



**Small Cities Organized Risk Effort (SCORE)**  
**Board of Directors Meeting Minutes**  
**January 25, 2019**

**Member Cities Present:**

Nathan Wilkinson, City of Biggs  
Mark Sorensen, City of Biggs  
Wes Heathcock, City of Colfax  
Blake Michaelsen, City of Dunsmuir  
Robert Jankovitz, City of Isleton  
Luis Cibrian, City of Live Oak  
Roger Carroll, Town of Loomis  
Crickett Strock, Town of Loomis

Kathy LeBlanc, City of Loyalton  
David Dunn, City of Montague  
Melissa Klundby, City of Portola  
Brooke Kerrigan, City of Rio Dell  
Laura Redwine, City of Shasta Lake  
Penny Velador, City of Tulelake  
Diana Howard, City of Weed  
Steve Baker, City of Yreka

**Member Cities Absent:**

City of Etna  
Town of Fort Jones

City of Mt. Shasta  
City of Susanville

**Consultants & Guests**

Marcus Beverly, Alliant Insurance Services  
Michelle Minnick, Alliant Insurance Services  
Jennifer Zraick, Gilbert Associates, Inc.

Dorienne Zumwalt, York Risk Services  
Craig Nunn, York Risk Services

**A. CALL TO ORDER**

Mr. Steve Baker called the meeting to order at 10:02 a.m.

**B. ROLL CALL**

The above mentioned members were present constituting a quorum. Cities absent from this meeting were the City of Etna, Town of Fort Jones, City of Mt. Shasta and the City of Susanville.

**C. APPROVAL OF AGENDA AS POSTED**

*A motion was made to approve the Agenda as posted.*

**MOTION:** Wes Heathcock

**SECOND:** Kathy LeBlanc

**MOTION CARRIED  
UNANIMOUSLY**

**Absent:** Redwine



## **D. PUBLIC COMMENT**

There were no public comments.

## **E. CONSENT CALENDAR**

1. Board of Directors Meeting *Draft* Minutes – November 2, 2018
2. US Bank Custodial Account Statement – October – December 2018
3. SCORE Checking Register – October – December 2018
4. Investment Statements from Chandler Asset Management – October – December 2018
5. ACI Specialty Quarterly Utilization Report – October – December 2018
6. Target Solutions Utilization Report Summary – October – December 2018
7. Alliant Additional Commission Opt Out letter (APIP & ACIP) FY 2018-2019

Marcus Beverly mentioned that once a year we provide a full report for the December US and Chandler Report to meet CAJPA standards.

*A motion was made to approve the Consent Calendar as presented.*

**MOTION: Roger Carroll**

**SECOND: Blake Michaelsen**

**MOTION CARRIED  
UNANIMOUSLY**

**Absent: Redwine**

## **F. ADMINISTRATIVE REPORTS**

### **F1. President's Report**

Mr. Steve Baker had no issues to report for SCORE and wished the Board a Happy New Year!

### **F.2.A. CJPRMA Update**

Mr. Roger Carroll noted CJPRMA reviewed the Actuarial Report and indicated that rates are going up. CJPRMA are considering moving from \$500k to \$750k Self-Insured Retention. Roger noted that we were one of the cities who would benefit from paying the additional \$250k but mentioned that nothing has been finalized. He also noted that SB1421 is related to Police Departments Personnel records and should be a focus for those agencies who have Police Departments. SB 1421 allows the public to request personnel records of officers as a public information request. Members were encouraged to follow your established records retention policy and destroy personnel records in accordance with your policy. Mike noted that we should request numbers for a \$750SIR and mentioned it would be a good idea to move up to \$750K SIR at this time.

### **F.2.B. ERMA Update**

Marcus Beverly provided the Board of Directors with a brief update of the November ERMA Meeting and noted the ERMA Underwriting Committee approved the town of Fort Jones as a new member eff. 1-1-19 and is pending approval from the full Board. SCORE Members that are not a part of this EPL



program were encouraged to request a quote and noted that all members participating in ERMA should be receiving notices of training announcements from ERMA.

### **F.2.C. LAWCX Update**

Steve Baker provided the Board of Directors with an update of the 10 year layer LAWCX Deficit Cure Plan which is on the agenda for discussion later today.

