SMALL CITIES ORGANIZED RISK EFFORT
STRATEGIC PLANNING & TRAINING DAY

1	Attached
2	Hand Out
3	Separate Cover
4	Verbal

Location: **Gaia Hotel**
4125 Riverside Place
Anderson, CA 96007
Date: **Thursday, October 30, 2025**
Time: **Breakfast available at 8:30 am**
Morning Training to begin at 8:30 am
Strategic Planning to begin at 9:00 am

PAGE

MORNING TRAINING

Time Certain 8:30 am – 9:00 am

SCORE Orientation for New Members — **I** **2**
The Program Administrators will provide an orientation for new members and answer member questions about SCORE programs and services.

TRAINING AND STRATEGIC PLANNING

PAGE

A. CALL TO ORDER – 9:00 am

9:00 am

B. ROLL CALL

C. APPROVAL OF AGENDA AS POSTED — **A** **1**

D. PUBLIC COMMENTS

E. OPENING COMMENTS

1. Vice-President's Welcome — **I** **4**
Todd Juhasz will address the Board on items pertaining to SCORE.

F. PROGRAM COVERAGE REVIEW

9:15 am
Pg. 3

1. Coverage Review – Workers' Compensation Program & Funding — **I** **1**
A review of SCORE's Workers' Compensation Coverage and Program structure, including the annual funding formula.

G. FINANCIAL ITEMS

9:45 am
Pg. 4

1. Target Funding Benchmarks — **I** **1**
Marcus Beverly will present an overview of SCORE's financial condition relative to the funding benchmarks established by the Board.

H. JPA BUSINESS & RISK MANAGEMENT

10:00 - 10:30
Pg. 28

1. Intercare Stewardship Report — **I** **1**
Intercare will provide training regarding the Workers' Compensation claims process and best practices for reducing claim frequency and severity.

10:30-10:45

Break

10:45 – 11:15 *Pg. 61*	**2. George Hills Stewardship Report** *George Hills will provide training regarding the General Liability claims process and best practices for reducing claim frequency and severity.*	**I**	**1**
11:15 12:15 pm *12:30 Lunch* *12:30 pm - 1:30 pm* *Pg. 98*	**LUNCH PRESENTATION** **The Wedge – A Simple Metaphor to Improve Your Work Relationships** *Gerry Preciado will provide a presentation about conflict resolution and communication skills.*	**I**	**4**
1:30 pm *Pg. 99*	**3. SCORE Risk Management Best Practices** *Members will review and may approve polices including a model risk management framework and sewer and sidewalk best practices.*	**A**	**1**
2:00 *Pg. 105*	**4. Cyber Discussion** *The current state of member cyber applications, recommended best practices, and risk management resources will be presented for discussion.*	**I**	**1**
2:15 -2:30	**Break**		
2:30 pm *Pg. 120*	**5. Liability Banking Layer for EPL Claims** *The Board will consider funding the Liability Banking Layer in FY 26/27 to cover the ERMA deductible for EPL claims.*	**A**	**1**
2:45-3:00 pm *Pg. 121*	**6. SCORE Schedule of Contracts and Renewal Discussion** *The schedule of contract terms with emphasis on those expiring within the year will be presented for Board discussion and direction.*	**A**	**1**
3:00 – 3:15 pm *Pg. 123*	**7. SCORE FY 26/27 Meeting Dates and Locations** *The Board will be asked to review and may approve dates and locations for the FY 26/27 meetings and plans for SCORE's 40th Anniversary.*	**A**	**1**
3:15 – 3:20 pm *Pg. 125*	**8. Form 700 – Filing Process** *The Board will be reminded of the process for changing a Board Representative or Board Alternate for the SCORE Board of Directors including potential fines for failure to complete timely.*	**I**	**4**
3:20 – 3:40 pm *Pg. 126*	**9. Strategic Planning Objectives Update** *The latest revisions to SCORE's Strategic Planning Objectives will be reviewed for feedback and direction.*	**I**	**2**
3:40 – 4:00 pm *Pg. 129*	**10. Wrap-Up** *Members will provide feedback and direction regarding the day's discussions and preview the items for tomorrow's agenda.*	**I**	**1**

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 380, 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*

Small Cities Organized Risk Effort
Long Range Planning
October 30, 2025

Agenda Item F.1.

COVERAGE REVIEW
WORKERS' COMPENSATION PROGRAM & FUNDING

INFORMATION ITEM

ISSUE: The Program Administrators will provide an overview of the Workers' Compensation Program coverages, structure, and funding formula.

RECOMMENDATION: Review and distribute resources to your staff.

FISCAL IMPACT: None expected – information only.

BACKGROUND: The Board regularly receives summaries of the coverage and resources available to SCORE members as part of the agenda.

ATTACHMENTS: *To be provided under separate cover.*

Small Cities Organized Risk Effort
Long Range Planning
October 30, 2025

Agenda Item G.1.

TARGET FUNDING BENCHMARKS

INFORMATION ITEM

ISSUE: Marcus Beverly will present the annual review of SCORE's financial condition as of 6/30/25 compared to the benchmarks used to guide decisions regarding funding, refunds, and assessments.

RECOMMENDATION: None.

FISCAL IMPACT: None expected – information only.

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 10/23/20 due to changes in the Dividend and Assessment Plan (DAP).

ATTACHMENTS: Target Funding Benchmarks Presentation 2025

Small Cities Organized Risk Effort (SCORE)

Target Funding Benchmarks

PRESENTED BY:

MARCUS BEVERLY

ALLIANT INSURANCE SERVICES

OCTOBER 30, 2025

Outline

Funding Policy – Purpose & Definitions

Benchmarks – Key Risk Exposures

- Large Losses
- Reserving Errors
- Pricing Errors

Trends & Takeaways

Target Funding Policy - Purpose

Guidance for Board in development of *annual funding, dividend and assessment decisions*

Provide benchmarks to *measure and maintain* the pool's *financial stability*

Expose deteriorating experience and *react to minimize adverse impact* on the pool

Definitions

Net Deposit (ND) - total annual "premium" less excess insurance costs.

Self Insured Retention (SIR) - the maximum amount of exposure to a single loss retained by SCORE.

Confidence Level (CL) – an estimated probability that a given level of funding will be sufficient to pay actual claim costs. The higher a CL the greater certainty the actuary has that losses will not exceed the dollar value used to attain the CL. An estimate at the 70% CL means that in 7 of 10 years the amount will be at least enough to pay all applicable claims.

Net Position (NP) (Equity, Surplus or Net Assets) - Total Assets less Expected Liabilities.

Expected Liabilities (EL) – Outstanding Reserves plus Incurred But Not Reported (IBNR) and Loss Adjustment Expense (LAE), discounted, at the "Expected" CL (approx. 55% CL).

Benchmarks Measure Exposure To:

Large Losses – Net Position (NP) to SIR

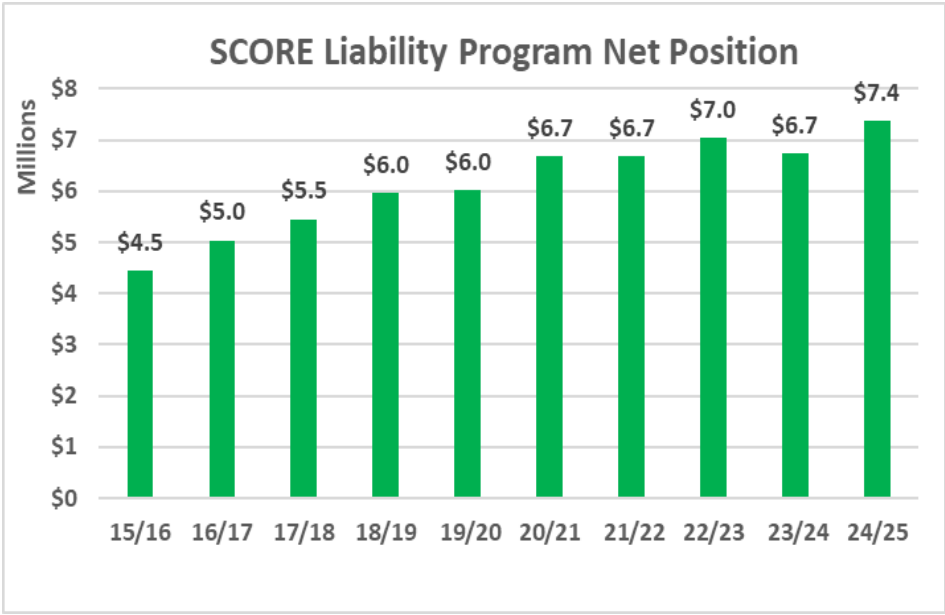
Reserving Errors –Expected Liabilities (EL) to NP

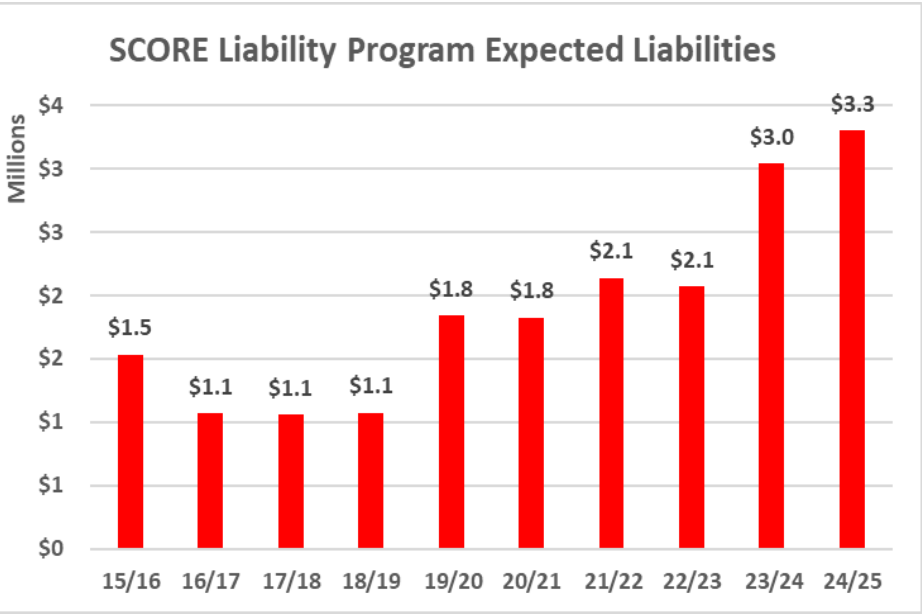
Pricing Errors –Net Deposits (ND) to NP

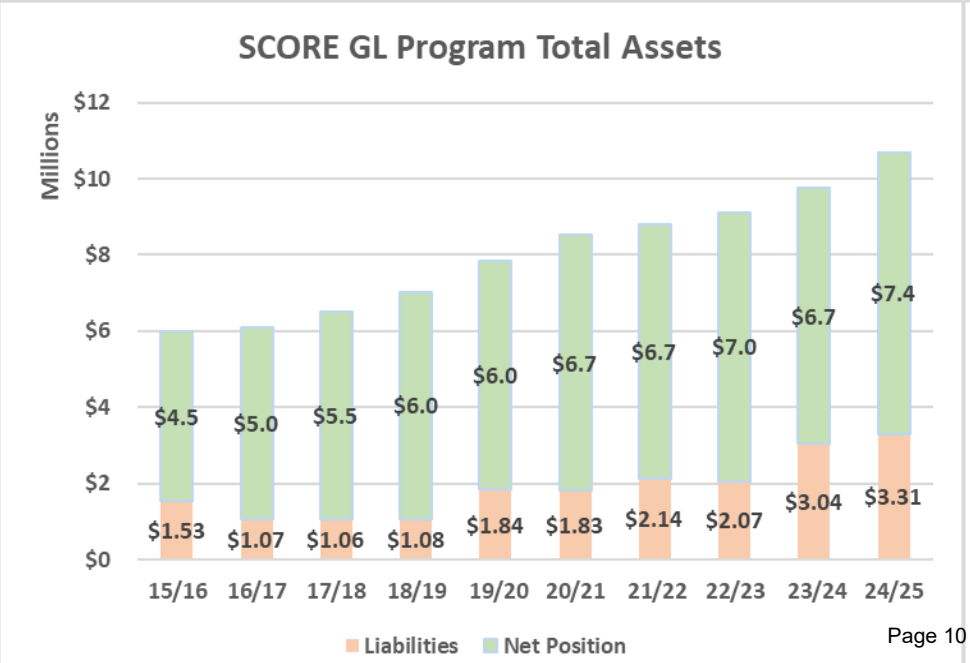
Also measure *yearly changes & trends* in

