$24,865</td>
<td>$25,624</td>
<td>$35,137</td>
<td>$30,672</td>
<td>$4,465</td>
<td>15%</td>
</tr>
<tr>
<td><strong>LOYALTON</strong></td>
<td>$140,726</td>
<td>1.25</td>
<td>1.15</td>
<td>$165,800</td>
<td>$11,073</td>
<td>$11,411</td>
<td>$19,173</td>
<td>$14,908</td>
<td>$4,265</td>
<td>29%</td>
</tr>
<tr>
<td><strong>MONTAGUE</strong></td>
<td>$335,336</td>
<td>1.25</td>
<td>1.15</td>
<td>$395,083</td>
<td>$26,386</td>
<td>$27,191</td>
<td>$32,410</td>
<td>$34,613</td>
<td>$4,202</td>
<td>14%</td>
</tr>
<tr>
<td><strong>TULELAKE</strong></td>
<td>$359,828</td>
<td>1.25</td>
<td>1.15</td>
<td>$423,939</td>
<td>$28,313</td>
<td>$29,177</td>
<td>$34,613</td>
<td>$34,613</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Subtotal Mini Cities</strong></td>
<td><strong>$2,384,494</strong></td>
<td><strong>1.25</strong></td>
<td><strong>1.15</strong></td>
<td><strong>$2,809,340</strong></td>
<td><strong>$187,622</strong></td>
<td><strong>$193,350</strong></td>
<td><strong>(5,728)</strong></td>
<td><strong>$74,039</strong></td>
<td><strong>$261,661</strong></td>
<td><strong>$230,211</strong></td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$20,353,242</strong></td>
<td><strong>1.03</strong></td>
<td><strong>1.01</strong></td>
<td><strong>$20,654,238</strong></td>
<td><strong>$1,379,396</strong></td>
<td><strong>$1,361,869</strong></td>
<td><strong>$17,527</strong></td>
<td><strong>$360,227</strong></td>
<td><strong>$1,739,623</strong></td>
<td><strong>$1,722,095</strong></td>
</tr>
</tbody>
</table>

**Verification of Total** $20,353,300 $20,353,300 1,362,511

**Difference** -58 $19,875,409 $16,885

** Exp Adjustment Factor** 0.977

*Based on Losses as of 9/30/16*
EMPLOYMENT PRACTICES TRAINING

LEGAL UPDATE
&
HIRING BEST PRACTICES AND PITFALLS

LUNCHETIME PRESENTATION

INFORMATION ITEM

ISSUE: Michael Christian from the law firm of Jackson Lewis will provide an update on recent legislation and case law related to Employment Practices Liability (EPL) and hiring best practices and pitfalls, with time for Q&A from the members.

RECOMMENDATION: None

FISCAL IMPACT: None.

BACKGROUND: None

ATTACHMENTS: Presentation at meeting
SEWER STAFFING – BENCHMARKING REPORT PRESENTATION

INFORMATION ITEM

ISSUE: Randy Musgraves will present an overview of the Sewer Staffing Benchmarking report completed for SCORE members.

RECOMMENDATION: Review and share with sewer staff.

FISCAL IMPACT: None.

BACKGROUND: As part of the risk management services provided by DKF Solutions, Randy Musgraves was engaged to conduct a survey of member sewer operations, benchmark the results, and make recommendations for improvement.

ATTACHMENTS: Handout at meeting
DKF WEBSITE RESOURCES
INFORMATION ITEM

ISSUE: SCORE’s Risk Management Consultant, DKF Solutions, will present the Board with a demo of the new Website Resources available to SCORE members.

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: DKF provides access to My Safety Officer, an online training site, and has recently begun customizing online OSHA training for members.

ATTACHMENTS: Presentation at meeting.
DKF SCORECARD UPDATE

INFORMATION ITEM

ISSUE: DKF will present the Board with an update on the SCORE Member Risk Management Scorecard, recent activities, and upcoming member visits.

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: As part of their ongoing services and site visits, DKF evaluates member risk management practices based on a set of Best Practices for various operations and summarizes them in a Scorecard for Board review.

ATTACHMENTS: Presentation at meeting.
TARGET FUNDING POLICY BENCHMARKS

INFORMATION ITEM

ISSUE: Marcus Beverly will present the annual review of SCORE’s financial condition as of 6/30/16 compared to the benchmarks used to guide decisions regarding funding, refunds, and assessments.

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: SCORE maintains a Target Funding Policy to guide the Board of Directors in making annual funding, dividend and assessment decisions for the Banking Layer and Shared Risk Layers, per the Master Plan Document for each Coverage Program. The Policy was last updated on 10/17/14.

ATTACHMENTS: Presentation at meeting
STATE OF THE INSURANCE MARKET 2017

INFORMATION ITEM

ISSUE: Marcus Beverly will present an update regarding the current insurance market, including emerging risks and potential responses.

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: Alliant annually updates clients on the state of the insurance market, provides information on emerging risks, and projects how the upcoming renewals will be impacted by the trends.

ATTACHMENTS: Presentation at meeting.