### **F.3. Alliant Update**

- a. Property Renewal Packet training session discussion – The Program Administration was asked to send an email to all SCORE Board Representatives and Alternates to ask their employees if they would like a Webinar to review the Property Renewal process.
- b. Michael Simmons letter – Mike provided the board with an update regarding his upcoming retirement and noted that Conor Boughey will be stepping into the role of Mike.
- c. Member Directory – Members were informed the Program Administration will be reaching out to obtain contact information for key city personnel to help with requests for information from the members. It was noted that the SCORE Board Representatives and Alternates will be included as a cc on all communication from the Program Administration.
- d. Scooter/bicycles – Members were encouraged to reach out to the Program Administration once these have been rolled out in a member city. It was mentioned that there is no one right answer to handle the exposure but members were encouraged to create a pilot program. It was also noted that Encroachment permit can help control where the bikes are parked when not in use – if the bike/scooter is encroaching on the sidewalk you are able to remove.
- e. York brief
- f. CJPRMA Renewal – Members were informed that CJPRMA has made a detailed request for a renewal application from each SCORE member. It was noted the last time they collected information from the SCORE JPA was in FY 14/15. The Program Administration noted that there is a very quick turnaround time for this request as we will need to compile all the responses into one master SCORE Application – the due date for this information is February 8, 2019. Members were encouraged to start the application as soon as possible as the deadline is only two weeks away. Mike noted that CJPRMA is marketing their program aggressively which is why this information is necessary to help their marketing efforts.

## **G. SCORE PROGRAM COVERAGE REVIEW**

Michelle Minnick provided the Board with a review of the ACIP crime program.

## **H. FINANCIAL**

### **H.1. Quarterly Financial Report – Period Ended September 30, 2018**

Jennifer Zraick provided a handout which had an updated financial statement as we were able to identify payments made in 2018 during the transition of Treasurer Duties from one city to another. She noted that cash has remained steady and mentioned the investments are at \$1.8M this year as compared to \$10.8M last year but this is because we have split the investments between Current and Non-Current assets so the total for Chandler Investments for the current year is \$11.2M (actually a net increase of approximately \$357,000).



- US bank account has decreased significantly and unrealized losses have also decreased
- Interest receivable has remained steady
- Member's account receivable has gone down significantly – as a result of the payment plans being paid on time.
- Claim recoveries receivable has increased and relates to two claims which payments have gone past the SIR threshold so we should see a receivable for any amount paid over the SIR.
- Accounts payable has increased as we have included the LAWCX Deficit Cure amount included in this number to be prepared to pay.

Marcus Beverly noted the Total Liabilities have gone up is a result of us being more aggressive by settling claims via C&R and hopefully reducing long term liabilities and the actuary hasn't caught up and bears watching – he also note that the Workers' Compensation Shared Layer is not at the bench mark so there is no dividend coming out of that program.

*A motion was made to accept and file the Quarterly Financial Report for the Period Ended September 30, 2018.*

**MOTION: Roger Carroll**

**SECOND: Nathan Wilkinson**

**MOTION CARRIED  
UNANIMOUSLY**

## **H.2. LAWCX Deficit Cure Plan Options**

Marcus Beverly noted that we have been aware of this for approximately a year and so we have already booked the total cost – the Board was asked to consider two options: 1) pay annually for 10 years or 2) pay the entire balance (less 10%) in one payment. It was noted that Chandler was asked to determine if we should pay up front or if we would potentially earn more in interest over the next 10 years but given the rates the Program Administration is recommending to pay annually over the next 10 years.

*A motion was made to make 10 annual payments as recommended by Program Administration.*

**MOTION: Roger Carroll**

**SECOND: Kathy LeBlanc**

**MOTION CARRIED  
UNANIMOUSLY**

## **H.3. SCORE Dividend & Assessment Plan (DAP)**

Marcus Beverly presented the proposed Dividend & Assessment Plan and noted that there will be no waterfall into the banking layer from the Workers' Compensation program. He also mentioned that there are 3 members that are not at the minimum required balance and will owe an assessment but everyone else will be receiving some money. The Workers' Compensation Banking layer has some money coming out and includes \$50K for the Loss Control Grant Funds. Marcus mentioned the Program Administration is recommending to fund the Loss Control Grant Funds solely from the Liability program (\$100K). For the Liability Program he noted that two members will not be receiving a waterfall from the Shared Risk Layer.



*A motion was made to approve the Dividend and Assessment Plan as amended with the Ione settlement and the \$100k to be taken from the Liability Program.*

**MOTION: Roger Carroll**

**SECOND: Laura Redwine**

**MOTION CARRIED  
UNANIMOUSLY**

Marcus Beverly noted that the corrected exhibit will be placed into the Consent Calendar for the March meeting as well as on the website.

## **LUNCH PRESENTATION – STATE OF THE INSURANCE MARKET 2019**

Marcus Beverly provided the Board with a review of the insurance market as we begin 2019.

### **I. JPA BUSINESS**

#### **I.1. FY 19/20 Renewal Marketing Plan**

Marcus Beverly provided the Board a review of the renewal marketing plan for SCORE coverages. He noted there will be a 19% increase in Liability coverage expected for FY 19/20. The Property Program is also expected to go up and we are requesting a \$5K deductible for auto (as opposed to \$10K for FY 18/19). Members should also anticipate a 5-10% increase in Workers' Compensation.