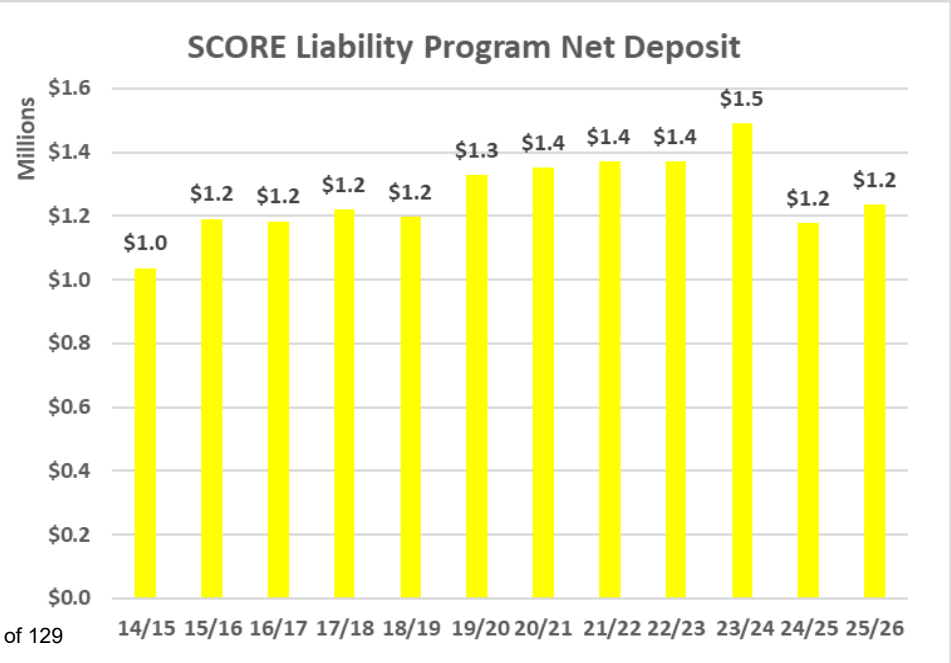
Net Position, Liabilities, and Deposits

Financials For Liability Analysis

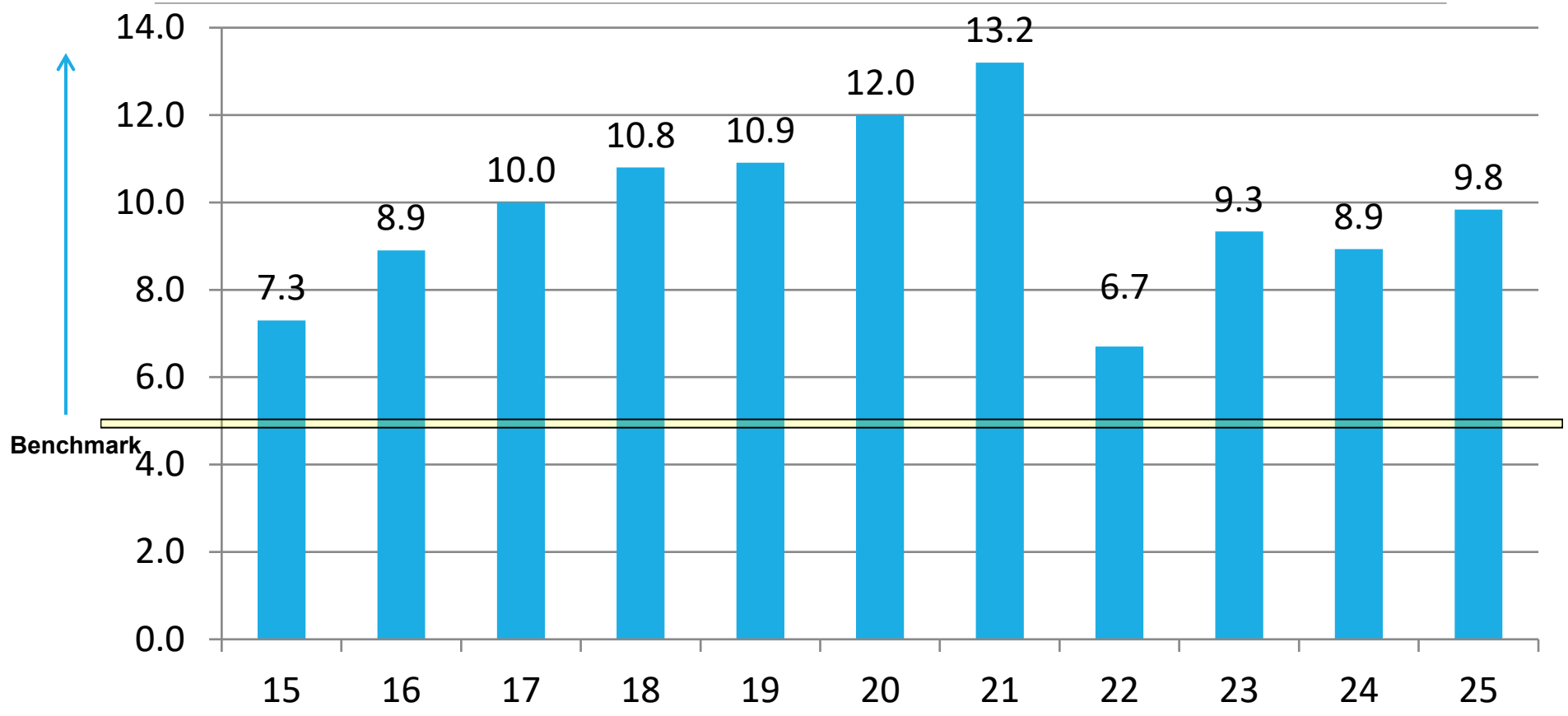






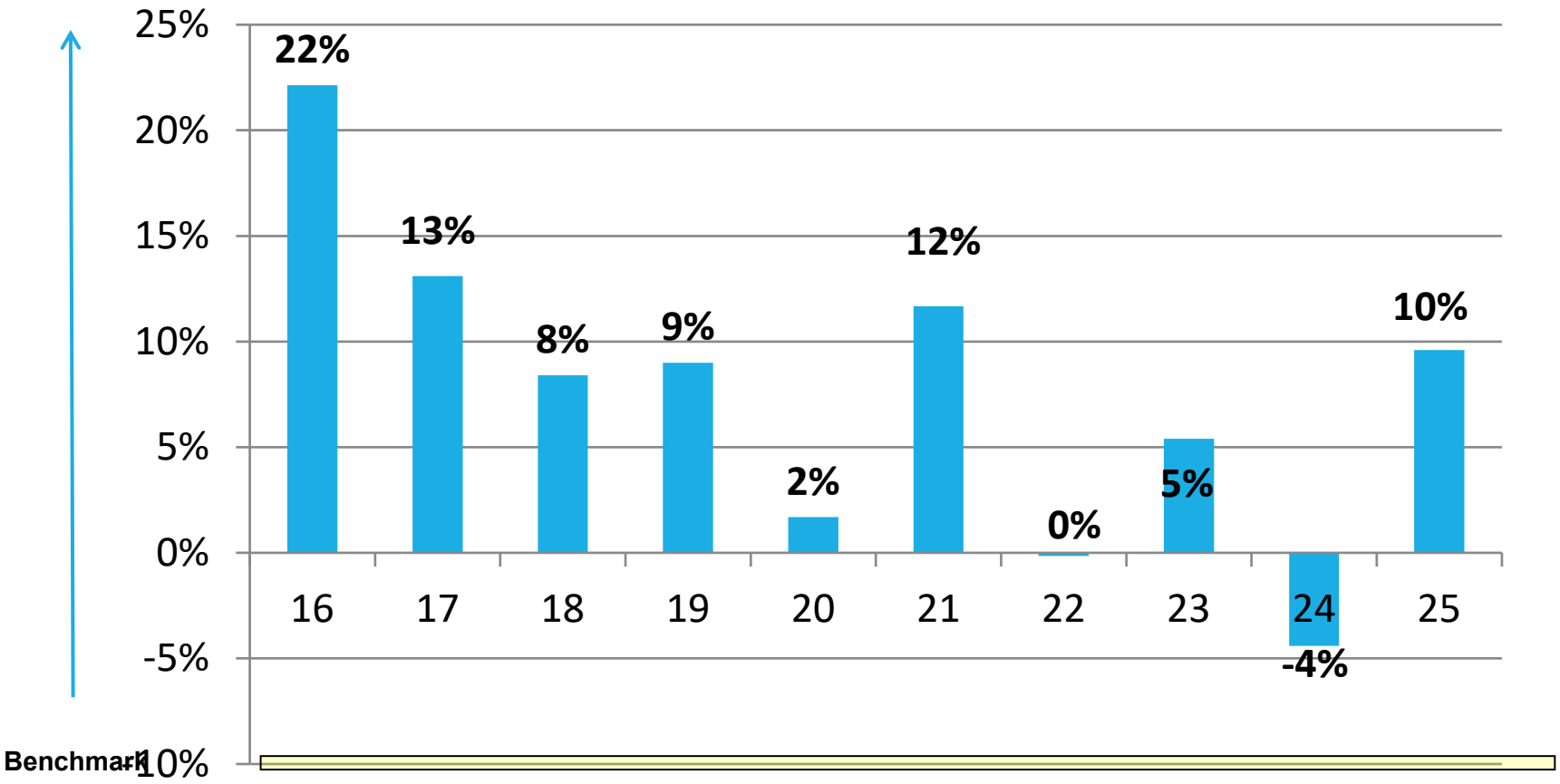


Net Position to SIR – Liability
Benchmark ≥ 5:1 SIR = $750,000

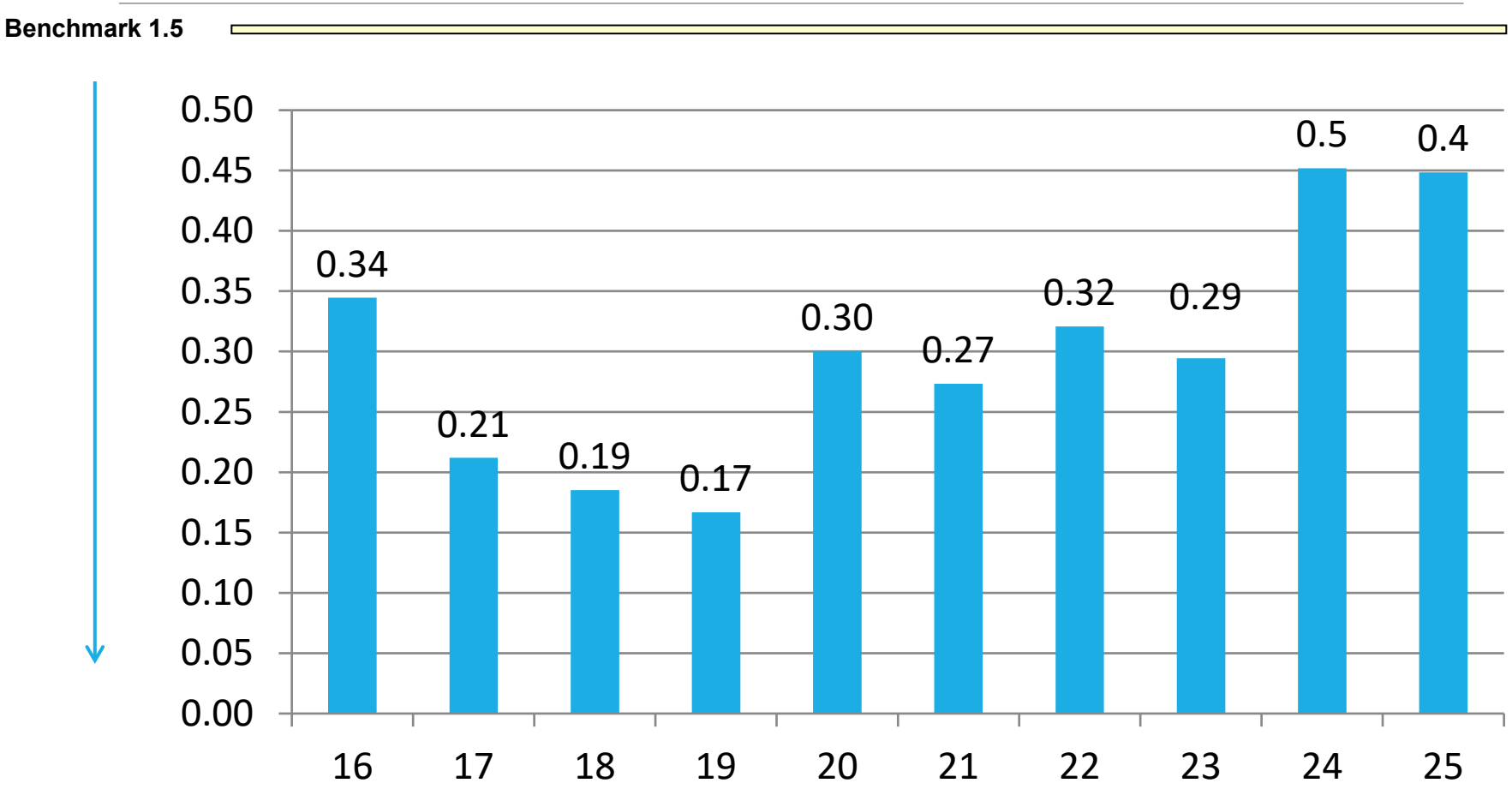


SIR was $500K, beginning 2022 & 2023 = $750K SIR

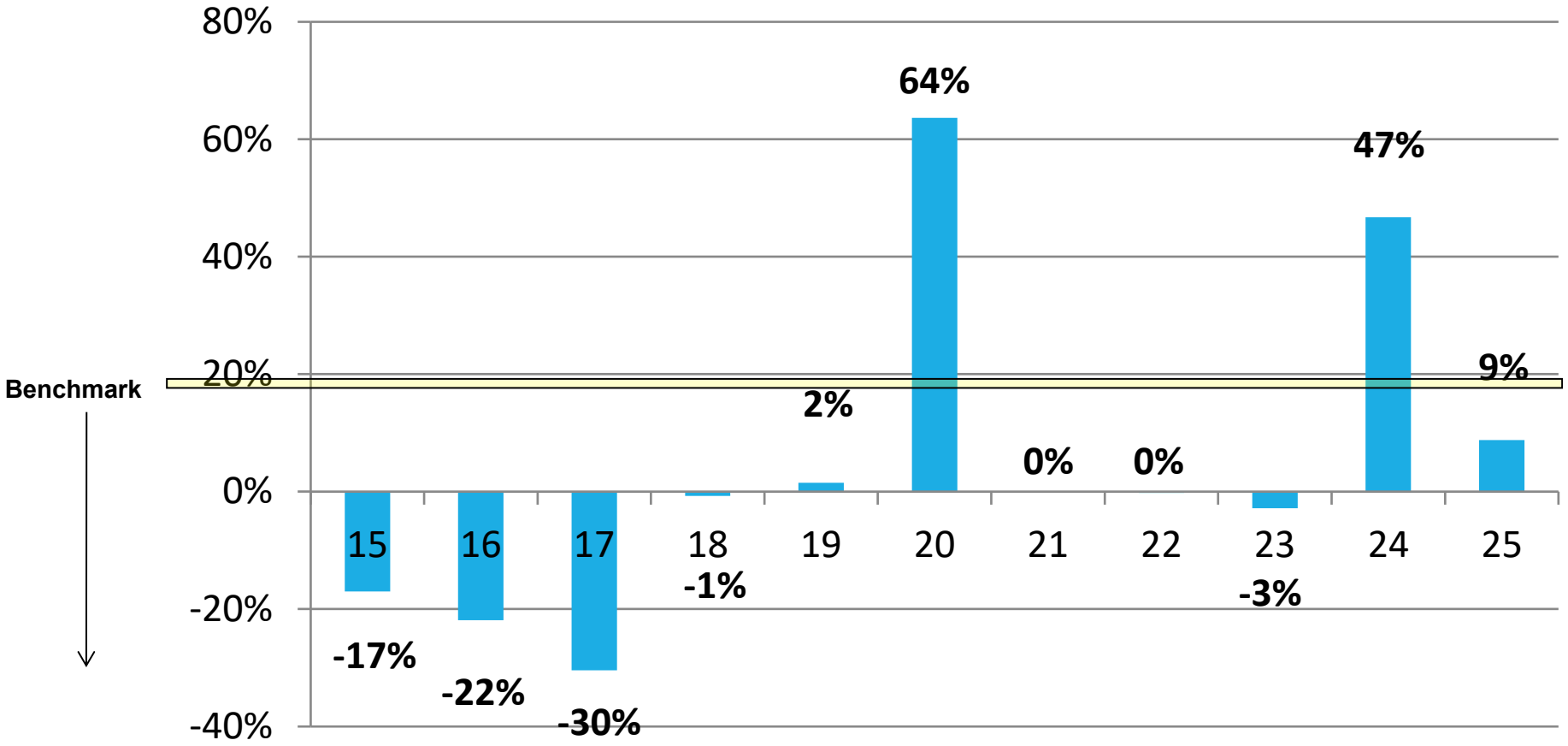
Change in Net Position – Liability Benchmark ≥ - 10%



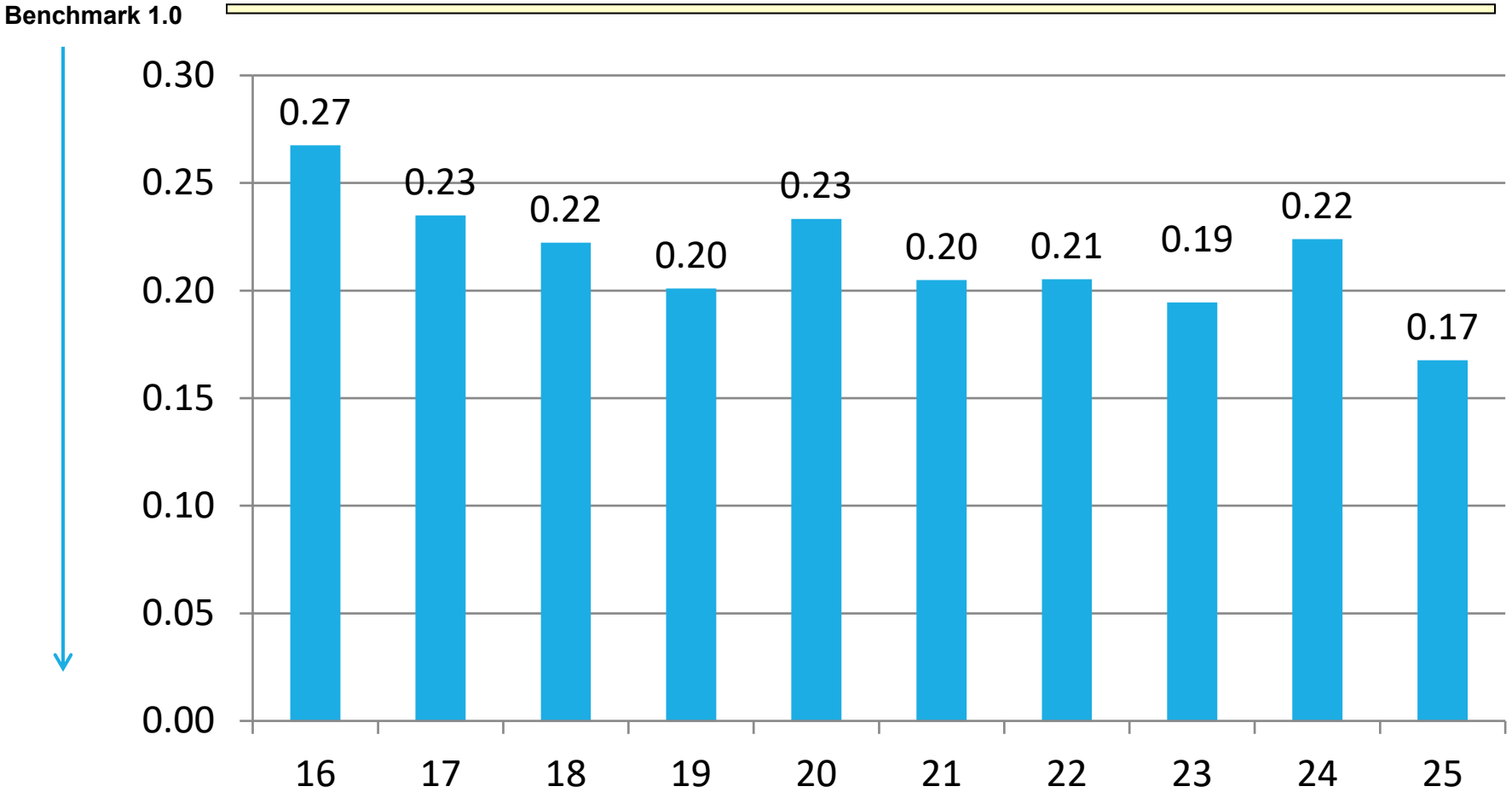
Expected Liabilities to NP – Liability Benchmark ≤ 1.5:1



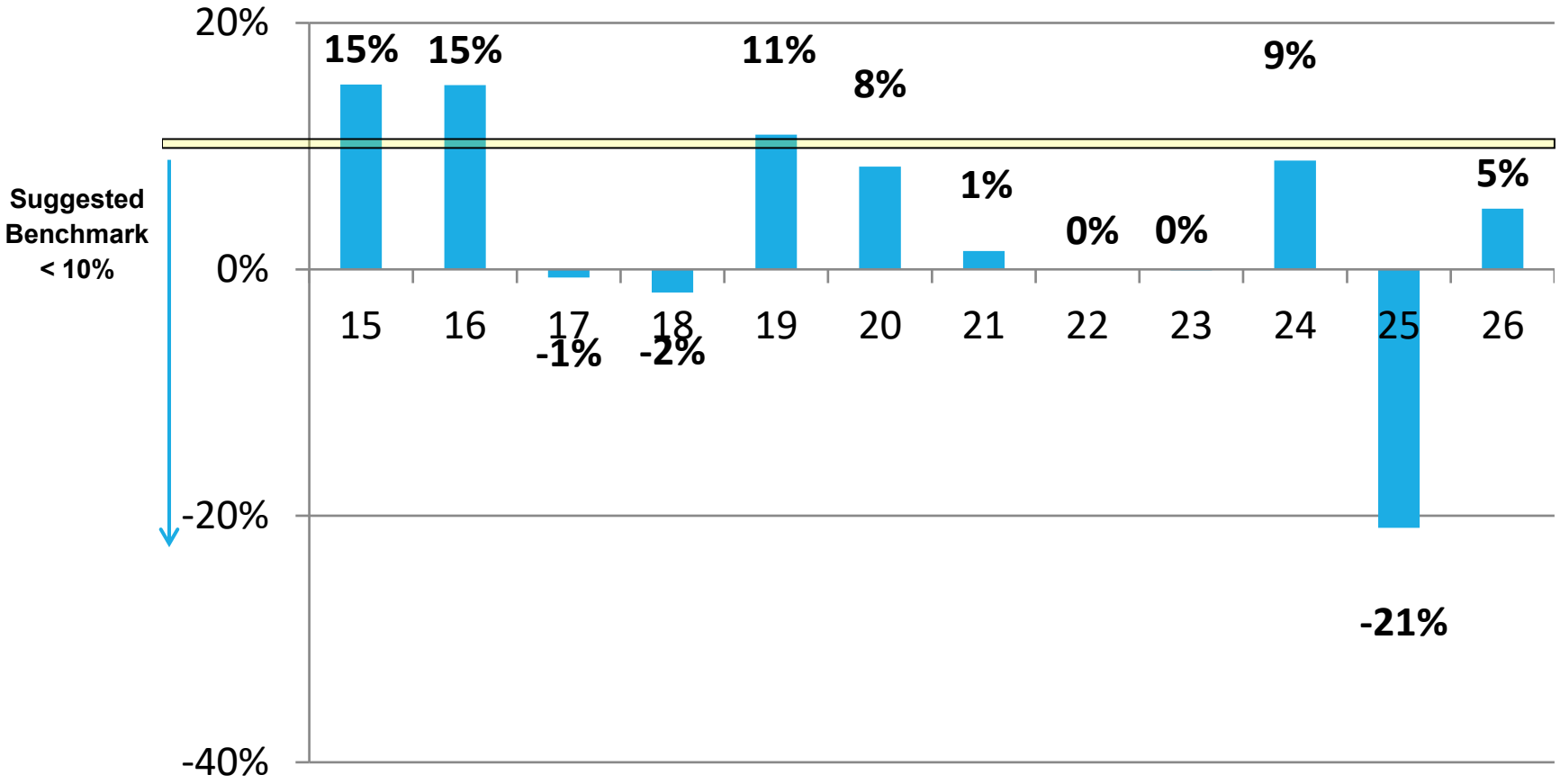
Change in Liabilities – Liability Benchmark ≤ 20%



Net Deposit to NP - Liability Benchmark ≤ 1:1



Change in Net Deposit – Liability No Benchmark Set



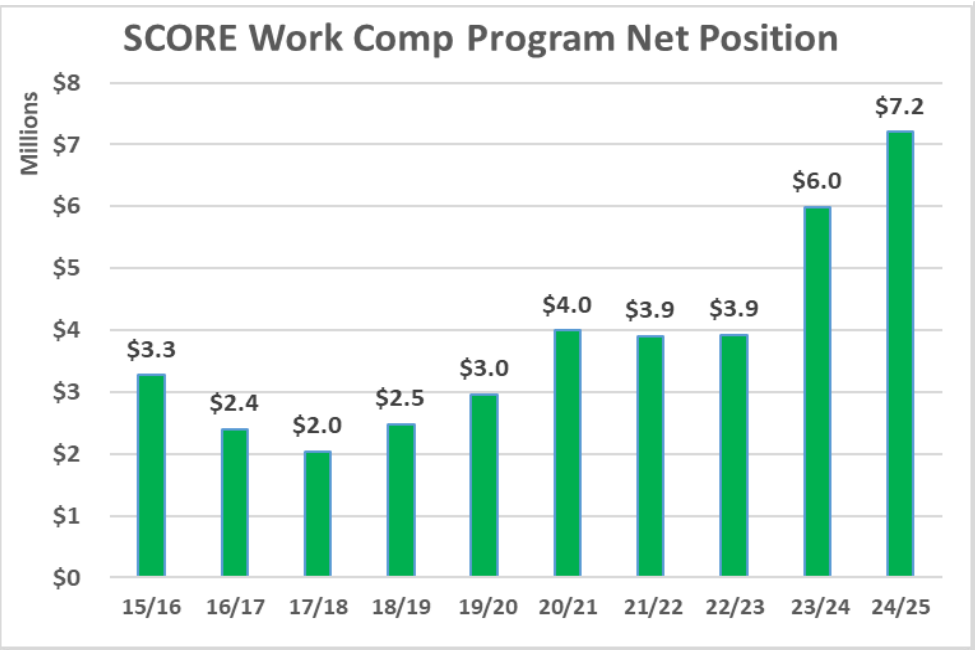
Summary of Liability Program & Trends

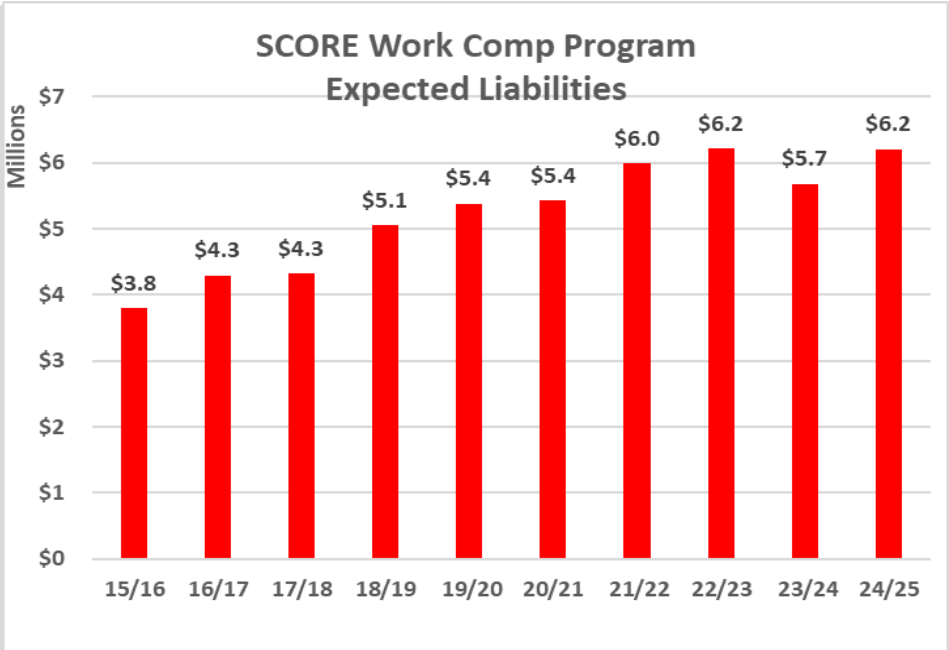
Increase of $1M in Total Assets contributed to increase of $700K in Net position, resulting in improvement in related benchmark results – still within OK ranges.

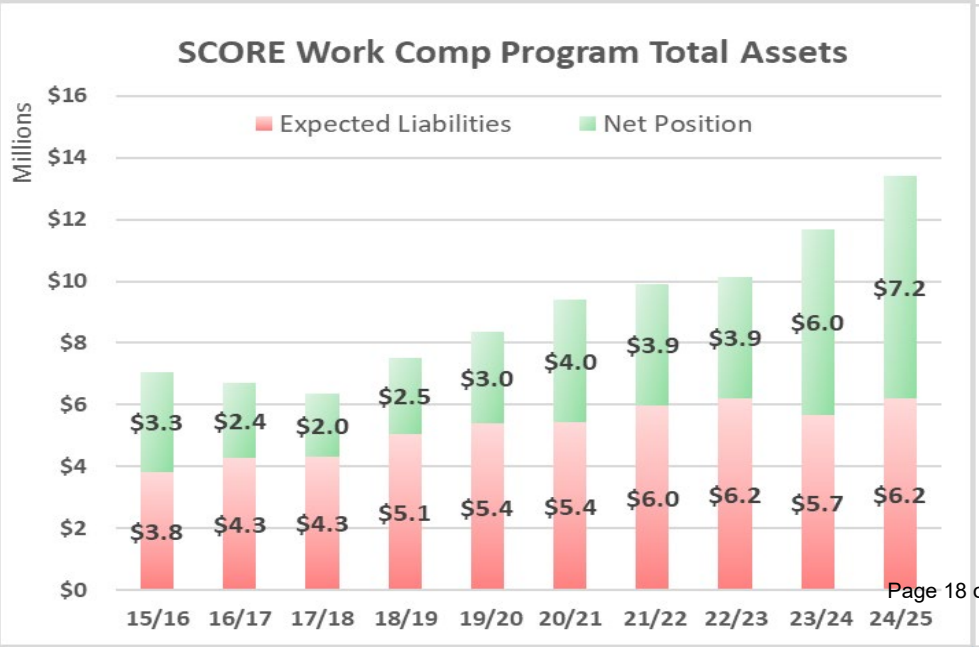
Able to absorb potential increase in SIR to $1M and maintain NP:SIR ratio above target at 7:1.

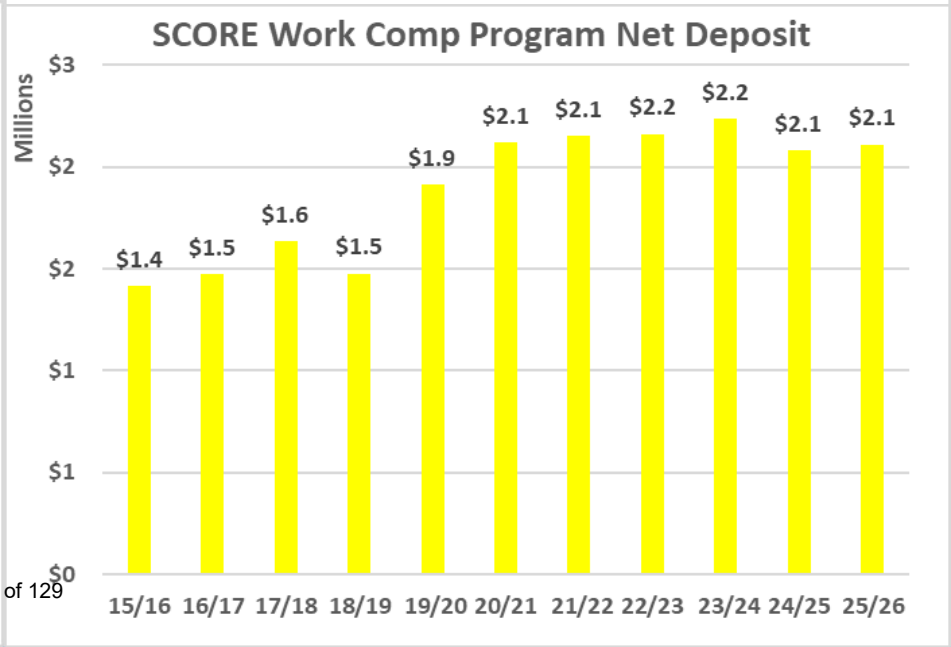
Increased volatility, higher settlement values, and potentially higher SIR are causes to maintain a conservative approach until (if?) the trends change.

Financials For Work Comp Analysis

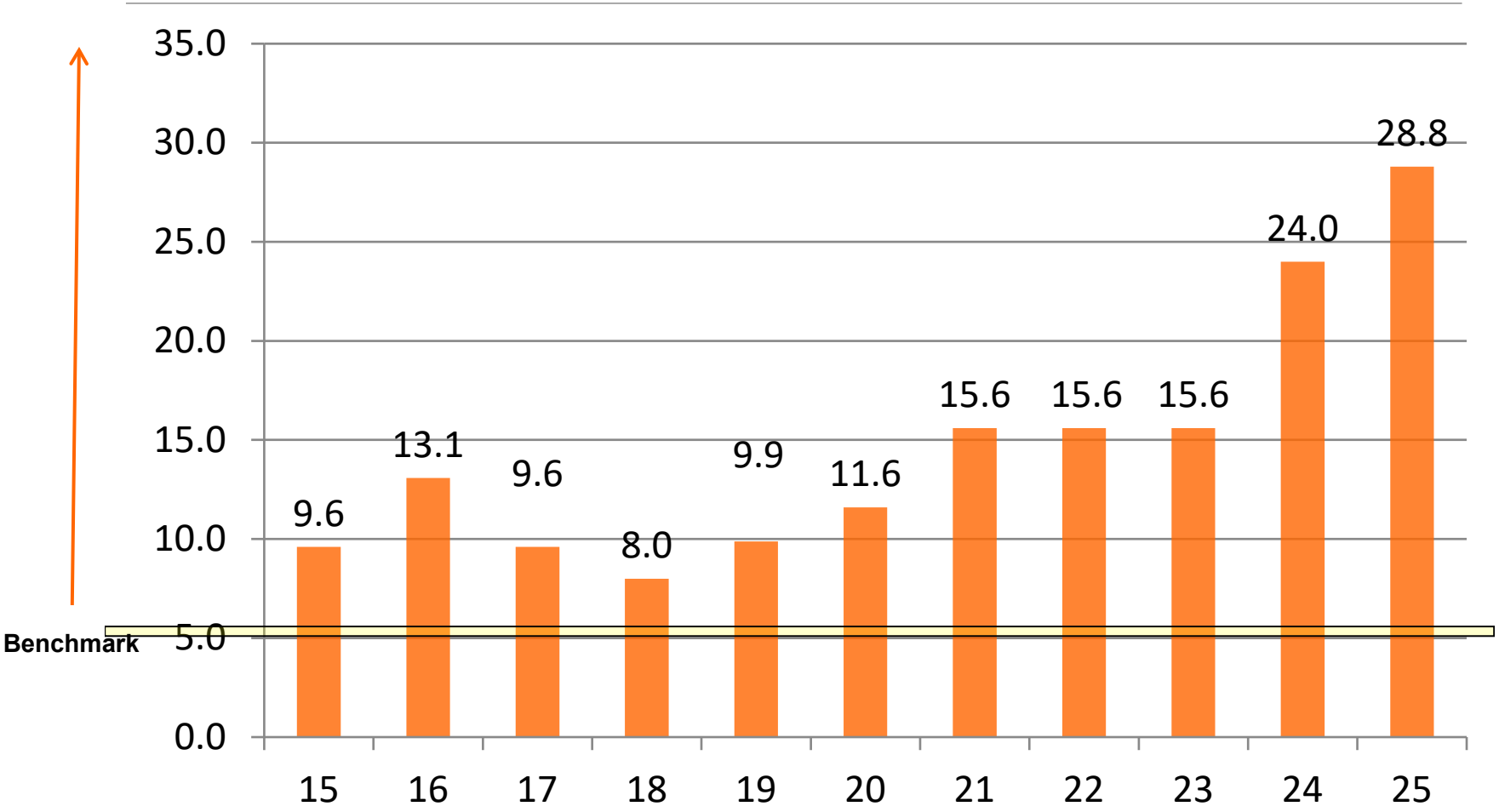




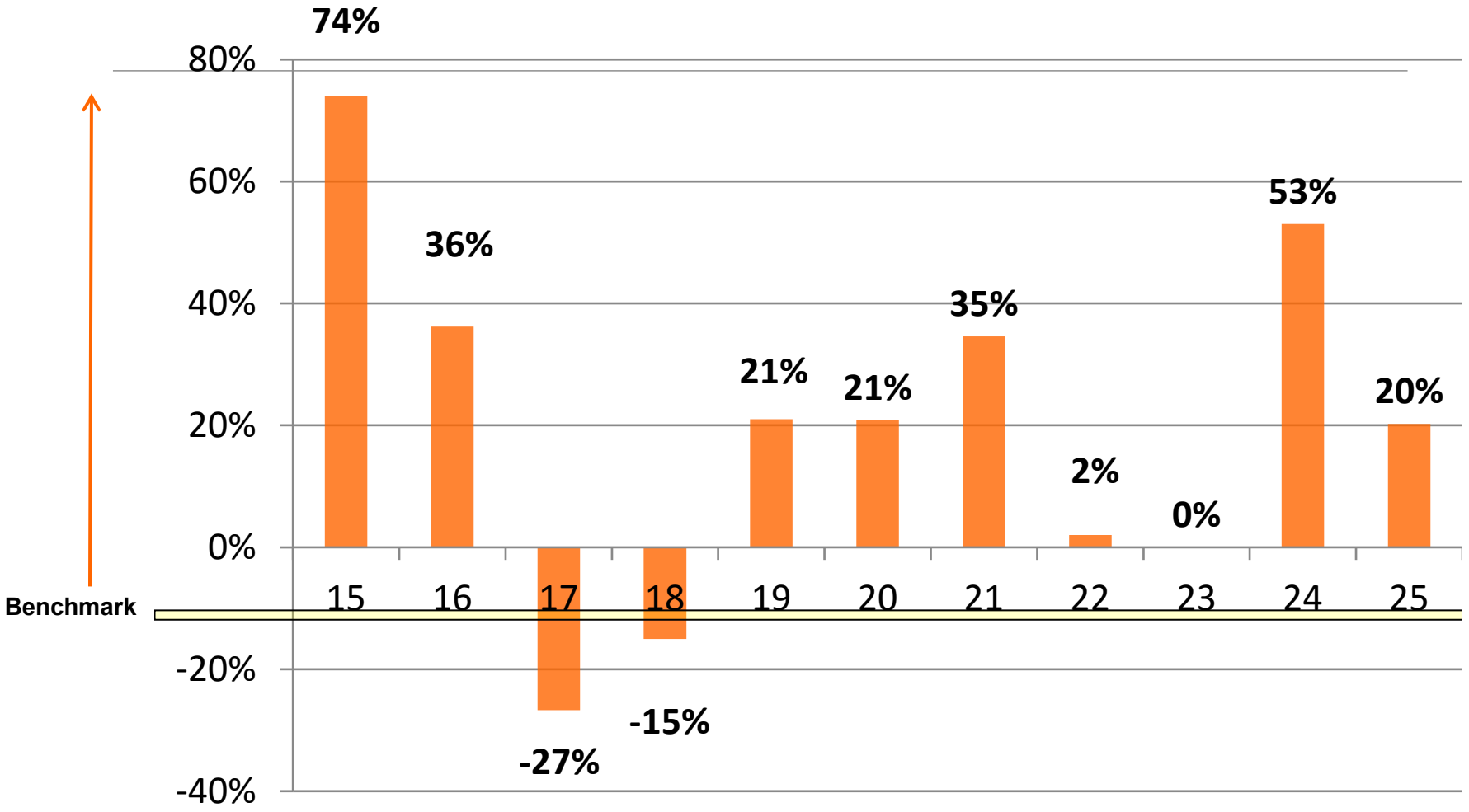




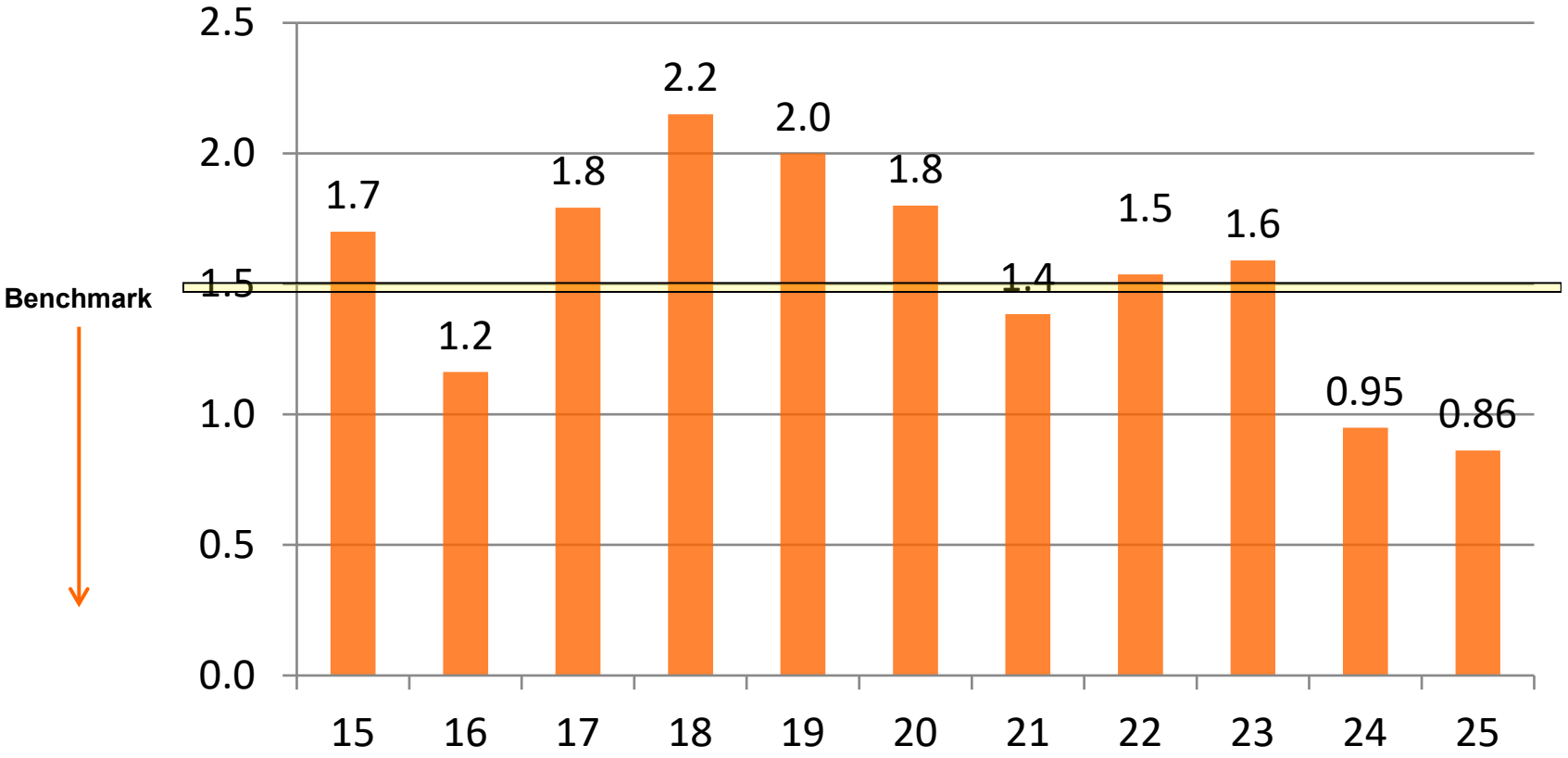
Net Position to SIR – Work Comp
Benchmark ≥ 5:1 SIR = $250,000



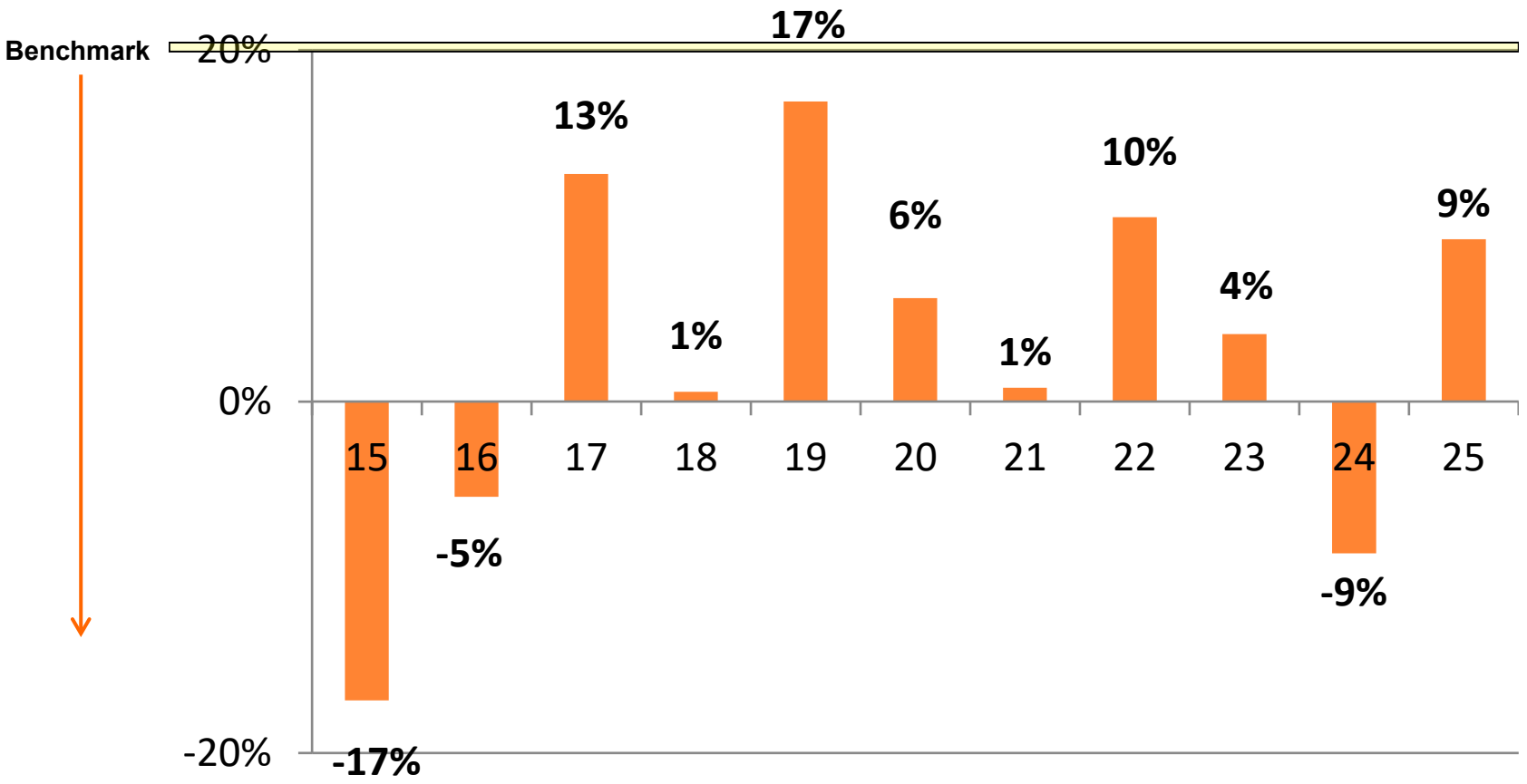
Change in Net Position – Work Comp Benchmark ≥ - 10%



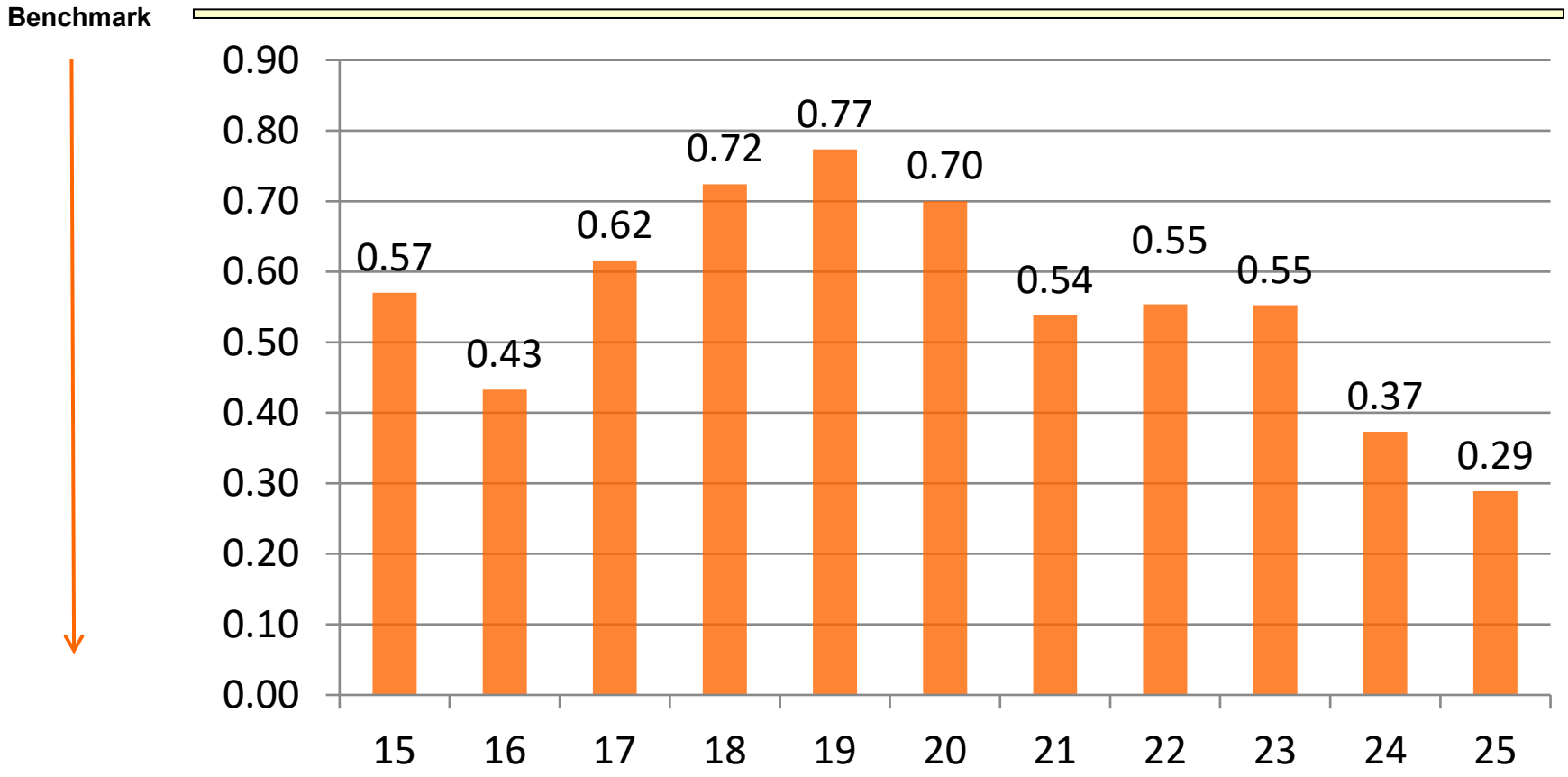
Expected Liabilities to NP – WC Benchmark ≤ 1.5:1



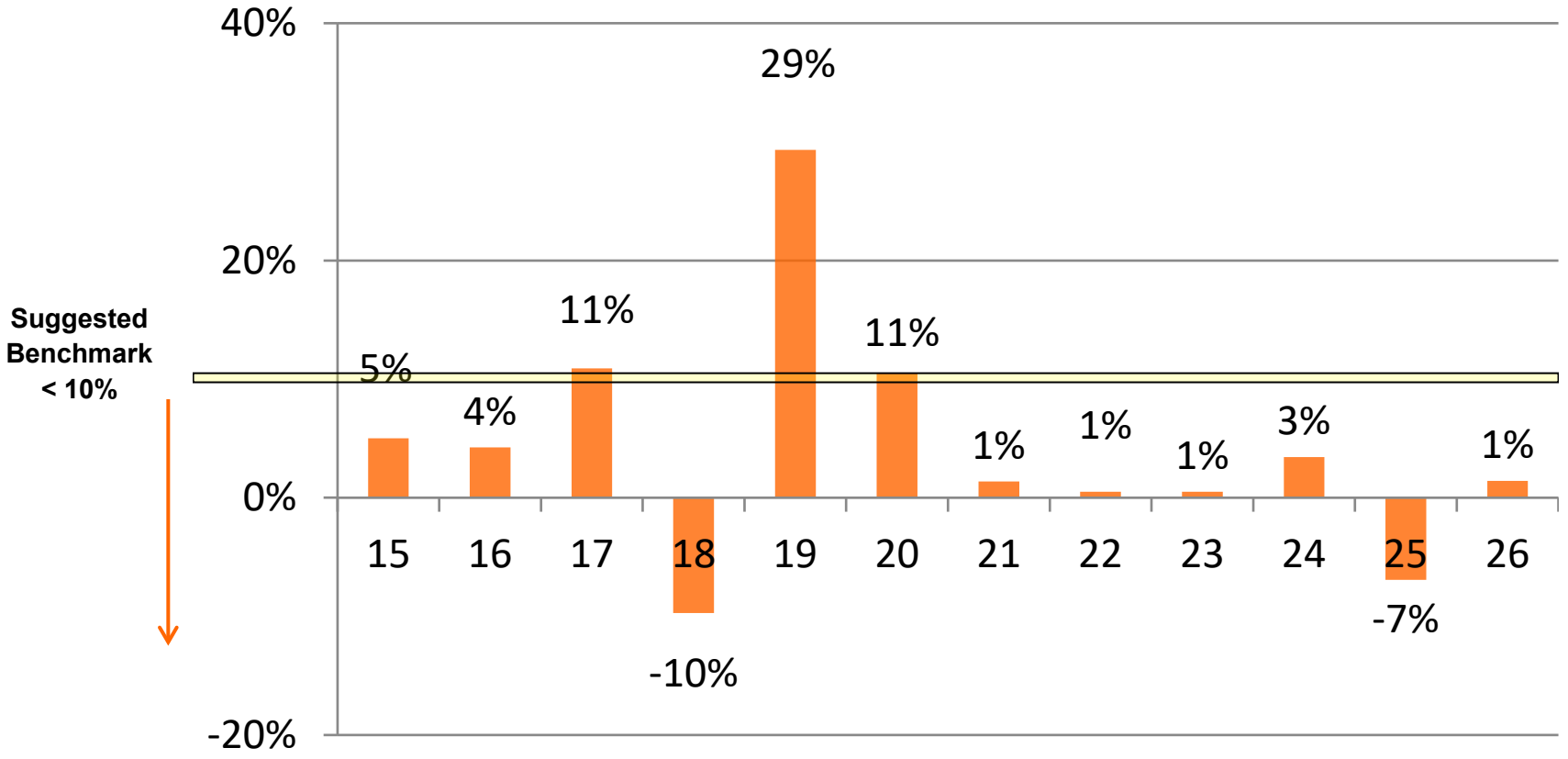
Change in Liabilities – Work Comp Benchmark ≤ 20%



Net Deposit to NP - Work Comp Benchmark ≤ 1:1



Change in Net Deposit - Work Comp No Benchmark Set



Summary of Work Comp Programs & Trends

Increase of $1.2M in Net Position due to $1.7M increase in Net Assets and increase of $500K in Expected Liabilities, with all related benchmarks improving.

Net Deposit has remained steady despite increasing payroll, increased benefits and public safety presumptions.

Maintain conservative funding approach to be prepared for increasing severity from presumptions, cumulative injuries, stress, etc.

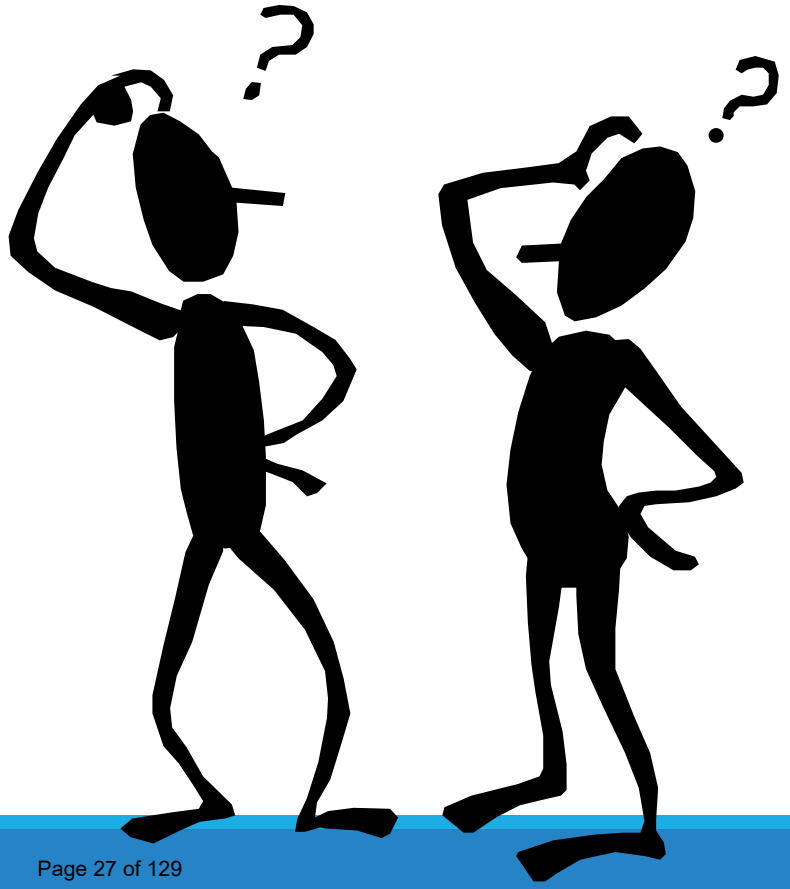
Conclusion

SCORE is well-funded to meet its future claims liabilities and the margin for error continues to improve for both programs with stable annual funding and Net Positions.

The programs will continue to be closely monitored to anticipate and mitigate any negative trends.

The increase in SCORE's SIR, social inflation, and increasing Work Comp benefits will put added pressure on maintaining adequate funding and reserves.

Any Questions?



Small Cities Organized Risk Effort
Long Range Planning
October 30, 2025

Agenda Item H.1.

INTERCARE STEWARDSHIP REPORT

INFORMATION ITEM

ISSUE: The Board will receive Intercare's Stewardship Report detailing SCORE's claim activity and Intercare's service results over the last three years.

RECOMMENDATION: Review and provide feedback or direction.

FISCAL IMPACT: None from this item.

BACKGROUND: Intercare began managing SCORE's Workers' Compensation claims as of July 1, 2023, and regularly provides updates to the Board.

ATTACHMENTS: Intercare Stewardship Review October 30, 2025

intercare

In Partnership With

SCORE
Small Cities Organized Risk Effort
A Joint Powers Authority

Stewardship Review

October 30, 2025

Presented by:
Christine Bagley, Account Manager

This stewardship report is prepared annually to help SCORE benchmark performance against itself, as well as help Intercare review and analyze first year data to measure program trends and performance over time. The following are key indicators for the program:

- **Claim Frequency:** The number of reportable claims submitted during the program year is up 72% in comparison to the prior program year.
- **Denial Rate:** The denial rate for new claims reported in the program year, valued as of the end of the program year, is up seven percentage points in comparison to the prior program year.
- **Litigation Rate**: The litigation rate for new claims reported in the program year, valued as of the end of the program year, is down one percentage point in comparison to the prior program year. The litigation rate for total open unsettled claims as of 6/30/25 was 18%.
- **Total Paid (First Year Claims):** The total paid on first year claims is up 112% in comparison to the prior program year.
- **Total Paid (All Claims):** The total paid for all claims is down 33% in comparison to the prior program year.
- **Utilization Review and IMR:** 2% of total RFA received in the program year were modified and another 14% were denied by Peer Review, achieving an estimated savings of $69,686. There were no modifications/denials submitted to IMR for reconsideration.

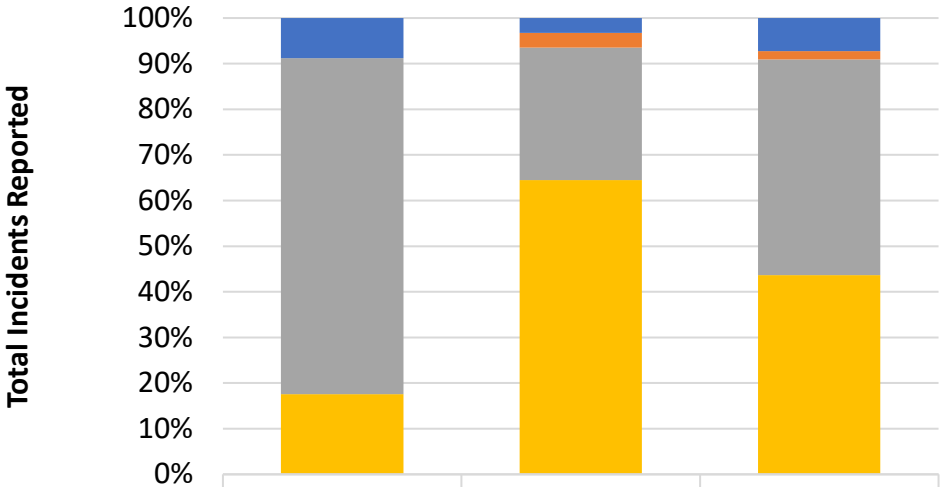
Intercare has made every effort to ensure the accuracy of information included in this report. Opinions on financial or legal matters are those of Intercare staff and professional counsel should be consulted before any action or decision based on the material provided.

First year claim definition: A first-year claim is reported in the referenced year, valued at the end of the same referenced year.

**All percentages in this report have been rounded to the nearest whole number.*

New Claim Comparison

First Year Claims



	FY 2023	FY 2024	FY 2025
Information Only	5	1	4
First Aid	0	1	1
Medical Only	42	9	26
Indemnity	10	20	24
Total incidents reported in period	57	31	55
Total reportable claims in period (MO + IND)	52	29	50
New Claim Severity (MO:IND Ratio	81%:19%	31%:69%	52%:48%

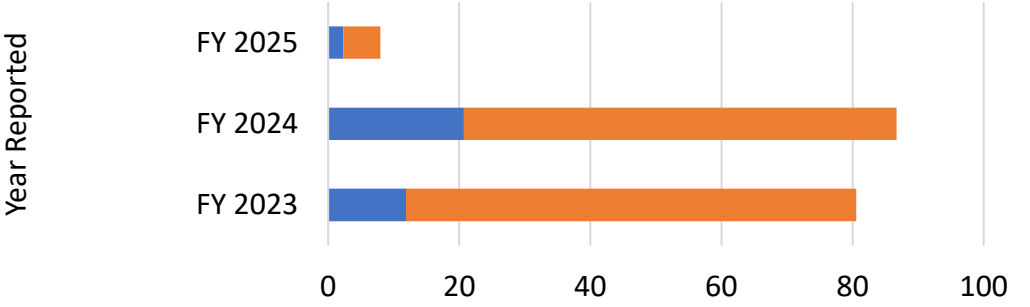
For the purpose of this report, all frequency and severity calculations are based on the number of medical only and indemnity claims, as these are the types of claims that are reported to the State of California for self-insured programs. This page will include Information Only and First Aid claim types, so you have a point of reference for these types of records.