**This was an information item.**

#### **I.2. SCORE Service Provider Survey Results**

Michelle Minnick provided a review of the SCORE Service Provider Survey Results. Overall the scores were high for all vendors

*A motion was made to accept and file the SCORE Service Provider Survey Results as presented.*

**MOTION: Kathy LeBlanc**

**SECOND: Nathan Wilkinson**

**MOTION CARRIED  
UNANIMOUSLY**

#### **I.3. Property Program Appraisal Allocation**

Michelle Minnick provided an update regarding the recent appraisal completed at member sites. It was noted that HCA has provided Replacement Cost values for both the Buildings and Contents and the Board at a cost of \$82/location and the Board was asked how to fairly allocate the cost of the appraisals equitably to the members. After a discussion the Board generally agreed that each individual city should pay for the buildings appraised (including additions) at each individual city.

*A motion was made pay the bill based on per building allocation.*

**MOTION: Laura Redwine  
Nay: Loomis**

**SECOND: Nathan Wilkinson**

**MOTION CARRIED**



#### **I.4. Loss Control Grant Fund Program**

Michelle Minnick provided the Board with an update regarding usage of the FY 18/19 Loss Control Grant Funds. It was noted we are seeing more members request use of these funds – this year has seen 7 requests for funds and members were encouraged to find creative ways to use the funds available. Members were provided with examples of requests made in the past (ADA signage, Public Works Equipment, training sessions, bulletproof vests, etc.). It was also suggested that members consider using these funds for things that will help to reduce exposure to a loss – for example Sidewalk Cutting, Arborists, etc. There was a discussion about sidewalk cutting and members confirmed that Precision Cutting is the preferred vendor who will also complete a demonstration for your public works employees.

**This was an information item.**

#### **I.5. Form 700 Reporting – Annual Filing Deadline April 1, 2019**

Michelle Minnick informed the Board that the FPPC required Form 700 can now be completed online. It was noted that members should have received a welcome email from the FPPC indicating this change and if not they should reach out to Alliant for assistance. If there has been a change to the Board Representative or Board Alternate please let the Program Staff know as soon as possible to ensure the Form 700 is completed within 30 days of assuming or leaving a position. Members were reminded that failure to complete the Form 700 by the April 1, 2019 deadline may receive a penalty of \$10 for every day it is late up to a maximum fine of \$100. It was also noted that some members have already completed their Form 700 and provided feedback to the Board indicating the website was very easy to use and took very little time to complete.

#### **I.6. FY 19/20 Meeting Dates and Locations**

Michelle Minnick provided members with a list of potential meeting dates for the FY 19/20 in an effort to avoid scheduling conflicts. The members generally agreed that the Gaia is centrally located for all cities and has treated us well. There was a discussion of changing the venue of the two day meeting in October and the Program Administration was provided with direction to research alternate locations (such as Bodega Bay, Napa, Portola, Nakoma Resort).

*A motion was made to approve Resolution 19-01 for FY 19/20 meeting dates with locations to be presented at a later Board meeting.*

**MOTION: Nathan Wilkinson**

**SECOND: Kathy LeBlanc**

**MOTION CARRIED  
UNANIMOUSLY**

#### **I.7. FY 19/20 Service Calendar**

Marcus Beverly provided the board with a review of the service calendar for FY 19/20. We provide this so that members are aware of what is coming up on the horizon.



*A motion was made to approve the FY 19/20 service calendar.*

**MOTION: Kathy LeBlanc**

**SECOND: David Dunn**

**MOTION CARRIED  
UNANIMOUSLY**

**J. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95  
\*\*REQUESTING AUTHORITY**

**1. Liability**

- a. Joan & Cathy Lynch v. City of Yreka\*\*

**2. Workers' Compensation**

- a. SCWA-555810 & SCWA-555981 v. City of Portola\*\*
- b. SCWA-556041 v. City of Weed\*\*
- c. SCWA-556055 v. City of Shasta Lake\*\*
- d. SCWA-555997 v. City of Yreka\*\*
- e. SCWA-556018 v. City of Dunsmuir\*\*
- f. SCWA-556012 v. City of Dunsmuir\*\*

**K. REPORT FROM CLOSED SESSION**

**L. ROUNDTABLE DISCUSSION**

**M. INFORMATION ITEMS**

**M.1. 2018 PARMA Conference – February 11 – 13, 2019 in Anaheim, CA**

This was provided as an information item only.

**M.2. Glossary of Terms**

This was provided as an information item only.

**M.3. FY 18/19 Resource Contact Guide**

This was provided as an information item only.

**M.4. SCORE Travel Reimbursement Form**

This was provided as an information item only.

**N. TOWN HALL OPEN DISCUSSION ON MEMBER ISSUES**

**There were no discussion items.**



**O. CLOSING COMMENTS**

Roger noted that if you are not going to PARMA you should consider attending.

**P. AJOURNMENT**

The meeting was adjourned at 2:07 PM

**NEXT MEETING DATE: March 29, 2019 in Anderson, CA**

Respectfully Submitted,

  
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Brooke Kerrigan, Secretary

Date

2/11/2020

JOHN DUCKETT