Frequency: Reportable claim frequency is up 72% in comparison to the previous program year.

Severity: The number of new indemnity claims reported during the program year is up 20% in comparison to the previous program year.

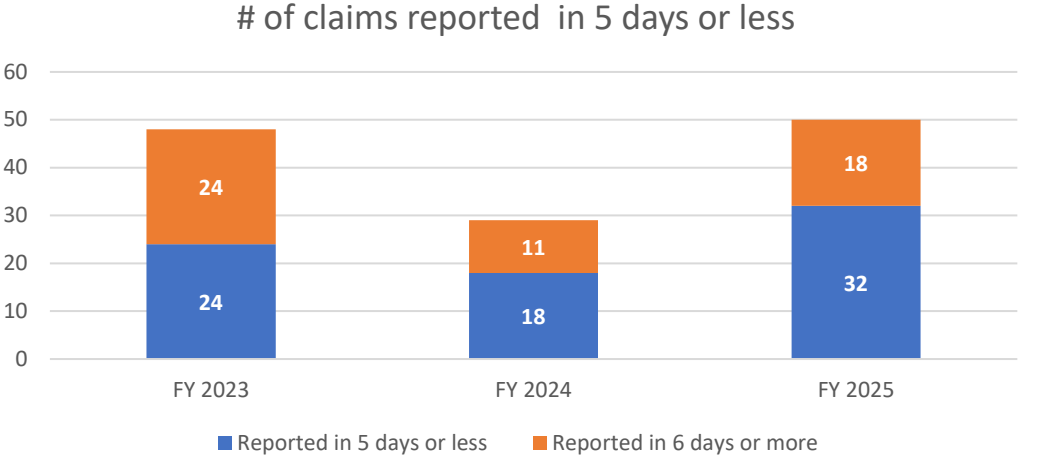
LAG TIME SUMMARY

Average Days		FY 2023	FY 2024	FY 2025
All Reportable Claims	DOI and DOK	12	21	2
	DOK and TPA	69	66	6
	DOI and TPA	81	87	8
Excluding CT Claims	DOI and DOK	13	19	2
	DOK and TPA	10	49	6
	DOI and TPA	23	68	8



	FY 2023	FY 2024	FY 2025
Avg # of days between DOI & DOK	12	21	2
Avg # of days between DOK & Date Reported	69	66	6

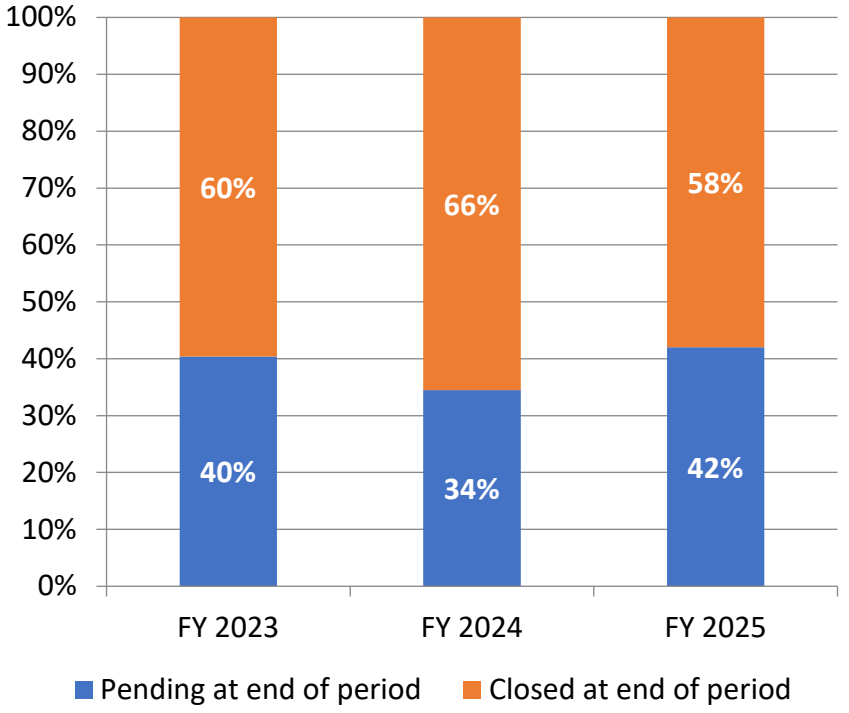
# of Claims Reported		FY 2023	FY 2024	FY 2025
All Reportable Claims	5 days or less	24	18	32
	6 days or more	24	11	18
	Total reportable claims in period	**48**	**29**	**50**



All claims should be reported to Intercare within 24 hours of the employer's date of knowledge (DOK). This ensures Intercare has the maximum time allowed under LC5402 to investigate and determine compensability. Intercare is also able to provide care and benefits to the injured worker to expedite their recovery and the ultimate resolution of a claim. Timely reporting is also an important strategy to minimize potential litigation and associated cost.

CLOSING ANALYSIS

First Year Claims



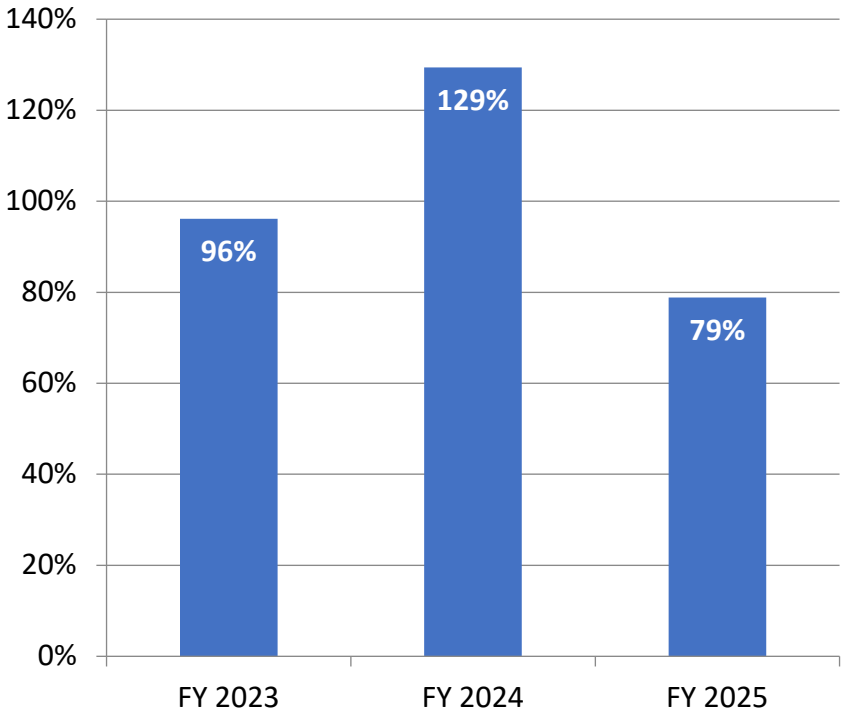
	FY 2023	FY 2024	FY 2025
Total reportable claims in period	52	29	50
# Open at end of period	21	10	21
# Closed at end of period	31	19	29
Closing %	**60%**	**66%**	**58%**
Average duration of all claims opened and closed in the same program year	**73 days**	**60 days**	**67 days**

Of total claims reported in the period 58% were closed at the end of the period.

The average duration of claims opened and closed in the period was 67 days.

CLOSING ANALYSIS

All Claims



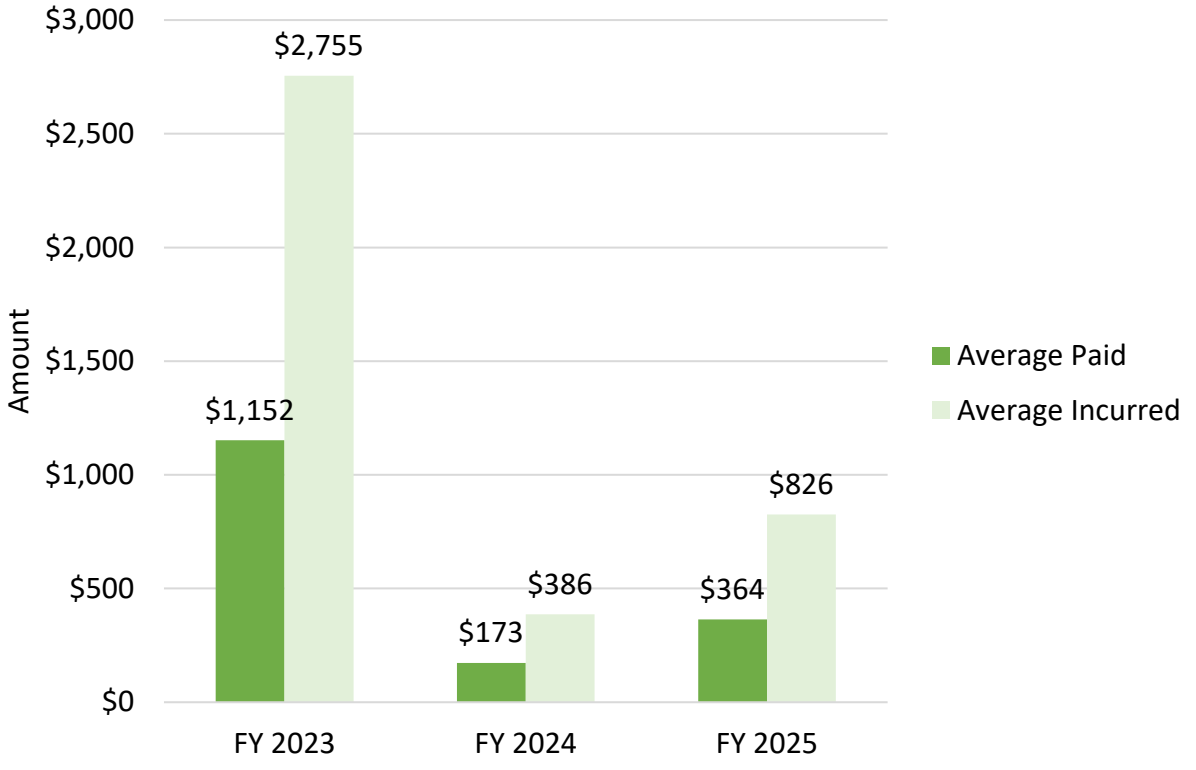
	FY 2023	FY 2024	FY 2025
Begin Pending	61	63	44
# Claims reported in period	52	29	50
# Claims reopened in period	0	5	2
# Claims Closed in period	50	44	41
Ending Pending	63	44	55
Closing Rate	**96%**	**129%**	**79%**

The annual closing rate is calculated **= # closed / (# opened + # reopened)** within the period.

There are many factors that impact a closing rate, including volume of new claims, severity of the caseload, as well as the level and type of approved settlement activity. Our goal is to achieve a 100% closing rate each year.

MEDICAL ONLY CLAIMS

First Year Claims



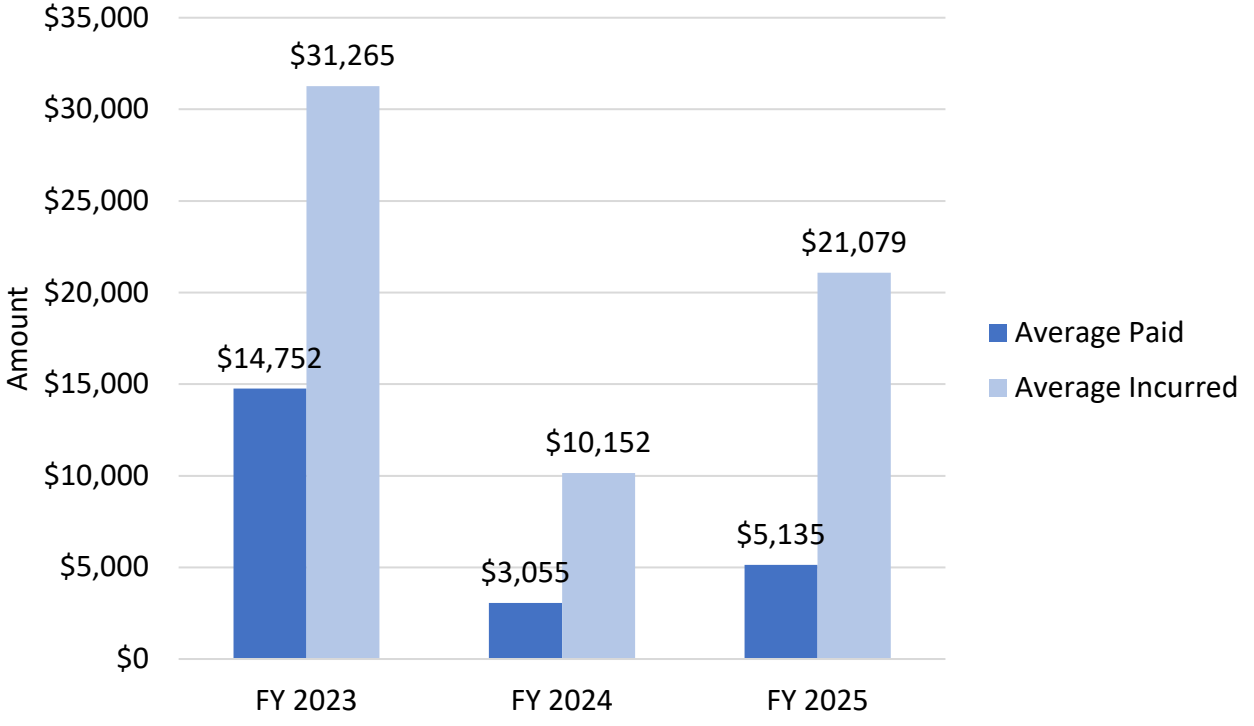
	FY 2023	FY 2024	FY 2025
# of Medical Only Claims Reported	**42**	**9**	**26**
Total Paid	$48,366	$1,557	$9,455
Average Paid/Claim	**$1,152**	**$173**	**$364**

Frequency: The number of medical only claims reported is up 189% in comparison to the previous program year.

Average Paid: The average paid per medical only claim is up 110% in comparison to the previous program year.

INDEMNITY CLAIMS

First Year Claims



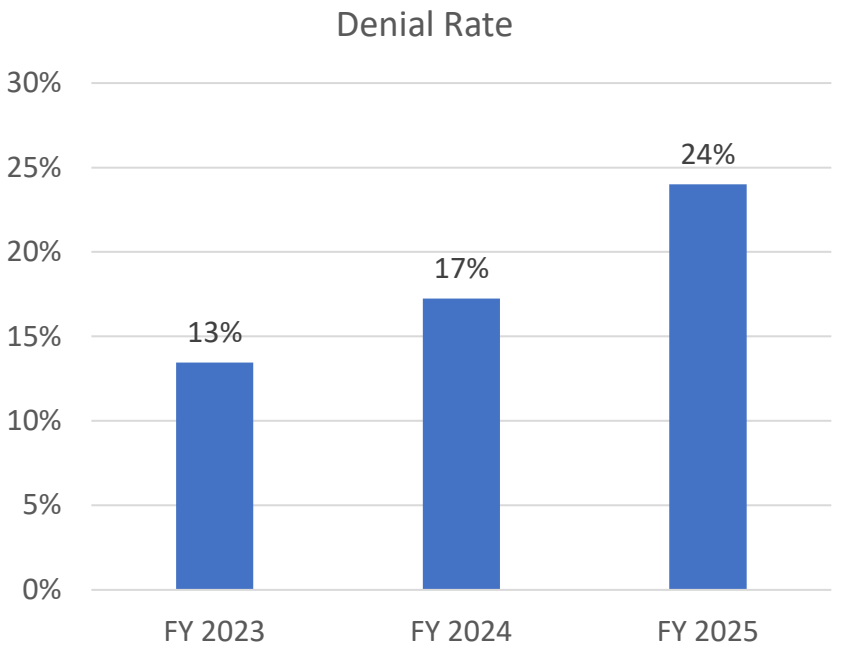
	FY 2023	FY 2024	FY 2025
# of Indemnity Claims Reported	**10**	**20**	**24**
Total Paid	$147,522	$61,097	$123,231
Average Paid/Claim	**$14,752**	**$3,055**	**$5,135**

Frequency: The number of indemnity claims reported is up 20% in comparison to the previous program year.

Average Paid: The average paid per indemnity claim is up 68% in comparison to the previous program year.

DENIED CLAIMS

First Year Claims

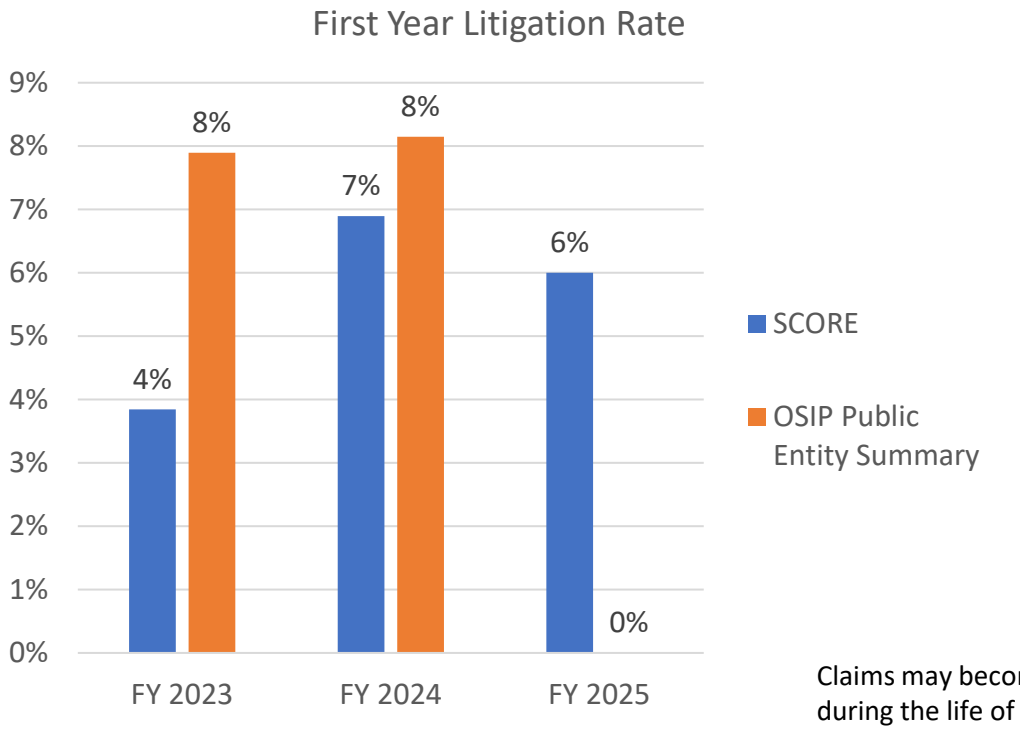


	FY 2023	FY 2024	FY 2025
Total Reportable Claims in Period	52	29	50
# of Denied Claims	7	5	12
Denial Rate	**13%**	**17%**	**24%**

The denial rate is up 7 percentage points in comparison to the prior program year.

LITIGATED CLAIMS

First Year Claims



	FY 2023	FY 2024	FY 2025
Total reportable claims in period	52	29	50
# of litigated claims	2	2	3
First Year Litigation Rate	**4%**	**7%**	**6%**
# of Litigated claims that were also denied	1	1	3
CA OSIP Public Self-Insured First Year Litigation Rate	8%	8%	8%

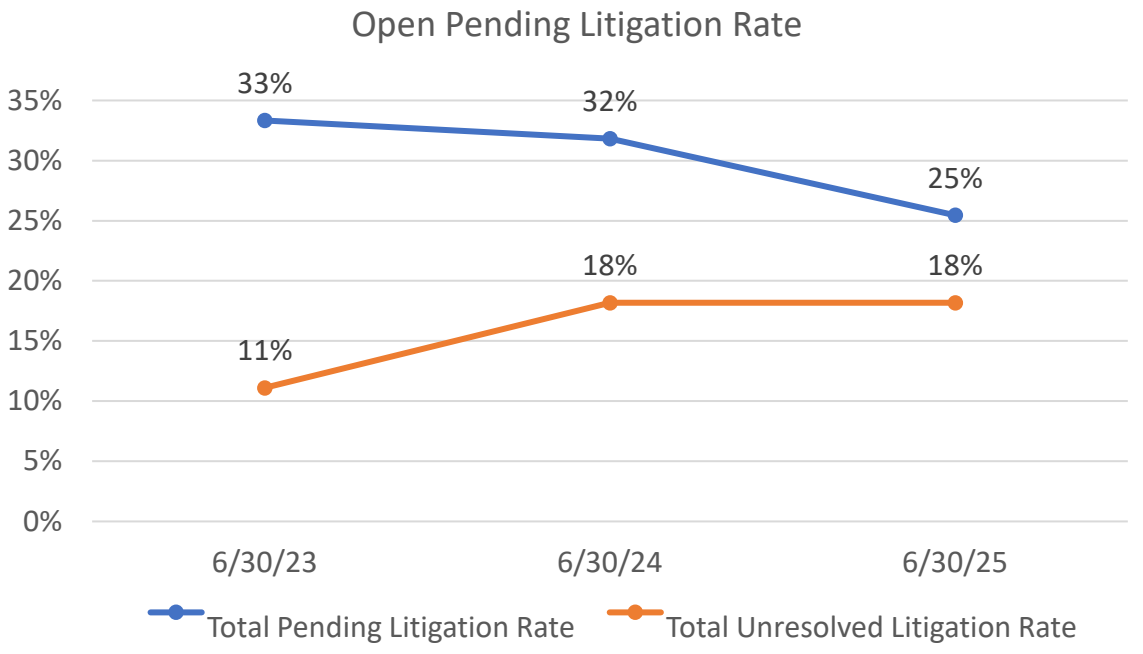
Claims may become litigated at any point during the life of the claim.

This summary looks at the number of claims reported in the period only, and the litigation status of those claims at the end of the same period.

The California public entity first year litigation rate was calculated based off the FY 22/23 and FY 23/24 Public Self-Insured Statewide Summaries posted on the Office of Self-Insurance Plans website and is provided as a comparison of industry experience. The summary data for FY 2025 is not yet available.

LITIGATED CLAIMS

All Open Claims



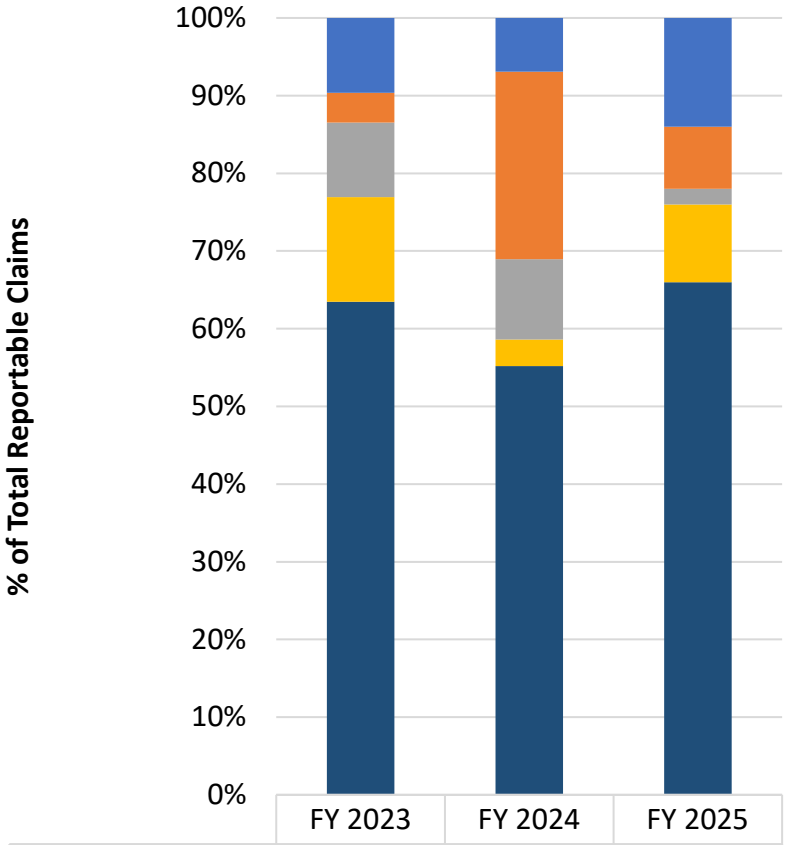
	FY 2023	FY 2024	FY 2025
# of open claims at end of period	63	44	55
# of non-litigated claims	42	30	41
# of litigated claims	21	14	14
Total open litigation rate	**33%**	**32%**	**25%**
# of settled litigated claims	14	6	4
# of unresolved litigated claims	7	8	10
Open and unresolved litigation rate	**11%**	**18%**	**18%**

This summary looks at the litigation rate of the total open caseload as of the end of each program year.

As of 06/30/25, the total open litigation rate was 25%. Of the 55 total open claims at end of the period, there were 10 unresolved litigated claims, which equals an unresolved litigation rate of 18%.

CLAIMS BY BODY PART

Frequency



	FY 2023	FY 2024	FY 2025
Eye(s)	10%	7%	14%
Lower Back Area	4%	24%	8%
Multiple Body Parts	10%	10%	2%
Wrist(s) and/or Hand(s)	13%	3%	10%
Sum of all other codes	63%	55%	66%

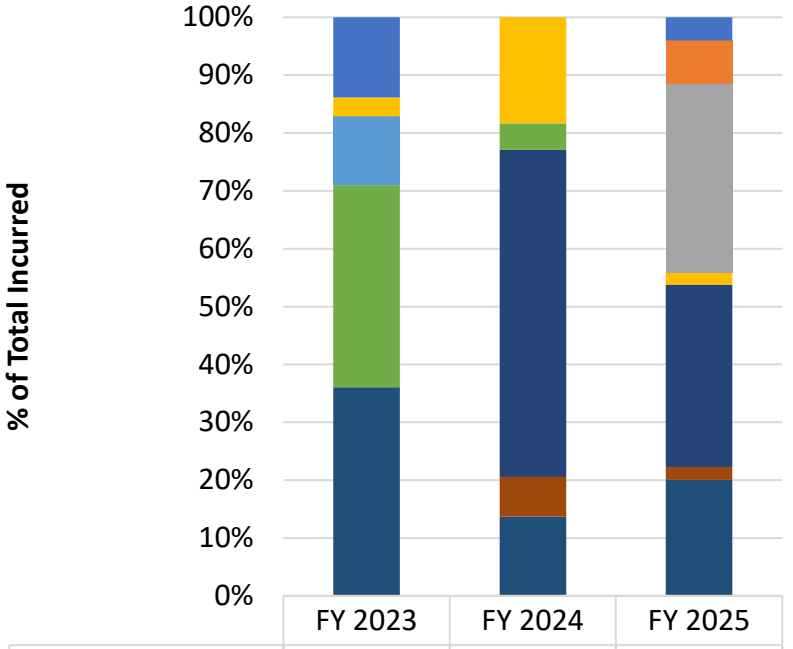
	FY 2023	FY 2024	FY 2025
Body System(s)	2	0	4
Eye(s)	5	2	7
Wrist(s) and/or Hand(s)	7	1	5
Knee	4	0	1
Lower Back Area	2	7	4
Multiple Body Parts	5	3	1
Shoulders	1	2	2
Sum of all other codes	33	16	33
Total claims	**52**	**29**	**50**

Eyes were the most frequent reported body part in the program year, followed by wrists and hands and injuries to lower back area.

Highlighted values represent the top three codes in the referenced period.

CLAIMS BY BODY PART

Severity



	FY 2023	FY 2024	FY 2025
Body System(s)	14%	0%	4%
Foot	0%	0%	7%
Heart	0%	0%	33%
Lower Back Area	3%	18%	2%
Multiple Upper Extremities	12%	0%	0%
No Physical Injury - mental disorder	35%	5%	0%
Shoulders	0%	57%	32%
Skull	0%	7%	2%
Sum of all other codes	36%	14%	20%

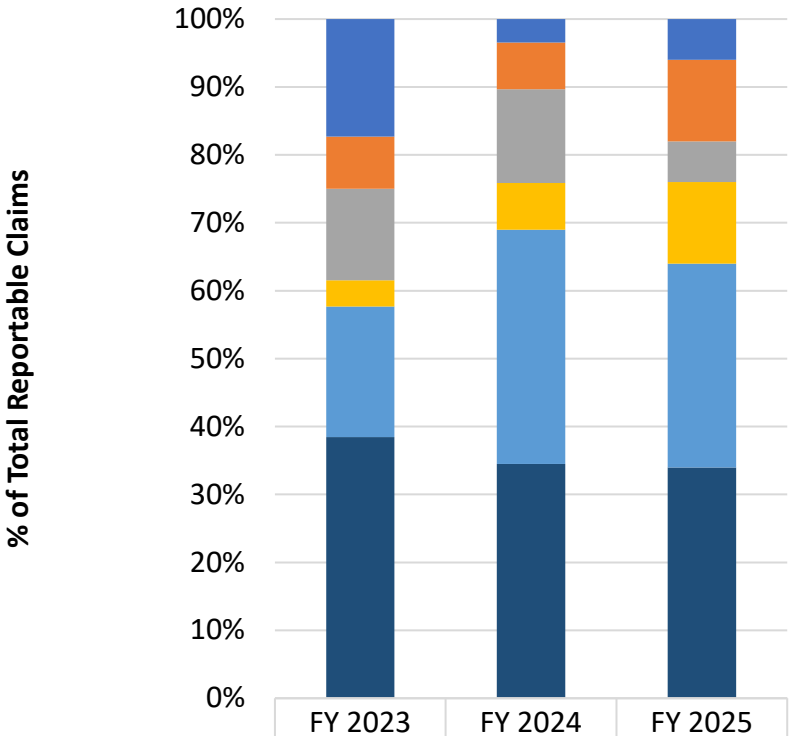
	FY 2023	FY 2024	FY 2025
Body Systems	$59,374	$0	$21,194
Foot	$0	$0	$39,267
Heart	$0	$0	$172,030
Lower Back Area	$13,912	$37,876	$11,082
Shoulders	$11	$116,732	$166,376
Skull	$0	$14,232	$11,500
Sum of all other codes	$154,313	$28,265	$105,915
Total Paid	**$428,363**	**$206,526**	**$527,363**

The most severe body part classification in the program year was heart, followed by shoulders and then injuries with foot.

Highlighted values represent the top three codes in the referenced period.

CLAIMS BY NATURE

Frequency



	FY 2023	FY 2024	FY 2025
All Other Specific Injuries, NOC	17%	3%	6%
Foreign Body	8%	7%	12%
Laceration	13%	14%	6%
Puncture	4%	7%	12%
Strain	19%	34%	30%
Sum of all other codes	38%	34%	34%

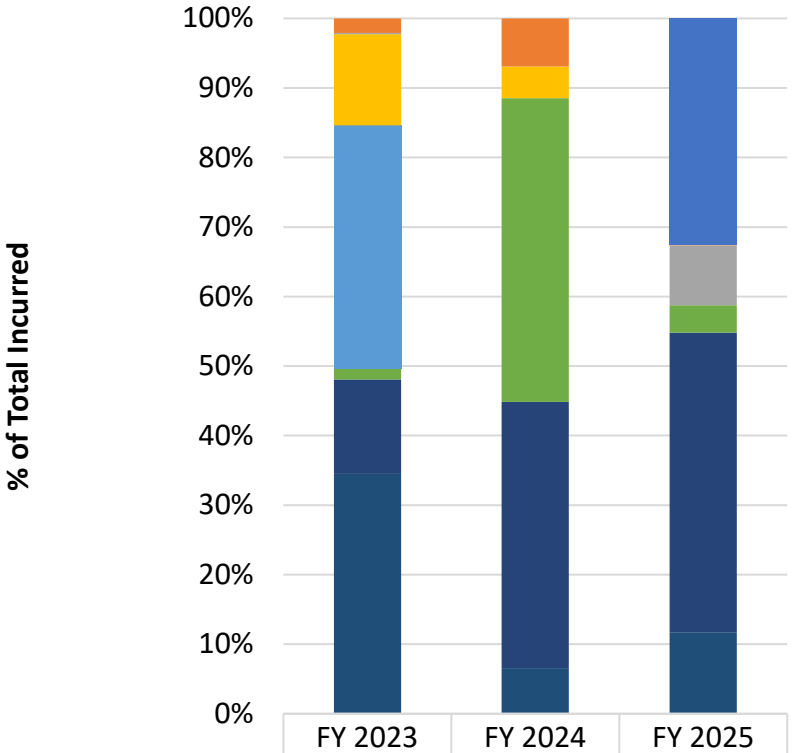
	FY 2023	FY 2024	FY 2025
All Other Specific Injuries	9	1	3
Foreign Body	4	2	6
Puncture	2	2	6
Contusion	5	2	1
Laceration	7	4	3
Strain	10	10	15
Sum of all other codes	20	10	16
Total claims	**52**	**29**	**50**

Strains were the most frequent reported nature of injury in the program year, followed by foreign body, and then puncture.

Highlighted values represent the top three codes in the referenced period.

CLAIMS BY NATURE

Severity



	FY 2023	FY 2024	FY 2025
Angina Pectoris	0%	0%	33%
Contusion	2%	7%	0%
Fracture	0%	0%	9%
Mental Stress	13%	5%	0%
No Physical Injury	35%	0%	0%
Sprain	2%	44%	4%
Strain	14%	38%	43%
Sum of all other codes	34%	7%	12%

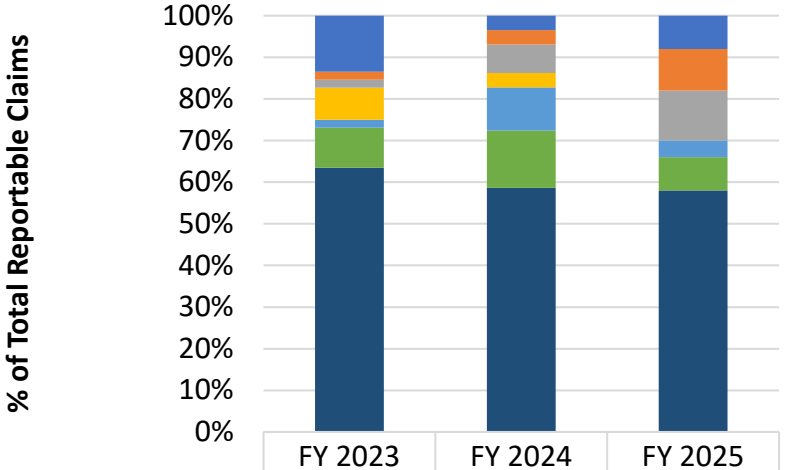
	FY 2023	FY 2024	FY 2025
Angina Pectoris	$0	$0	$172,030
Contusion	$8,899	$14,232	$223
Fracture	$871	$0	$45,267
Mental Stress	$56,210	$9,421	$0
No Physical Injury	$149,783	$0	$0
Sprain	$6,762	$90,232	$20,966
Strain	$58,062	$79,117	$227,206
Sum of all other codes	$147,777	$13,524	$61,672
Total Paid	**$428,363**	**$206,526**	**$527,363**

Strains were the most severe reported nature of injury in the program year, followed by Angina Pectoris, and then fracture.

Highlighted values represent the top three codes in the referenced period.

CLAIMS BY CAUSE

Frequency



	FY 2023	FY 2024	FY 2025
Absorption, Ingestion, Inhalation or vaccination	13%	3%	8%
Animal or Insect	2%	3%	10%
Foreign Matter (Body) in Eye(s)	2%	7%	12%
On Ice or Snow	8%	3%	0%
Repetitive Motion, Carpal Tunnel	2%	10%	4%
Strain or Injury, NOC	10%	14%	8%
Sum of all other codes	63%	59%	58%

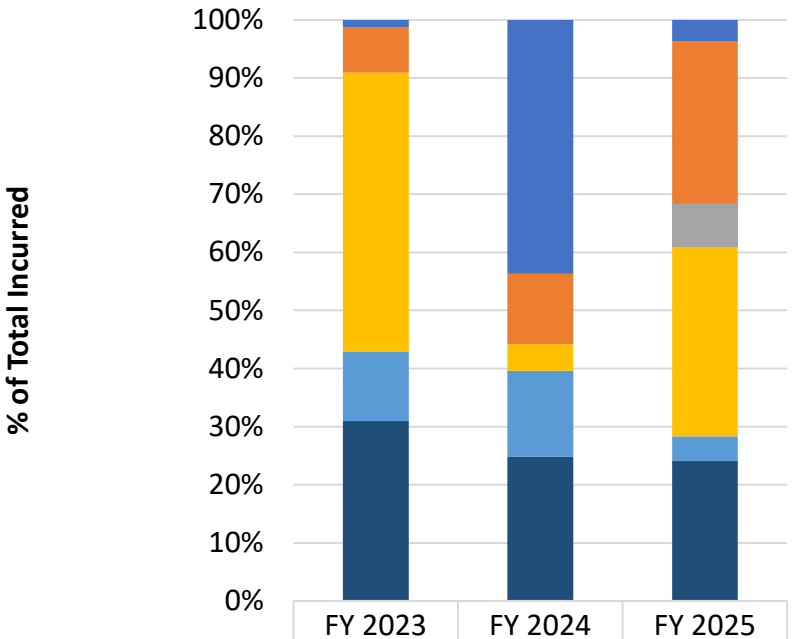
	FY 2023	FY 2024	FY 2025
Absorption, Ingestion, Inhalation or vaccination	7	1	4
Animal or Insect	1	1	5
Foreign Matter (Body) in Eye(s)	1	2	6
On Ice or Snow	4	1	0
Repetitive Motion, Carpal Tunnel	1	3	2
Strain or Injury, NOC	5	4	4
Sum of all other codes	33	17	29
Total claims	52	29	50

Injuries caused by foreign matter body- in eye (s) were the most frequent reported cause in the program year, followed by injuries caused by animal or insect and then injuries caused by absorption, ingestion, inhalation or vaccination.

Highlighted values represent the top three codes in the referenced period.

CLAIMS BY CAUSE

Severity



	FY 2023	FY 2024	FY 2025
Fall, Slip, or Trip, NOC	1%	44%	4%
Lifting	8%	12%	28%
On Stairs	0%	0%	7%
Other than Physical Cause of Injury	48%	5%	33%
Repetitive Motion, Carpal Tunnel	12%	15%	4%
Sum of all other codes	31%	25%	24%

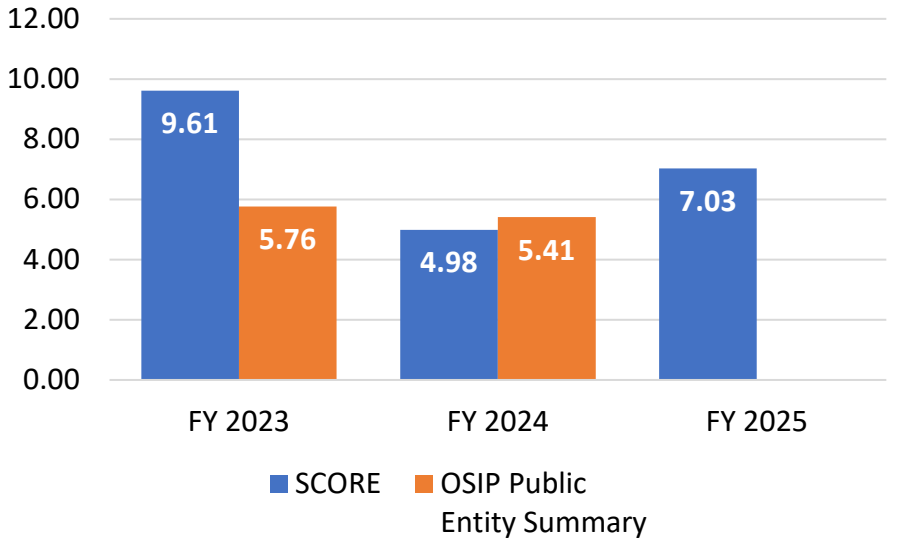
	FY 2023	FY 2024	FY 2025
Fall, Slip, or Trip, NOC	$5,191	$90,232	$19,464
Lifting	$33,524	$25,067	$147,208
On Stairs	$0	$0	$39,267
Other than Physical Cause of Injury	$205,993	$9,421	$172,030
Repetitive Motion, Carpal Tunnel	$50,969	$30,600	$22,324
Sum of all other codes	$132,685	$51,207	$127,070
Total Paid	**$428,363**	**$206,526**	**$527,363**

Injuries caused by other than physical cause of injury were the most severe reported cause of injury in the program year, followed by lifting and then on stairs.

Highlighted values represent the top three codes in the referenced period.

FREQUENCY PER 100 EMPLOYEES

Program Year Reported



	FY 2023	FY 2024	FY 2025
# of employees in period	541	582	711
# of medical only claims in period	42	9	26
# of indemnity claims in period	10	20	24
Total reportable claims in period	52	29	50
Frequency Rate per 100 employees			
Medical only frequency rate	7.76	1.55	3.66
Indemnity frequency rate	1.85	3.44	3.38
Total frequency rate	**9.61**	**4.98**	**7.03**
CA OSIP Public Self-Insured Frequency Rate	**5.76**	**5.41**	*Data not yet available*

The number of employees is up 22% in comparison to the prior program year.

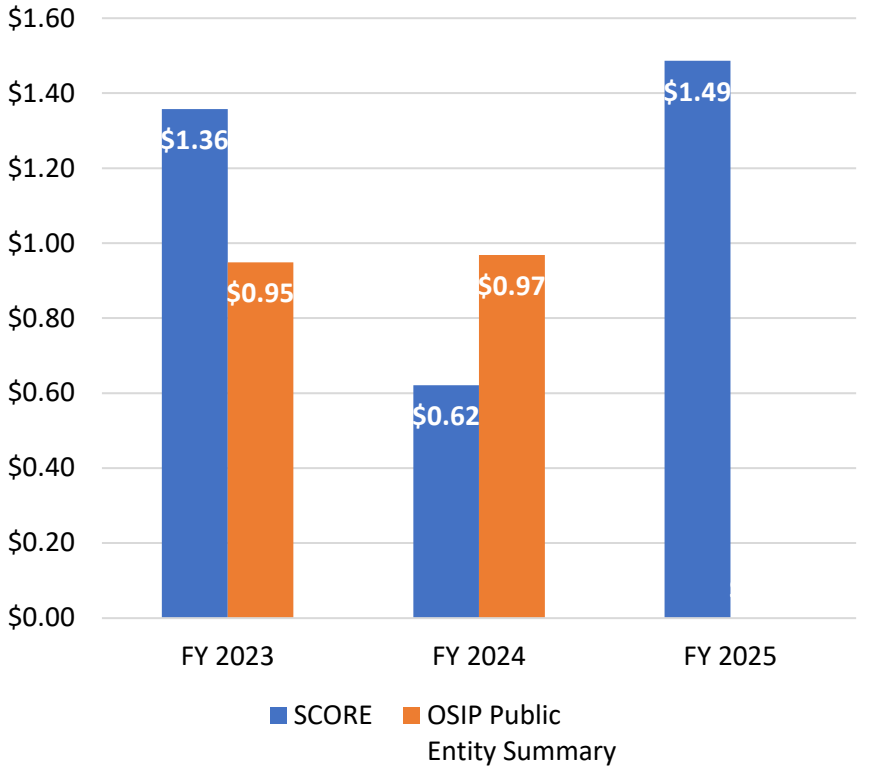
The number of reportable claims in the period is up 72% in comparison to the prior program year.

The total frequency rate is up 41% in comparison to the prior program year.

The California public entity frequency rate was calculated based of the FY 22/23 and FY 23/24 Public Self-Insured Statewide Summaries posted on the Office off Self-Insurance Plans website and is provided as a comparison of industry experience. The summary data for FY 24/25 is not yet available.

COST PER $100 OF PAYROLL

Program Year Reported



	FY 2023	FY 2024	FY 2025
Total Payroll in period	$31,558,367	$33,242,990	$35,475,374
Total Paid for new claims in period	$195,888	$62,654	$132,686
Paid per $100 of Payroll	**$0.62**	**$0.19**	**$0.37**
CA OSIP Public Self-Insured incurred per $100 of payroll	$0.95	$0.97	*Data not yet available*

The total payroll in the period is up 7% in comparison to the prior program year.

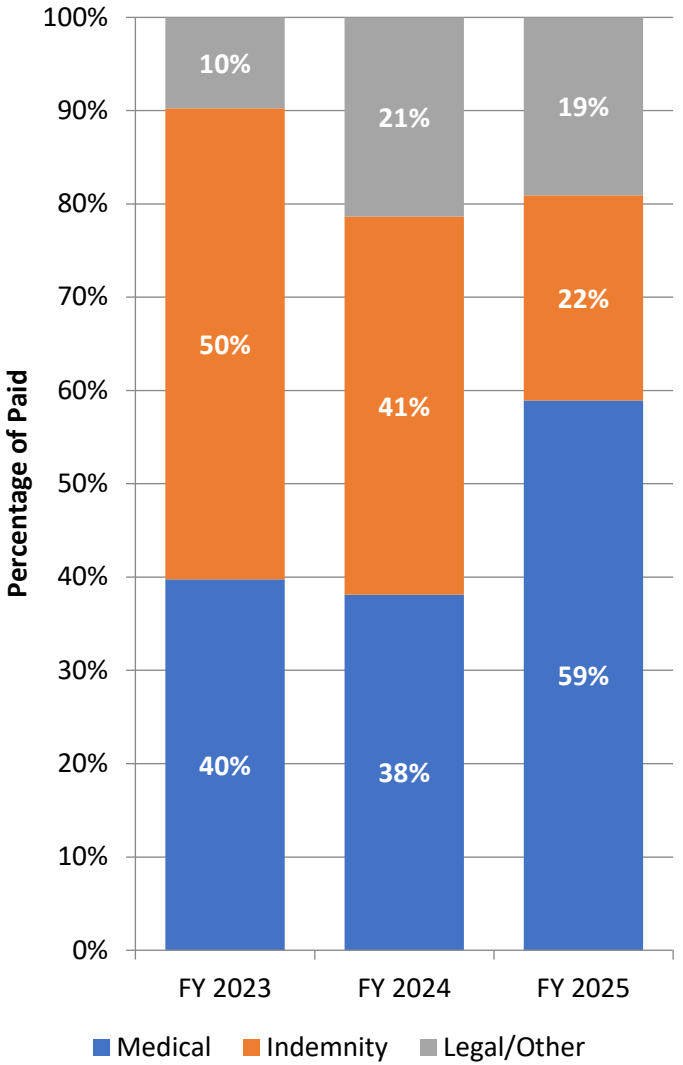
The total paid for new claims in the period is up 112% in comparison to the prior program year.

The total cost per $100 of payroll is up 95% in comparison to the prior program year.

The California public entity cost per $100 of payroll was calculated based off the FY 22/23 and FY 22/24 Public Self-Insured Statewide Summaries posted on the Office of Self-Insurance Plans website and is provided as a comparison of industry experience. The summary data for FY 24/25 is not yet available.

PAYMENT DISTRIBUTION

First Year Claims

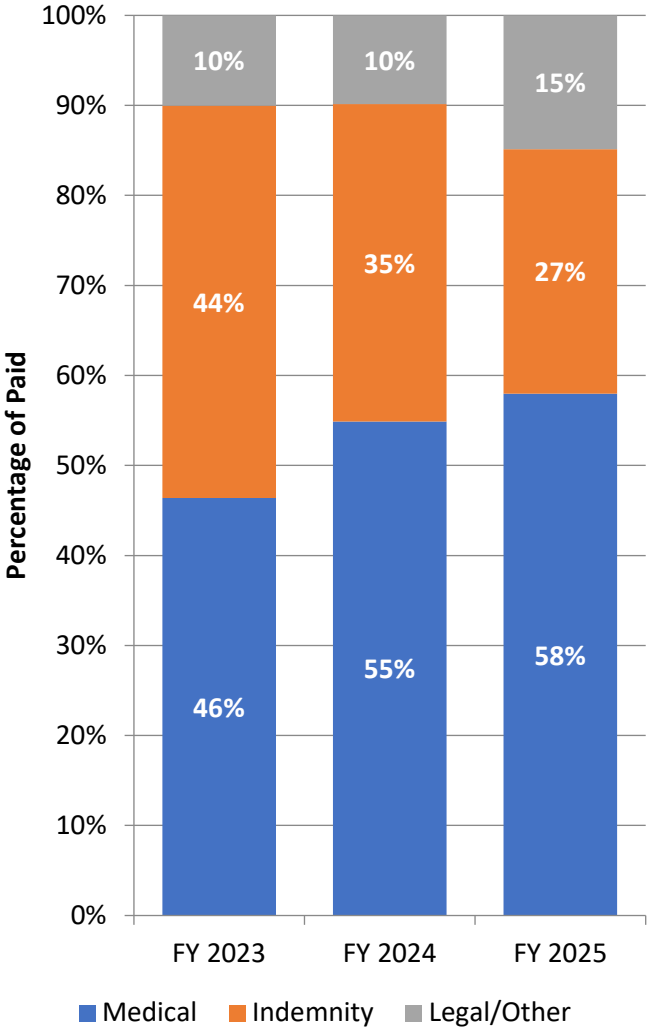


The total paid for first year claims is up 112% in comparison to the prior program year.

	FY 2023	FY 2024	FY 2025
Medical	**$77,899**	**$23,888**	**$78,196**
Treating Doctor	$10,265	$1,972	$8,805
Hospital (inpatient/outpatient & surgeon)	$31,069	$12,469	$30,443
Medical RX	$9,294	$207	$30
Physical Therapy	$4,169	$2,167	$4,657
AME/QME	$4,030	$2,015	$7,077
C&R Settlements (FM)	$0	$0	$0
All Other Medical:	$19,071	$5,058	$27,184
4850/Salary Continuation Above TTD Rate	**$5,963**	**$1,209**	**$9,811**
Indemnity	**$92,942**	**$24,183**	**$19,368**
4850/Salary Continuation - Up to TTD Rate	$15,974	$3,673	$18,093
TD Benefits	$76,968	$19,077	$0
All other Indemnity expense	$0	$1,433	$1,275
PD Benefits	**$0**	**$0**	**$0**
C&R Settlements (PD)	$0	$0	$0
All other PD Benefits	$0	$0	$0
SJDBV	**$0**	**$0**	**$0**
Legal/Exp	**$19,085**	**$13,374**	**$25,310**
Ancillary Service fees	$16,554	$1,276	$5,363
Investigation Expenses	$1,632	$1,421	$0
Defense Attorney	$0	$6,843	$12,455
All Other Legal/Expense	$899	$3,833	$7,491
Other	**$0**	**$0**	**$0**
Total Paid for 1st Year Claims	**$195,888**	**$62,654**	**$132,686**

PAYMENT DISTRIBUTION

All Claims



The total payments processed in the program year is down 33% in comparison to the prior program year.

	FY 2023	FY 2024	FY 2025
Medical	**$566,406**	**$419,642**	**$298,551**
Treating Doctor	$76,171	$15,422	$19,775
Hospital (inpatient/outpatient & surgeon)	$237,329	$48,822	$152,782
Medical RX	$32,653	$10,487	$6,604
Physical Therapy	$12,670	$10,695	$7,547
AME/QME	$28,755	$15,975	$24,434
C&R Settlements (FM)	$99,685	$292,370	$0
All Other Medical:	$79,143	$25,870	$87,410
4850/Salary Continuation Above TTD Rate	**$8,059**	**$9,894**	**$9,811**
Indemnity	**$208,480**	**$91,463**	**$62,222**
4850/Salary Continuation - Up to TTD Rate	$22,407	$22,144	$18,093
TD Benefits	$185,977	$64,321	$39,591
All other Indemnity expense	$96	$4,998	$4,538
PD Benefits	**$315,010**	**$167,607**	**$66,487**
C&R Settlements (PD)	$198,626	$96,846	$9,488
All other PD Benefits	$116,384	$70,761	$56,999
SJDBV	**$500**	**$500**	**$1,500**
Legal/Expense	**$122,405**	**$75,360**	**$76,543**
Ancillary Service fees	$38,808	$13,857	$17,513
Investigation Expense	$8,202	$2,321	$3,937
Defense Attorney	$12,822	$48,371	$40,061
All Other Legal/Expense	$62,574	$10,918	$15,032
Other	**$0**	**$0**	**$0**
Total paid for all claims in period	**$1,220,860**	**$764,466**	**$515,065**

KEY PERFORMANCE INDICATORS

First Year Claims

intercare

Claims reported in period, valued at end of same period	FY 2023	FY 2024	FY 2025	
Information Only	5	1	4	
First Aid	0	1	1	★
Medical Only	42	9	26	
Indemnity	10	20	24	
Total incidents	57	31	55	
Reportable Claims in period	52	29	50	★
New Claim Severity: MO: IND Ratio	81%:19%	31%:69%	52%:48%	
MEDICAL ONLY CLAIMS REPORTED IN PERIOD				
Average Paid / MO Claim	$1,152	$173	$364	
INDEMNITY CLAIMS REPORTED IN PERIOD				
Average Paid / IND Claim	$14,752	$3,055	$5,135	
PAYMENT DISTRIBUTION OF CLAIMS REPORTED IN PERIOD				
Medical	40%	38%	59%	
Indemnity	50%	41%	22%	★
Legal/Expense	10%	21%	19%	★
DENIAL AND LITIGATION RATES				
Denial Rate	13%	17%	24%	★
First Year Litigation Rate	4%	7%	6%	★
CLOSURE STATISTICS				
First Year Closing Rate	60%	66%	58%	
Average duration of claims opened/closed in period	73	60	67	

★ Indicates an improvement over prior year

KEY PERFORMANCE INDICATORS

All Claims

ACTIVITY PERIOD	FY 2023	FY 2024	FY 2025	
TOTAL PAID IN PERIOD				
Total paid for first year claims	$195,888	$62,654	$132,686	
Total paid in period for all claims	$1,220,860	$764,466	$515,065	★
PAYMENT DISTRIBUTION OF ALL PAYMENTS IN PERIOD				
Medical	46%	55%	58%	
Indemnity	44%	35%	27%	★
Legal/Exp	10%	10%	15%	
LITIGATION RATE OF PENDING CASELOAD				
Total Open Litigation Rate	33%	32%	25%	★
Total Unsettled Litigation Rate	11%	18%	18%	★
SETTLEMENT ACTIVITY				
# of new settlements in period	10	11	3	
All settlement payments in period (C&R & STIP)	$298,311	$425,509	$9,488	
Settlement payments as % of total paid in period	24%	56%	2%	
CASELOAD ACTIVITY				
Begin Pending (7/1)	61	63	44	★
New in period	52	29	50	
Reopened in period	0	5	2	★
Closed in period	50	44	41	
Open at end of period (6/30)	63	44	55	
Annual Closing Rate	96%	129%	79%	

★ Indicates an improvement over prior year

CLIENT COMPARISON

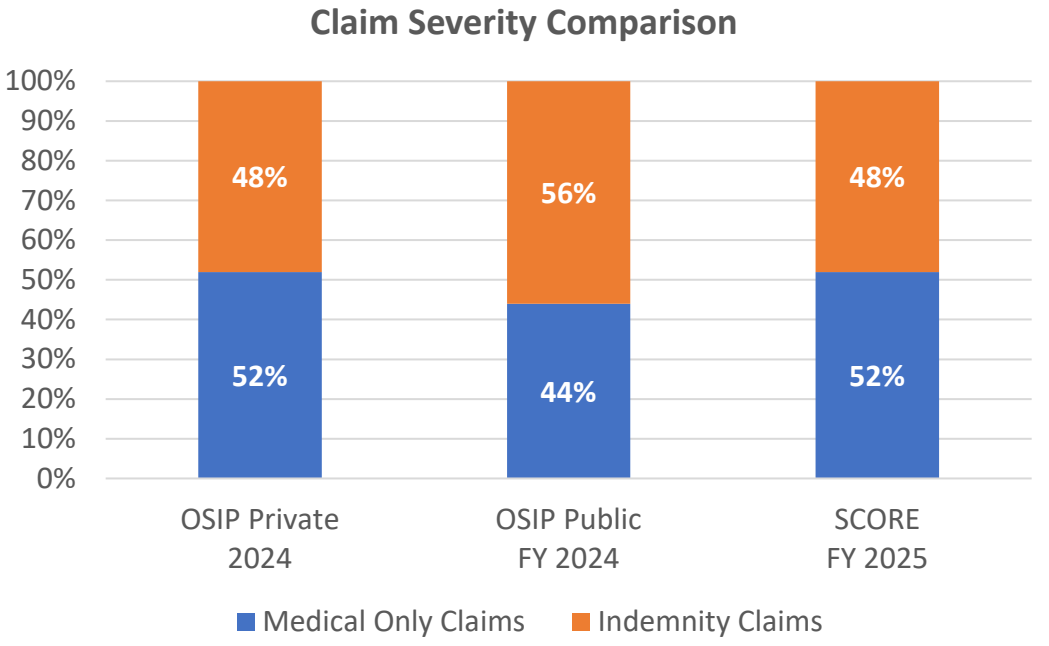
Claims Reported 07/01/24 to 06/30/25, valued as of 06/30/25

intercare

	Client A	Client B	Client C	Client D	Client E	SCORE
Type of Program	Stand Alone Self-Insured	Stand Alone Self-Insured	Stand Alone Self-Insured	Stand Alone Self-Insured	Stand Alone Self-Insured	Stand Alone Self-Insured
Location	Northern CA	Northern CA	Northern CA	Southern CA	Northern CA	Northern CA
				Southern CA		
New Claim Severity: MO:IND Ratio	18%:82%	15%:85%	29%:71%	91%:9%	23%:77%	52%:48%
MEDICAL ONLY CLAIMS						
Average Paid / MO Claim	$331	$1,028	$832	$1,300	$889	$364
Average Incurred / MO Claim	$1,234	$1,500	$2,253	$1,402	$1,209	$826
INDEMNITY CLAIMS						
Average Paid / IND Claim	$12,484	$18,137	$13,670	$0	$16,667	$5,135
Average Incurred / IND Claim	$27,427	$30,392	$40,555	$0	$40,724	$21,079
PAYMENT DISTRIBUTION						
Medical	20%	22%	19%	92%	14%	59%
Indemnity	75%	69%	78%	0%	80%	22%
Legal/Expense	5%	9%	3%	8%	7%	19%
DENIAL AND LITIGATION RATES						
Denial Rate	22%	22%	11%	9%	12%	24%
Litigation Rate	6%	5%	4%	0%	2%	6%
CLOSURE STATISTICS						
% of claims closed in same year reported	51%	53%	45%	91%	52%	58%
Average Days Open of Reportable claims opened/closed in same year reported	68 days	111 days	94 days	45 days	110 days	67 days

INDUSTRY DEVELOPMENTS

- The WCIRB's projection of the average ultimate cost of an indemnity claim is that it will continue to rise year over year, with a projection of roughly $82K for claim year 2025.
- Per the WCIRB, Cumulative Trauma (CT) claims have returned to pre-pandemic levels and preliminary data shows on the rise. For Accident Year the percentage of claims involved CT is up to 23.7%.
- Average medical costs increased by 8% in 2024, which is a rate not seen since before SB 863.
- The average ALAE costs rose sharply in 2022 to 2024, primarily due to the increased litigation across the state, much of it originating from law firms based in the Los Angeles area.
- The distribution of 2024 paid frictional costs have increased overall from $3.4B to $3.9B. While most categories increased, medical cost containment costs went down three percentage points.
- The WCAB reports that 83% of the hearings are fully remote. Prior to the pandemic it was just 17%.
- Temporary disability costs make up 60% of the overall claim costs for 2024, compared to 50% in 2019.
- Rising inflation led to higher increases in Medicare values in 2022, resulting in slightly higher-than-average increases to California medical fee schedule valued adopted in 2023. The impact of these updates to the physician services fee schedule is estimated to be even higher in 2025 compared to prior years

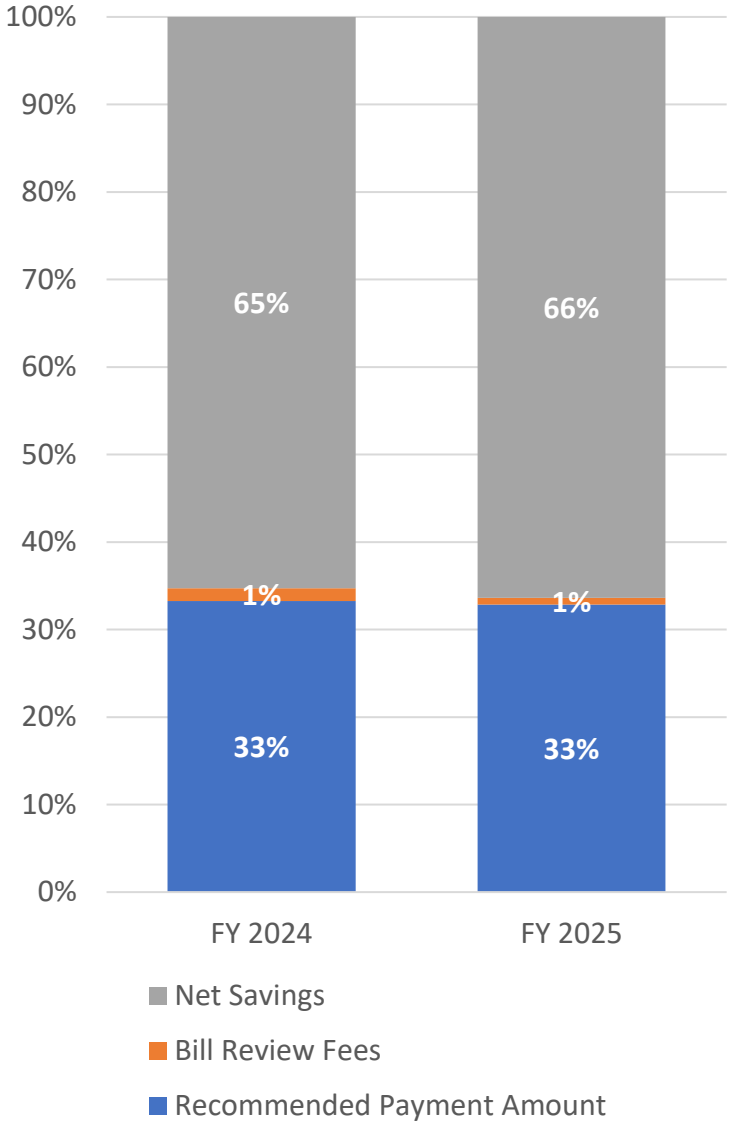


First Year Claims Experience			
	OSIP Private Annual Report	OSIP Public Annual Report	SCORE
Claims Added in Period	**1/1/24 to 12/31/24**	**7/1/23 to 6/30/24**	**7/1/24 to 6/30/25**
Litigation Rate	9.81%	8.15%	6.00%
Claim Severity	52%:48%	44%:56%	52%:48%
Cost (Incurred) per $100 of Payroll[1]	$0.62	$0.97	$1.28
# Claims per 100 FTE	3.88	5.41	7.03

[1]*Does not include allocated expenses*

BILL REVIEW

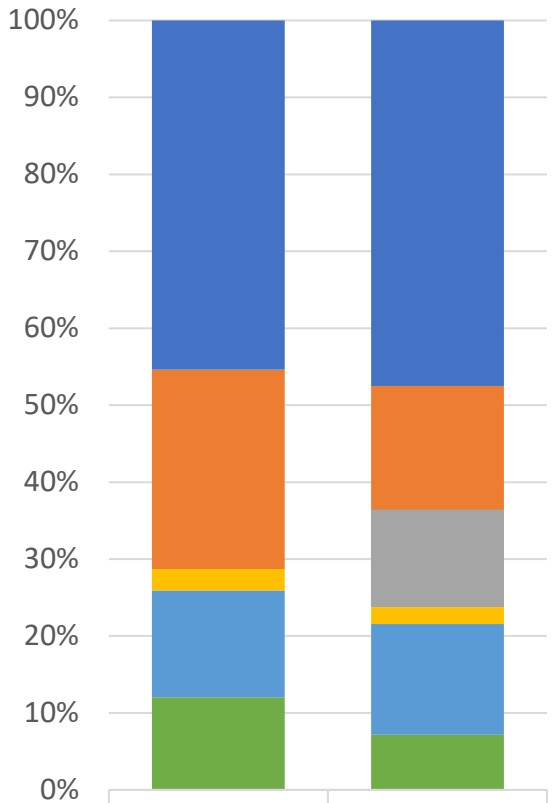
Total Activity in Period



	FY 2024	FY 2025
# of Bills Received Annually:	299	386
Medical Amount Billed by Providers:	$336,511	$906,584
Recommended Payment Amount after OMFS and PPO Reductions:	$111,973	$297,745
Gross Savings Achieved through OMFS, PPO and other Networks		
Gross Savings:	$224,538	$608,838
Gross Savings %:	67%	67%
Bill Review Savings: (Amount reduced due to OMFS)	$216,083	$594,225
PPO Savings: (Amount reduced due to PPO)	$8,455	$14,209
Enhanced Bill Review Savings:	$0	$404
Net Savings After Bill Review Fees:		
Net Savings:	$219,626	$601,755
Net Savings%:	65%	66%
Bill Review Fees:	$2,798	$3,430
PPO Fees	$2,114	$3,552
Enhanced Bill Review Fees	$0	$101
Total Fees	$4,912	$7,083
Average Savings per Bill: (after fees)	$735	$1,559

UTILIZATION REVIEW

Total Activity in Period

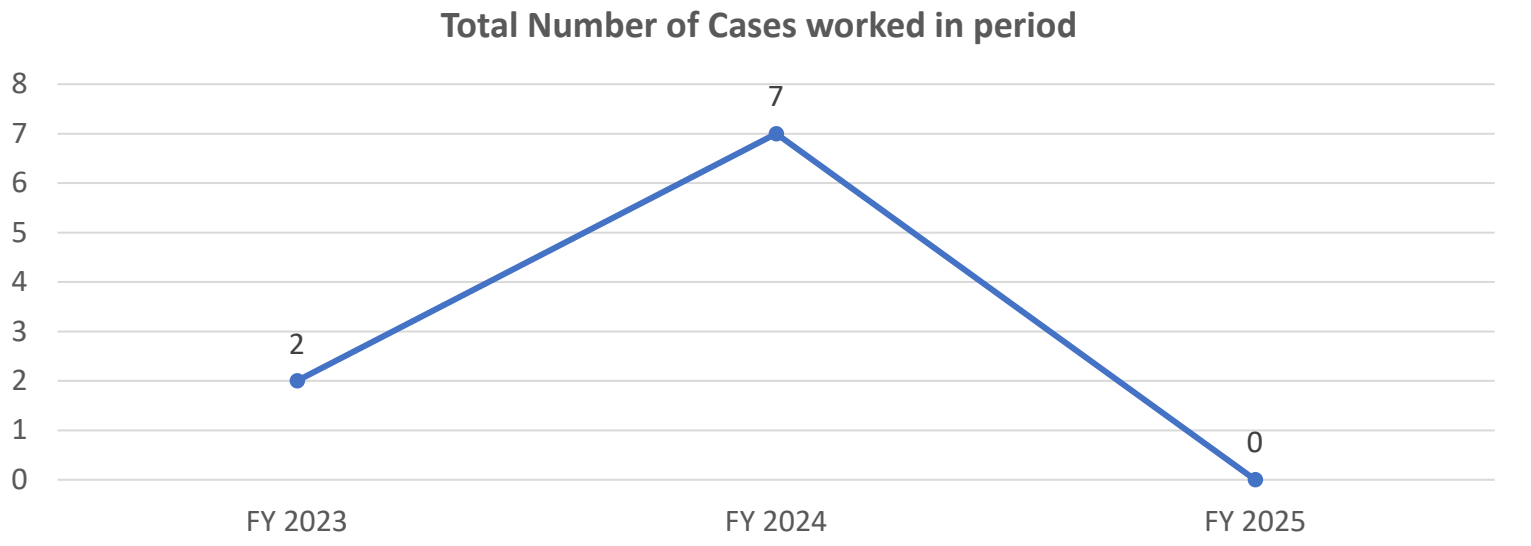


	FY 2024	FY 2025
Adjuster Aproved	45%	48%
Nurse Approved	26%	16%
Peer Review Approved	0%	13%
Modified	3%	2%
Denied	14%	14%
Withdrawn or invalid	12%	7%

	FY 2024	FY 2025
Total RFA received in period	108	181
RFAs deferred at Adjuster level (disputing injury/body part)	4	8
RFAs reviewed at the Adjuster Level	**45**	**78**
% Reviewed at the Adjuster Level	45%	48%
RFAs sent to Utilization Review	**59**	**95**
# of RFA approved by a UR Nurse	28	29
# Duplicate/invalid	13	13
# Withdrawn at UR Nurse level	0	0
RFAs sent to Peer Review	**18**	**53**
# Approved by PR	0	23
# Modified by PR	3	4
# Denied by PR	15	26
# Withdrawn at PR level	0	0
# Appealed	0	0
Total Fees	**$7,908**	**$8,985**
Utilization Review Fees	$5,220	$6,235
Peer Review Fees	$2,688	$2,750
Total Savings	**$148,565**	**$69,686**
Savings through Adjuster Level Review	$7,105	$12,470
Savings through InterMed	$141,315	$57,071

NURSE CASE MANAGEMENT

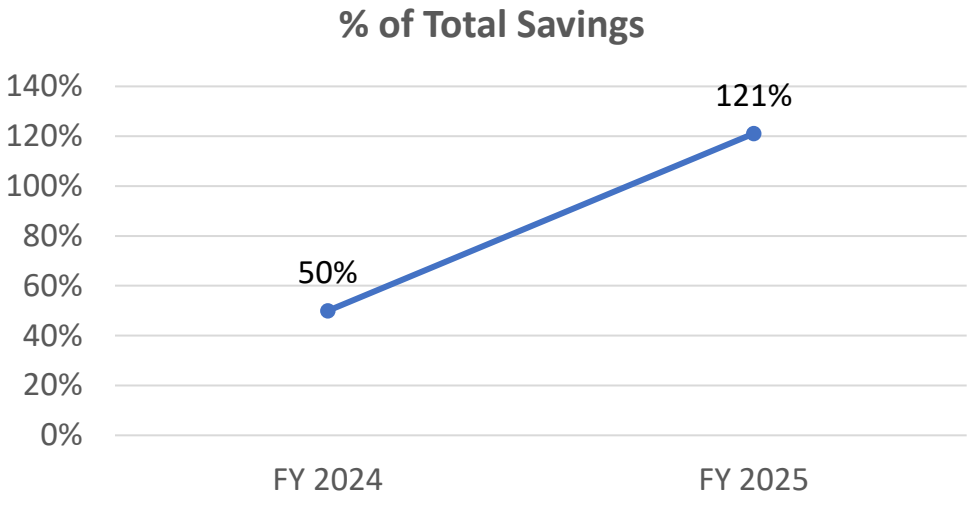
Total Activity in Period

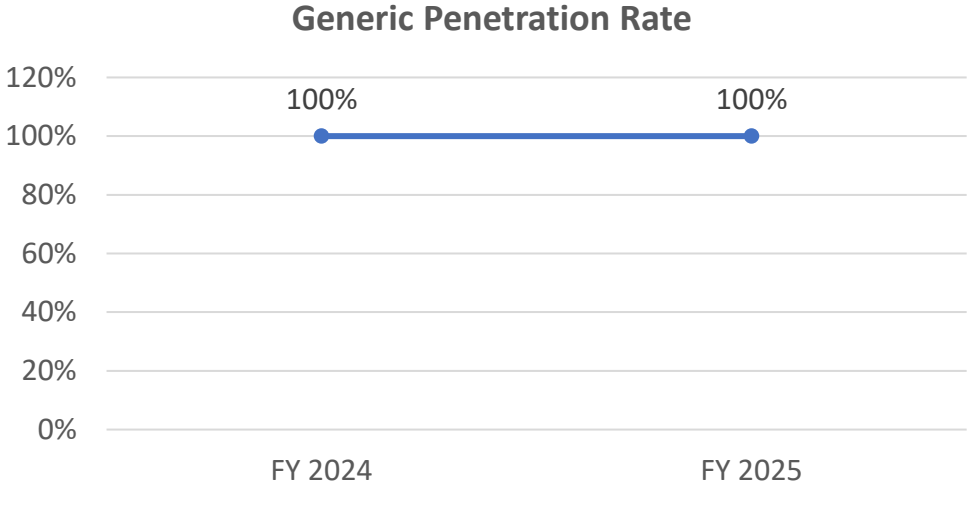


NURSE CASE MANAGEMENT	7/1/22 to 6/30/23	7/1/23 to 6/30/24	7/1/24 to 6/30/25
	FY 2023	FY 2024	FY 2025
Total Number of Cases worked in period	2	7	0
# of new referrals in period	2	7	0
# of continuing cases from prior periods	0	0	0
			0
Total fees for all TNCM for the year	$3,159	$12,825	0
Average Fees per Case	$1,580	$1,832	0
			0
Total Savings on all claims from TNCM for the year	$8,850	$69,947	0
Average Savings per Case	$4,425	$9,992	0
			0
ROI (=savings/fees)	$2.80	$5.45	0

PHARMACY BENEFIT MANAGEMENT

Total Activity in Period





	FY 2024	FY 2025
Total RX Transactions Received	129	151
# of Hard Blocks	28	33
# of RX Filled	101	118
Generic Penetration Rate	**100%**	**100%**
Total Amount Billed	**$18,877**	**$11,197**
Amount on Hard Blocks	$4,382	$3,897
Amount on Filled RX	$14,495	$7,300
% of Hard Blocks	22%	22%
% on Filled RX	78%	78%
Total Savings	**$9,435**	**$13,557**
Savings from hard blocks	$4,382	$3,897
Savings from network	$5,053	$9,660
Savings from bill review	$0	$0

Settlement Statistics	Intercare worked with the SCORE team to successfully settle 3 claims during FY 2025. Of those: • Compromise & Release Awards = 0 • Stipulated Awards = 3
Closure Statistics	Intercare worked with the SCORE team to close 41 claims during FY 2025 achieving a 79% closing ratio.
Recoveries	Intercare worked with the SCORE team to obtain recoveries in the amount of $151,255 on the program as follows: • Excess Recovery = $100,560 • Other (Co-Defendants) = $50,695
Ancillary Services and Savings	InterMed achieved an overall savings for SCORE of $671,441. The breakdown is as follows: • Bill Review achieved an overall net savings of 66% or $601,755 • Utilization Review achieved an overall savings of $69,686
Claim Audit	Intercare was successful in scoring a 99.4% on the claim audit completed during FY 2025.
Training	Intercare completed Work Comp 101 virtual training for the members on 12/10/2024.

Caseload / Staffing	**Goal:** Maintain staffing stability and continuity.
Settlement	**Goal**: Work with SCORE to settle cases that are appropriate to settle this fiscal year. If not able to settle by Compromise and Release, monitor the future medical claims for administrative closure. As of 6/31/25 there were a total of 19 open future medical claims.
Closing Rate/ Inventory Reduction	**Goal:** With consistency of the new claim reporting, our goal is achieve a 100% or greater closing ratio and reduce the overall pending inventory.
Training	**Goal:** Work with SCORE to identify potential areas of training such as updated Workers' Compensation 101 training, fraud, or any other areas needed.
Client Goals	**Goal:** **Goal:** **Goal:**

intercare

HELPING YOU
BRIDGE THE GAP BETWEEN
RISK AND RESOLUTION

EXTRAORDINARY PEOPLE

EXTRAORDINARY RESULTS

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Small Cities Organized Risk Effort
Long Range Planning
October 30, 2025

Agenda Item H.2.

GEORGE HILLS STEWARDSHIP REPORT

INFORMATION ITEM

ISSUE: The Board will receive George Hills's Stewardship Report detailing SCORE's claim activity and George Hill's service results over the last three years.

RECOMMENDATION: Review and provide feedback or direction.

FISCAL IMPACT: None from this item.

BACKGROUND: George Hills began managing SCORE's Liability claims as of July 1, 2023, and regularly provides updates to the Board.

ATTACHMENTS: George Hills Stewardship Review October 30, 2025

SCORE STEWARDSHIP REPORT FY24/25

Operational Snapshot: City Overall claims for FY 24/25 (occurrence based)

	Open Claims During FY24/25 (based on presented date within FY24/25)	Closed Claims During FY24/25 (based on presented date within FY24/25)	Current Open Claims- Q3
	64	42	58
Indemnity Paid	$118,600	$131,626	
Defense Costs Paid	$17,640	$209,698	
Expenses Paid	$295	$470	
Total Paid	$136,535	$341,794	

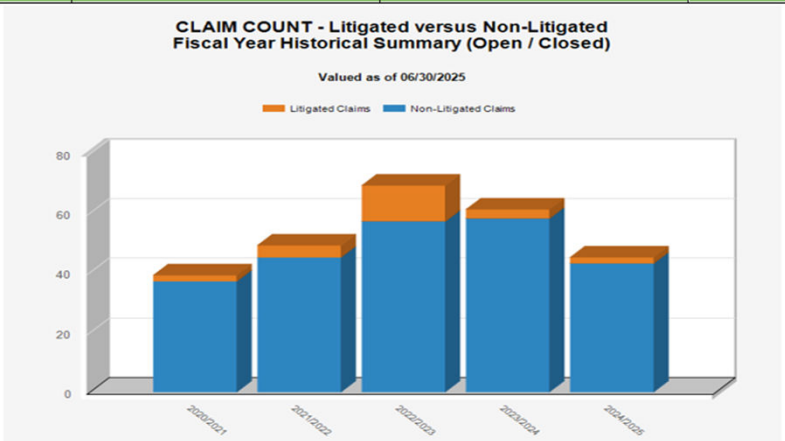
Indemnity Paid-
Final compensation directly to the claimants to settle the claims

Defense Costs Paid-
All fees paid to attorneys to defend a claim in litigation

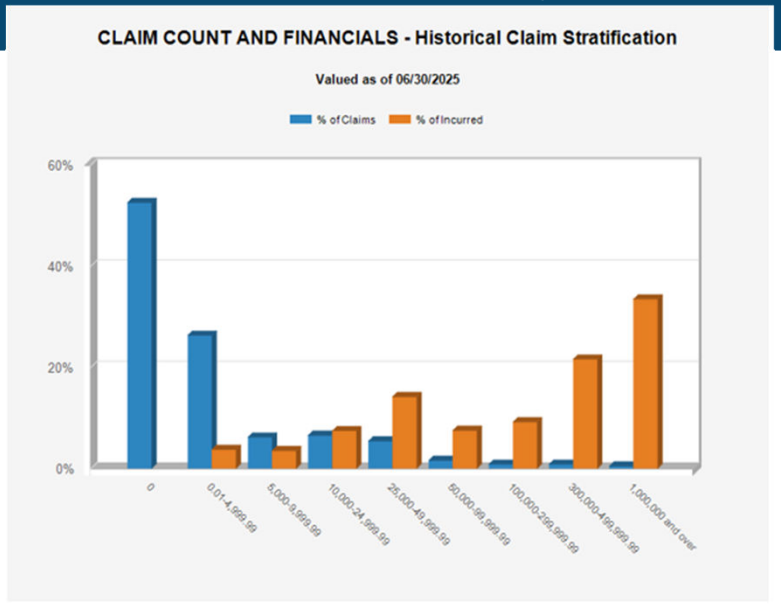
Expenses Paid-
Additional costs when processing claims
- court fees
- expert witness fees
- Investigation fees
- Administrative fees
- Adjuster fees

Operational Snapshot: Historic Claim Stratification- *(based on occurrence and regardless of date of Loss- valued as of 6/30/2025)*

Fiscal Year	Claims Opened During Fiscal Year (Regardless of DOL)	Claims Closed During Fiscal Year(Regardless of DOL)	Closing Ratio
2020/2021	47	36	76.60%
2021/2022	39	44	112.82%
2022/2023	71	54	76.06%
2023/2024	53	73	137.74%
2024/2025	59	36	61.02%
Total	269	243	90.33%



Claims Per DOL - Fiscal Year	Non-Litigated Claims	% of Non-Litigated Claims	Litigated Claims	% of Litigated Claims	Total Claims	Litigation Ratio
2020/2021	37	94.87%	2	5.13%	39	5.13%
2021/2022	45	91.84%	4	8.16%	49	8.16%
2022/2023	57	82.61%	12	17.39%	69	17.39%
2023/2024	58	95.08%	3	4.92%	61	4.92%
2024/2025	43	95.56%	2	4.44%	45	4.44%
Total	240	91.25%	23	8.75%	263	8.75%



Financial Stratification	# of Claims	$ Incurred	% of Claims	% of Incurred
$0	138	$0	52.47%	0.00%
$0.01 - $4,999.99	69	$121,051	26.24%	3.67%
$5,000 - $9,999.99	16	$112,991	6.08%	3.43%
$10,000 - $24,999.99	17	$242,663	6.46%	7.36%
$25,000 - $49,999.99	14	$464,745	5.32%	14.10%
$50,000 - $99,999.99	4	$245,011	1.52%	7.43%
$100,000 - $299,999.99	2	$300,000	0.76%	9.10%
$300,000 - $499,999.99	2	$709,345	0.76%	21.52%
$500,000 - $999,999.99	0	$0	0.00%	0.00%
$1,000,000 and over	1	$1,100,000	0.38%	33.38%
Total	263	$3,295,805	100.00%	100.00%

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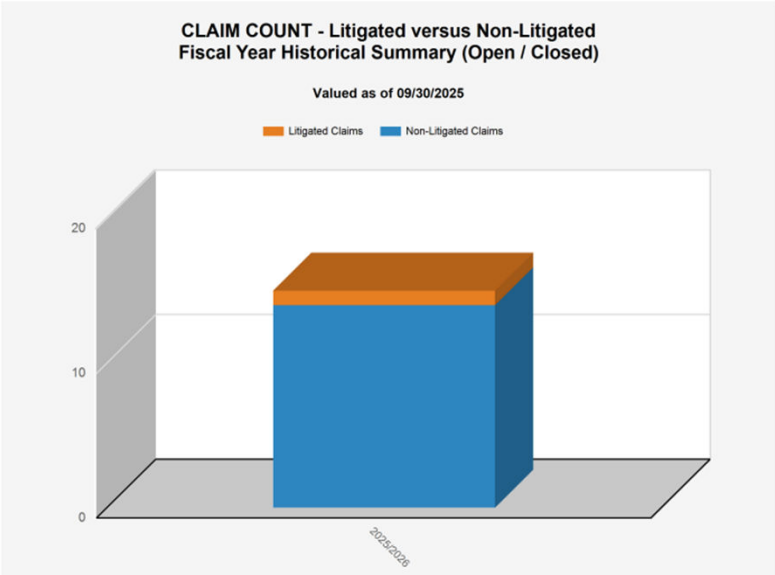
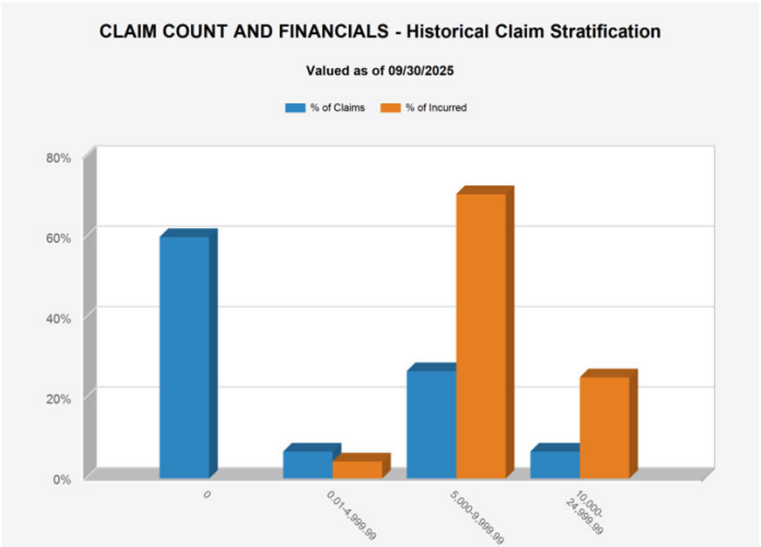
Operational Snapshot: Occurrence data based on Entry Date for FY25/26 only *(regardless of Date of Loss)*

Fiscal Year	Claims Opened During Fiscal Year (Regardless of DOL)	Claims Closed During Fiscal Year (Regardless of DOL)	Closing Ratio
2025/2026	15	21	140.00%
Total	15	21	140.00%



Claims Per DOL - Fiscal Year	Non-Litigated Claims	% of Non-Litigated Claims	Litigated Claims	% of Litigated Claims	Total Claims	Litigation Ratio
2025/2026	14	93.33%	1	6.67%	15	6.67%
Total	14	93.33%	1	6.67%	15	6.67%



Financial Stratification	# of Claims	$ Incurred	% of Claims	% of Incurred
$0	9	$0	60.00%	0.00%
$0.01 - $4,999.99	1	$2,017	6.67%	4.21%
$5,000 - $9,999.99	4	$33,843	26.67%	70.67%
$10,000 - $24,999.99	1	$12,031	6.67%	25.12%
$25,000 - $49,999.99	0	$0	0.00%	0.00%
$50,000 - $99,999.99	0	$0	0.00%	0.00%
$100,000 - $299,999.99	0	$0	0.00%	0.00%
$300,000 - $499,999.99	0	$0	0.00%	0.00%
$500,000 - $999,999.99	0	$0	0.00%	0.00%
$1,000,000 and over	0	$0	0.00%	0.00%
Total	15	$47,891	100.00%	100.00%

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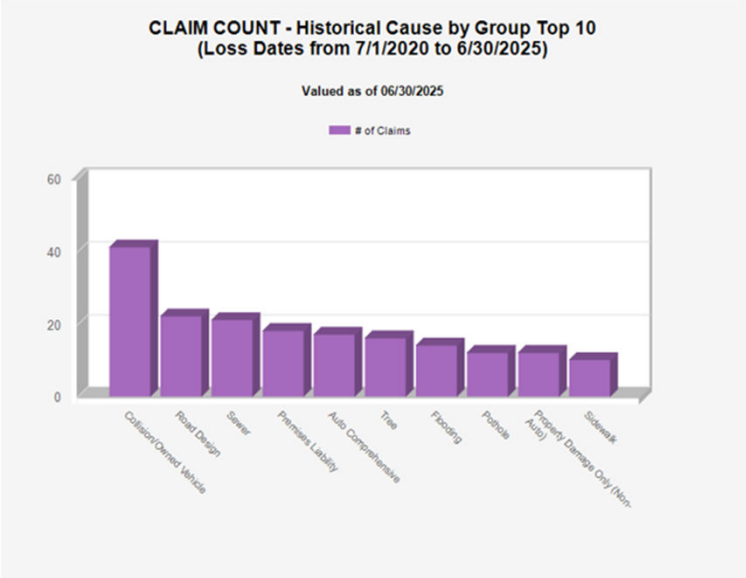
Operational Snapshot: Occurrence data based on Entry Date *(regardless of Date of Loss)*

ALL SCORE MEMBERS	7/1/2024 - 6/30/2025	7/1/2025-9/30/2025
General Liability:		
New / Re-Opens	59	15
Closed	36	22
Total Open claims over $100k	0	0
Total Open claims over $500k	0	0
Total Incurred change from previous period	$(1,220,151)	$477,981
Closing ratio	61%	147%
Average duration to close claims (days)	219	241
Average paid when closed	$8,773	$5,022
Total Claims closed with no payment	16	16
Total Open litigated Received	6	0
Total Closed litigated	0	1
Total Litigation Indemnity Paid	$0	$9,611
Total Defense / Expense Paid on litigated claims	$17,640	$0

What does seeing a spider on Halloween signify in forklore?

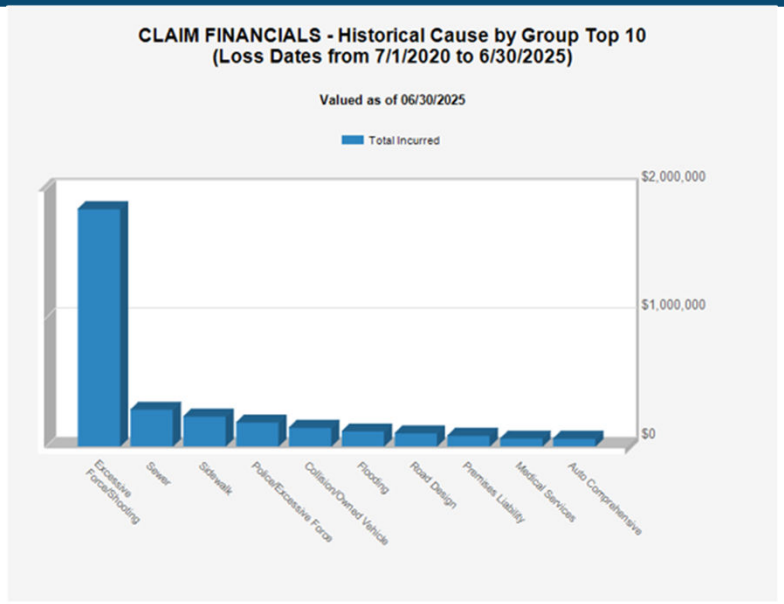
Operational Snapshot: Top 10 Cause of Loss for SCORE Prior to FY25/26

By # of Claims



Cause Group	# of Claims	% of Claims
Collision/Owned Vehicle	41	15.59%
Road Design	22	8.37%
Sewer	21	7.98%
Premises Liability	18	6.84%
Auto Comprehensive	17	6.46%
Tree	16	6.08%
Flooding	14	5.32%
Pothole	12	4.56%
Property Damage Only (Non-Auto)	12	4.56%
Sidewalk	10	3.80%
All Other Cause of Loss Groupings	80	30.42%
Total	263	100.00%

By $ An



Cause Group	$ Incurred	% Incurred
Excessive Force/Shooting	$1,844,903	55.98%
Sewer	$283,951	8.62%
Sidewalk	$231,049	7.01%
Police/Excessive Force	$184,757	5.61%
Collision/Owned Vehicle	$144,321	4.38%
Flooding	$115,768	3.51%
Road Design	$100,984	3.06%
Premises Liability	$82,059	2.49%
Medical Services	$60,000	1.82%
Auto Comprehensive	$58,360	1.77%
All Other Cause of Loss Groupings	$189,652	5.75%
Total	$3,295,805	100.00%

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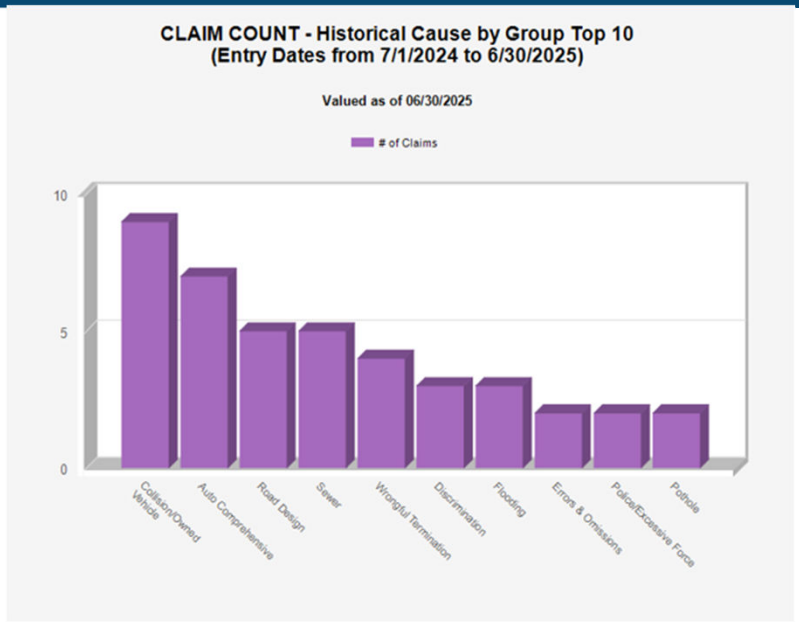
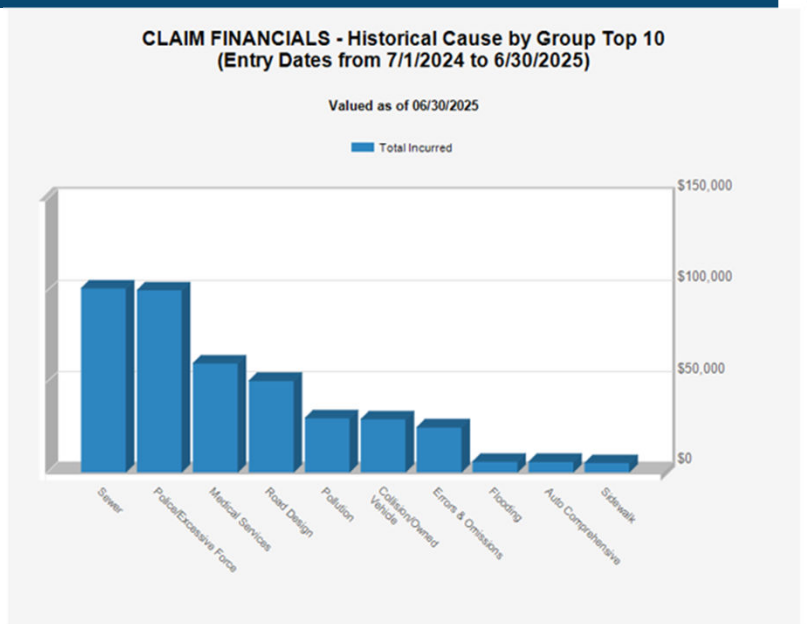
perational Snapshot: Top 10 Cause of Loss for SCORE FY 24/25 *(By entry date)*

By # of Claims



Cause Group	# of Claims	% of Claims
Collision/Owned Vehicle	9	15.25%
Auto Comprehensive	7	11.86%
Road Design	5	8.47%
Sewer	5	8.47%
Wrongful Termination	4	6.78%
Discrimination	3	5.08%
Flooding	3	5.08%
Errors & Omissions	2	3.39%
Police/Excessive Force	2	3.39%
Pothole	2	3.39%
All Other Cause of Loss Groupings	17	28.81%
Total	59	100.00%

By $ Amount

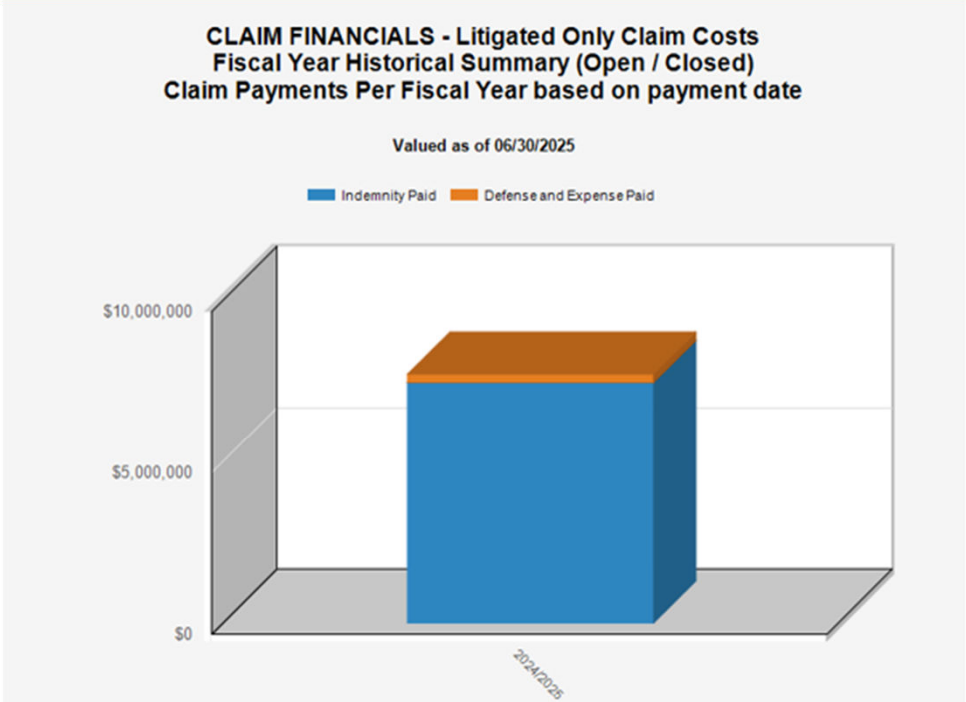


Cause Group	$ Incurred	% Incurred
Sewer	$101,010	24.38%
Police/Excessive Force	$100,000	24.14%
Medical Services	$60,000	14.48%
Road Design	$50,477	12.18%
Pollution	$30,000	7.24%
Collision/Owned Vehicle	$29,452	7.11%
Errors & Omissions	$25,000	6.03%
Flooding	$5,740	1.39%
Auto Comprehensive	$5,615	1.36%
Sidewalk	$5,000	1.21%
All Other Cause of Loss Groupings	$1,984	0.48%
Total	$414,278	100.00%

Operational Snapshot: Payments made during FY 24/25 on Litigated Claims Only -Occurrence data based on Payment Date within the Fiscal Year *(regardless of Date of Loss)*

Etna, City of Total		$47,834.00
Isleton, City of Total		$6,095.00
Live Oak, City of Total		$17,311.04
Loomis, Town of Total		$1,425.00
Montague, City of Total		$6,978.69
Mount Shasta, City of Total		$73,693.17
Susanville, City of Total		$22,533.47
Weed, City of Total		$58,537.34
Yreka, City of Total		$27,615.11
Grand Total		$262,022.82

Mount Shasta, City of Total		$125,000.00
Susanville, City of Total		$20,000.00
Weed, City of Total		$7,296,451.00
Grand Total		$7,441,451.00



Claim Payments Per Fiscal Year	Indemnity Paid	Defense and Expense Paid	Total Paid	Defense Paid %
2024/2025	$7,441,451	$262,023	$7,703,474	3.40%
Total	$7,441,451	$262,023	$7,703,474	3.40%

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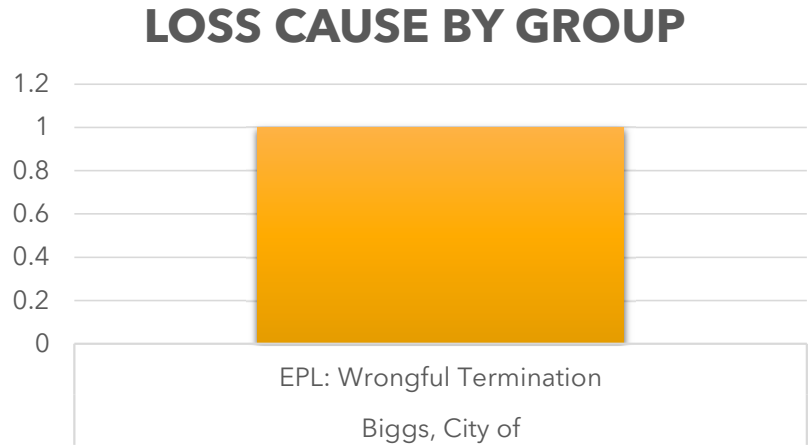
Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF BIGG CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	1
Closed	0
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$0
Closing ratio	0%
Average duration to close claims (days)	0
Average paid when closed	$0
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid on litigated claims	$0



Biggs, City of	Open
EPL: Wrongful Termination	1
Grand Total	1

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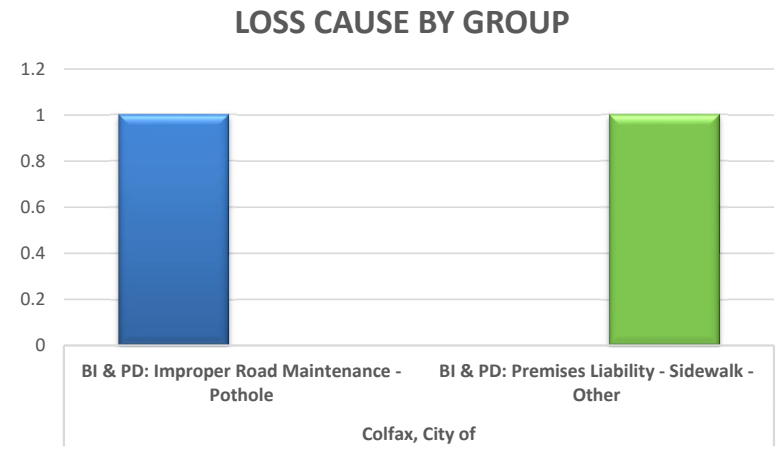
Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF COLFAX CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	1
Closed	1
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$5,000
Closing ratio	100%
Average duration to close claims (days)	322
Average paid when closed	$0
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid on litigated claims	$0



Colfax, City of	Closed	Open	Grand Total
BI & PD: Improper Road Maintenance - Pothole	1		1
BI & PD: Premises Liability - Sidewalk - Other		1	1
Grand Total	**1**	**1**	**2**

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Jack-o’-lanterns

Jack-o’-lanterns are carved gourds with a candle inside. According to Irish legend, they are named after a stingy man named Jack who, after tricking the devil, was barred from both heaven and hell and wandered the earth with an ember in a carved turnip

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

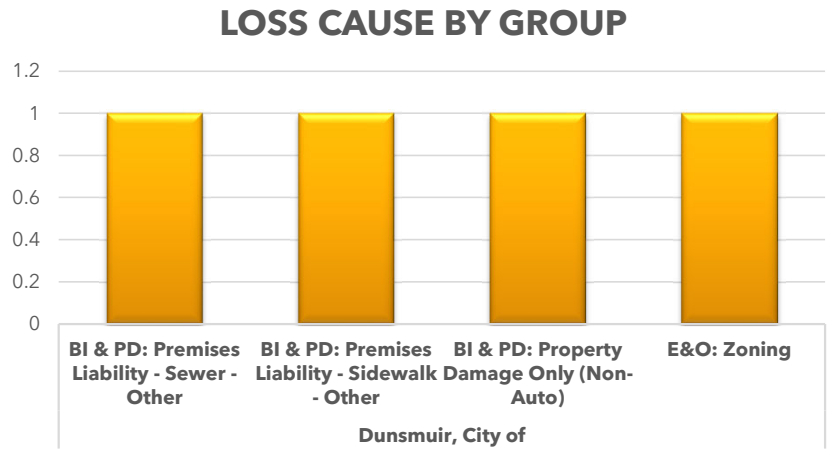
CRESCENT CITY CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	0
Closed	0
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$0
Closing ratio	0%
Average duration to close claims (days)	0
Average paid when closed	$0
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF DORRIS CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	0
Closed	0
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$0
Closing ratio	0%
Average duration to close claims (days)	0
Average paid when closed	$0
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF DUNSMUIR CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	4
Closed	0
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$0
Closing ratio	0%
Average duration to close claims (days)	0
Average paid when closed	$0
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0



Dunsmuir, City of	Open
BI & PD: Premises Liability - Sewer - Other	1
BI & PD: Premises Liability - Sidewalk - Other	1
BI & PD: Property Damage Only (Non-Auto)	1
E&O: Zoning	1
Grand Total	**4**

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF ETNA CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	0
Closed	0
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$58,333
Closing ratio	0%
Average duration to close claims (days)	0
Average paid when closed	$0
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only*(regardless of Date of Loss)*

TOWN OF FORT JONES CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	0
Closed	0
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$0
Closing ratio	0%
Average duration to close claims (days)	0
Average paid when closed	$0
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0

Candy Corn

Candy corn was invented by George Renninger of the Wunderle Candy Company of Philadelphia in the 1880s. It was originally called “butter cream candies” and “chicken feed.”

After World War II, advertisers began marketing it as a Halloween treat thanks to its harvest colors.

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF IONE CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	0
Closed	0
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$0
Closing ratio	0%
Average duration to close claims (days)	0
Average paid when closed	$0
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0

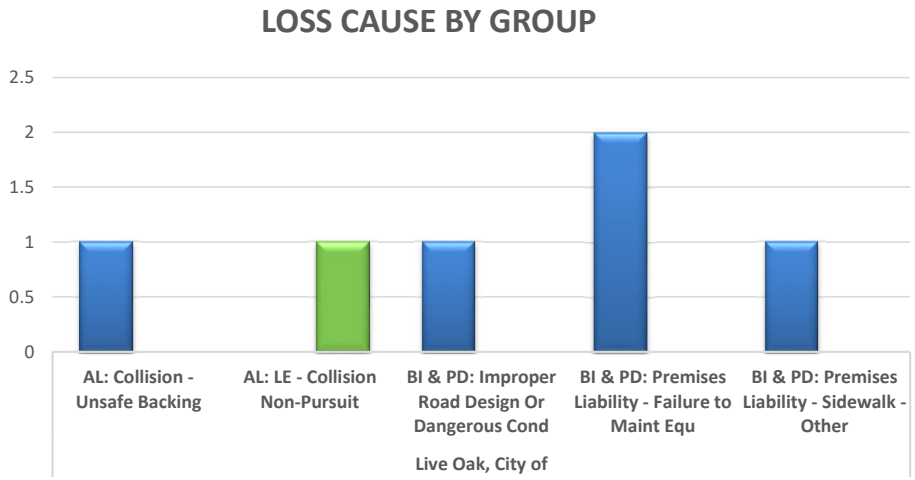
Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF ISELTON CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	1
Closed	1
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$75,000
Closing ratio	100%
Average duration to close claims (days)	218
Average paid when closed	$0
Total Claims closed with no payment	1
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0

Isleton, City of	Closed	Open	Grand Total
	1	1	2
BI & PD: Improper Road Design Or Dangerous Cond	1		1
BI & PD: Premises Liability - Sidewalk - Other		1	1
Grand Total	**1**	**1**	**2**

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF LIVE OAK CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	1
Closed	5
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$(13,513)
Closing ratio	167%
Average duration to close claims (days)	160
Average paid when closed	$5,421
Total Claims closed with no payment	1
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0



Live Oak, City of	Closed	Open	Grand Total
AL: Collision - Unsafe Backing	1		1
AL: LE - Collision Non-Pursuit		1	1
BI & PD: Improper Road Design Or Dangerous Cond	1		1
BI & PD: Premises Liability - Failure to Maint Equ	2		2
BI & PD: Premises Liability - Sidewalk - Other	1		1
Grand Total	**5**	**1**	**6**

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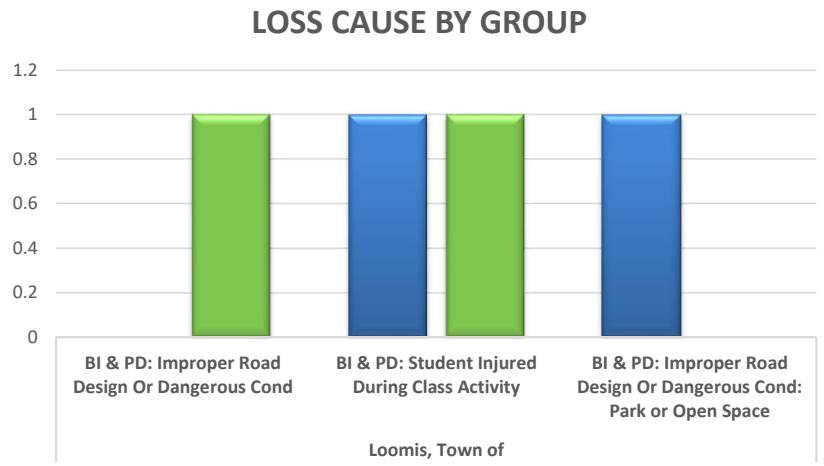
Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

TOWN OF LOOMIS CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	2
Closed	2
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$(168,784)
Closing ratio	100%
Average duration to close claims (days)	133
Average paid when closed	$15,636
Total Claims closed with no payment	1
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0



Loomis, Town of	Closed	Open	Grand Total
BI & PD: Improper Road Design Or Dangerous Cond		1	1
BI & PD: Student Injured During Class Activity	1	1	2
BI & PD: Improper Road Design Or Dangerous Cond: Park or Open Space	1		1
Grand Total	**2**	**2**	**4**

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Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF LOYALTON CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	0
Closed	0
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$0
Closing ratio	0%
Average duration to close claims (days)	0
Average paid when closed	$0
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0

Why are the Halloween colors orange and black?

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF MONTAGUE CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	0
Closed	2
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$(18,211)
Closing ratio	0%
Average duration to close claims (days)	547
Average paid when closed	$15,895
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0

Montague, City of	Closed	Grand Total
BI & PD: Property Damage Only (Non-Auto)	1	1
E&O:Financial Loss	1	1
Grand Total	**2**	**2**

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF MOUNT SHASTA CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	**18**
Closed	**6**
Total Open claims over $100k	**0**
Total Open claims over $500k	**0**
Total Incurred change from previous period	**$1,214,381**
Closing ratio	**44%**
Average duration to close claims (days)	**112**
Average paid when closed	**$7,410**
Total Claims closed with no payment	**5**
Total Open litigated	**1**
Total Closed litigated	**0**
Total Litigation Indemnity Paid	**$0**
Total Defense / Expense Paid- on litigated claims	**$4,684**

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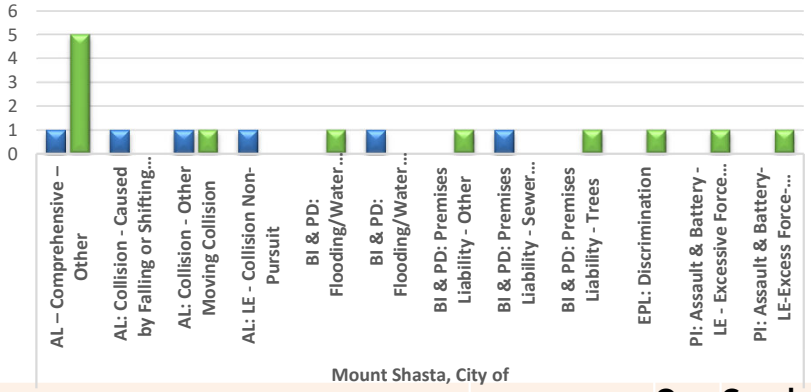
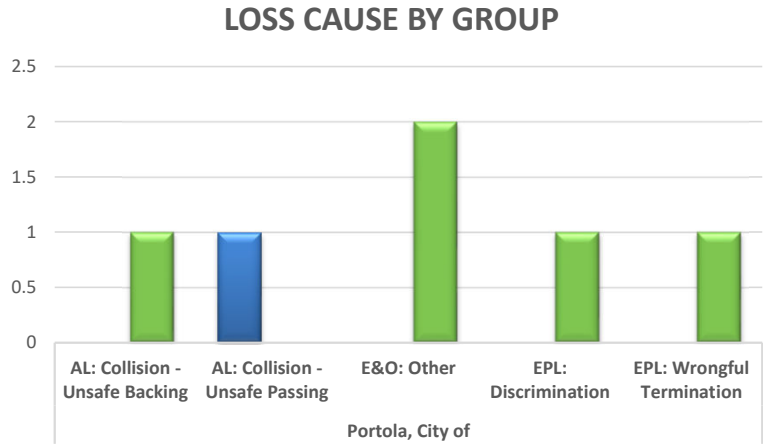
LOSS CAUSE BY GROUP



Mount Shasta, City of	Closed	Open	Grand Total
AL – Comprehensive – Other	1	5	6
AL: Collision - Caused by Falling or Shifting Load	1		1
AL: Collision - Other Moving Collision	1	1	2
AL: LE - Collision Non-Pursuit	1		1
BI & PD: Flooding/Water Damage - Broken Pipe		1	1
BI & PD: Flooding/Water Damage - Other	1		1
BI & PD: Premises Liability - Other		1	1
BI & PD: Premises Liability - Sewer Blockage	1		1
BI & PD: Premises Liability - Trees		1	1
EPL: Discrimination		1	1
PI: Assault & Battery - LE - Excessive Force Other		1	1
PI: Assault & Battery-LE-Excess Force-mental heath		1	1
Grand Total	**6**	**12**	**18**

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF PORTOLA CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	5
Closed	1
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$29,500
Closing ratio	20%
Average duration to close claims (days)	257
Average paid when closed	$0
Total Claims closed with no payment	1
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0



Portola, City of	closed	Open	Grand Total
AL: Collision - Unsafe Backing		1	1
AL: Collision - Unsafe Passing	1		1
E&O: Other		2	2
EPL: Discrimination		1	1
EPL: Wrongful Termination		1	1
Grand Total	**1**	**5**	**6**

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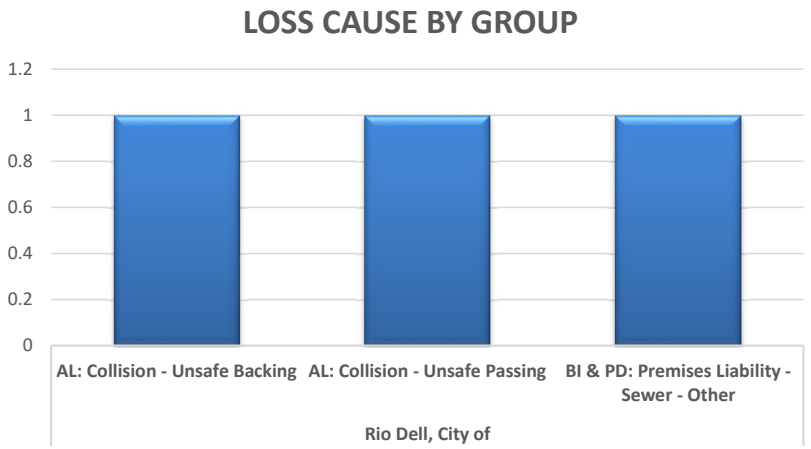
Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF RIO DELL CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	3
Closed	3
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$13,522
Closing ratio	133%
Average duration to close claims (days)	57
Average paid when closed	$3,380
Total Claims closed with no payment	2
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0



Rio Dell, City of	Closed	Grand Total
AL: Collision - Unsafe Backing	1	1
AL: Collision - Unsafe Passing	1	1
BI & PD: Premises Liability - Sewer - Other	1	1
Grand Total	**3**	**3**

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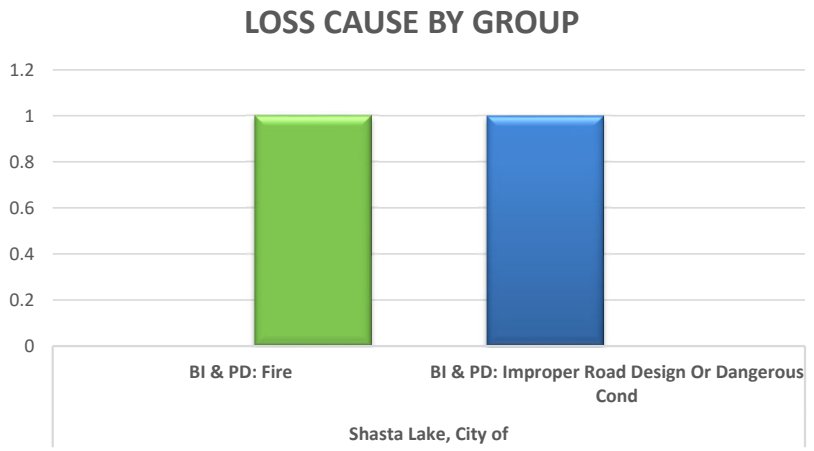
Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF SHASTA LAKE CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	1
Closed	1
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$192
Closing ratio	50%
Average duration to close claims (days)	48
Average paid when closed	$192
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0



Shasta Lake, City of	Closed	Open	Grand Total
BI & PD: Fire		1	1
BI & PD: Improper Road Design Or Dangerous Cond	1		1
Grand Total	**1**	**1**	**2**

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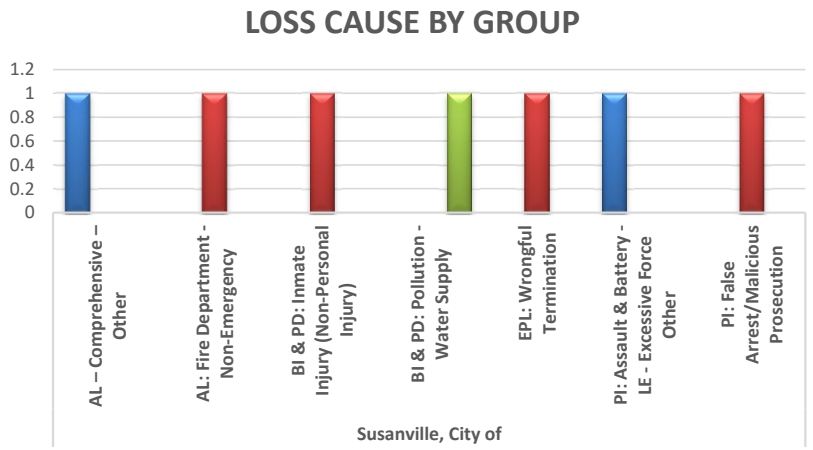
Trick or Treat

All Souls' Day became an occasion for door-to-door "souling," according to History.com. Poor people would visit the homes of the wealthy, offering to pray for the homeowner's dead loved ones in exchange for "soul cakes." The practice was soon taken over by children, who asked for money, ale or food.

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF SUSANVILLE CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	7
Closed	3
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$102,576
Closing ratio	43%
Average duration to close claims (days)	86
Average paid when closed	$2,698
Total Claims closed with no payment	1
Total Open litigated	1
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0



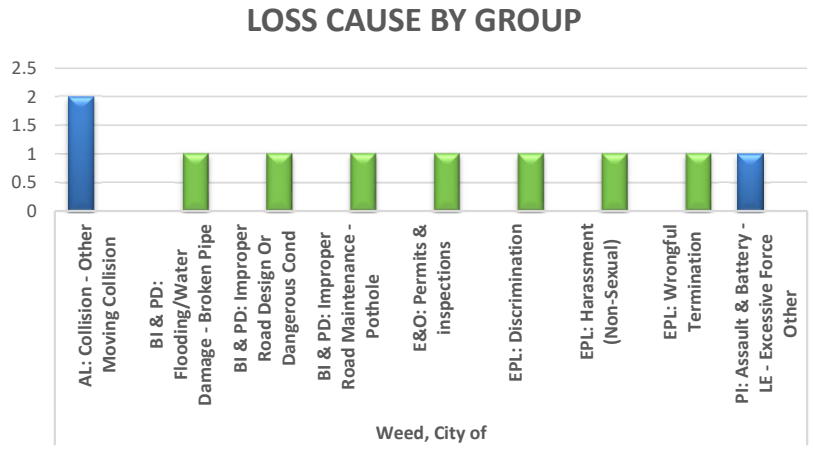
Susanville, City of	Closed	Open	ReOpened	Grand Total
AL – Comprehensive – Other	1			1
AL: Fire Department - Non-Emergency		1		1
BI & PD: Inmate Injury (Non-Personal Injury)		1		1
BI & PD: Pollution - Water Supply			1	1
EPL: Wrongful Termination		1		1
PI: Assault & Battery - LE - Excessive Force Other	1			1
PI: False Arrest/Malicious Prosecution		1		1
Grand Total	**2**	**4**	**1**	7

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF TULELAKE CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	0
Closed	0
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$0
Closing ratio	0%
Average duration to close claims (days)	0
Average paid when closed	$0
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF WEED CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	7
Closed	3
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$(2,645,274)
Closing ratio	43%
Average duration to close claims (days)	619
Average paid when closed	$40,892
Total Claims closed with no payment	1
Total Open litigated	1
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0



Weed, City of	Closed	Open	Grand Total
	3	7	10
AL: Collision - Other Moving Collision	2		2
BI & PD: Flooding/Water Damage - Broken Pipe		1	1
BI & PD: Improper Road Design Or Dangerous Cond		1	1
BI & PD: Improper Road Maintenance - Pothole		1	1
E&O: Permits & inspections		1	1
EPL: Discrimination		1	1
EPL: Harassment (Non-Sexual)		1	1
EPL: Wrongful Termination		1	1
PI: Assault & Battery - LE - Excessive Force Other	1		1
Grand Total	**3**	**7**	**10**

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Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF WILLIAMS CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	0
Closed	0
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$0
Closing ratio	0%
Average duration to close claims (days)	0
Average paid when closed	$0
Total Claims closed with no payment	0
Total Open litigated	0
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$0

Operational Snapshot: Member Specific- Occurrence data based on Entry Date for FY24/25 only *(regardless of Date of Loss)*

CITY OF YREKA CLAIMS	7/1/2024 - 6/30/2025
General Liability:	
New / Re-Opens	5
Closed	5
Total Open claims over $100k	0
Total Open claims over $500k	0
Total Incurred change from previous period	$127,125
Closing ratio	100%
Average duration to close claims (days)	241
Average paid when closed	$4,378
Total Claims closed with no payment	2
Total Open litigated	1
Total Closed litigated	0
Total Litigation Indemnity Paid	$0
Total Defense / Expense Paid- on litigated claims	$9,657

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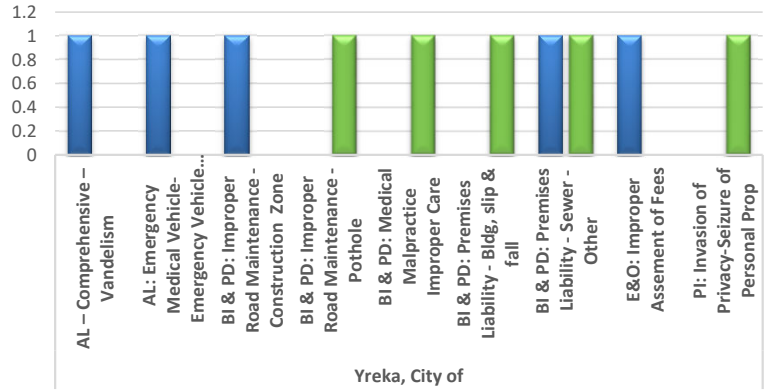

Yreka, City of	Closed	Open	Grand Total
BI & PD: Improper Road Maintenance - Pothole		1	1
BI & PD: Medical Malpractice Improper Care		1	1
BI & PD: Premises Liability - Sewer - Other	1	1	2
PI: Invasion of Privacy-Seizure of Personal Prop		1	1
BI & PD: Improper Road Maintenance - Construction Zone	1		1
AL: Emergency Medical Vehicle- Emergency Vehicle Response	1		1
E&O: Improper Assement of Fees	1		1
AL – Comprehensive – Vandelism	1		1
BI & PD: Premises Liability - Bldg, slip & fall		1	1
Grand Total	**5**	**5**	**10**


Happy
Halloween

Small Cities Organized Risk Effort
Long Range Planning
October 30, 2025

LUNCH PRESENTATION

THE WEDGE – A SIMPLE METAPHOR TO IMPROVE YOUR WORK RELATIONSHIPS

INFORMATION ITEM

ISSUE: Gerry Preciado of 34th Street Consulting will present his firm's signature training presentation, "The Wedge", a course designed to provide employees the skills needed to navigate workplace conflict and relationships. https://www.34thstreetconsulting.com/

RECOMMENDATION: Review and consider additional training as needed.

FISCAL IMPACT: None.

BACKGROUND: 34th Street Consulting has been assisting organizations large and small for more than two decades. Since 1996 our founders have worked with City Managers, Executive Leadership teams, Presidents and Chancellors of Universities, as well as front line managers and supervisors to identify and remove dysfunctional wedges. *After spending several years as an employment law trial attorney, Gerry Preciado, our President, realized that by the time his clients called him it was too late: the damage was too deep, relationships broken and the conflict too great.*

Gerry spent several years developing an approach to leading and managing people while empowering them to positively navigate conflict and other workplace challenges before it became "too late" for them. The result is encapsulated in 34th Street's proprietary approach, "The Wedge: A Simple Metaphor for Improving Every Relationship"

He has helped countless groups move from dysfunction and discord to productive and harmonious teams. We engage our clients in the wedge removal process to identify the conflict creating behaviors, the process for removing them, and preventing future wedges. For years we have been empowering teams to not only press forward with greater effectiveness, but to also assist others in the organization to do likewise.

ATTACHMENTS: *Handout at meeting*

Small Cities Organized Risk Effort
Long Range Planning
October 30, 2025

Agenda Item H.3.

SCORE RISK MANAGEMENT BEST PRACTICES

ACTION ITEM

ISSUE: The Program Administrators recommend reviewing and revising the current set of SCORE Policies and Procedures, particularly those regarding risk control, and establishing a set of risk management best practices to guide members and SCORE's consultants in assessing their risk management programs.

The Program Administrators have collaborated with California municipalities and subject matter experts to establish an ongoing set of risk management best practices addressing the key risk exposures cities face. These include sidewalk, sewer, and urban forest risk management, along with a Risk Management Policy and Framework that includes maintaining an active Injury and Illness Prevention Plan (IIPP).

Attached please find drafts of the following policies: Risk Management Policy and Framework, Sidewalk Inspection and Maintenance, and Sewer Loss Prevention and Management. The sewer and sidewalk best practices follow what SCORE has recommended in the past, while the Framework includes an active IIPP, the first thing OSHA will ask for upon an inspection, including documentation it has been implemented.

If the Board approves the Program Administrators will follow up with additional best practices and a general reorganization of SCORE's existing policies and procedures at the January meeting.

RECOMMENDATION: Review and approve draft policies as presented, revised or provide direction.

FISCAL IMPACT: No fiscal impact expected from this item.

BACKGROUND: Most of the current risk management policies have to do with driving standards, and a number of older driver policies were incorporated into the current P&P L1: Driving Standards, which were updated in March to reflect the new higher minimum required auto insurance limits (30/60/15). The Program Administrators review SCORE's Policies and Procedures on a regular basis to update as needed. Over time policies have been added in ways that are not as organized as they could be, and a review is underway to update and reorganize them.

ATTACHMENTS: Draft Policies -

1. Risk Management Policy and Framework
2. Sidewalk Inspection and Maintenance
3. Sewer Loss Prevention and Management

SCORE
Small Cities Organized Risk Effort
A Joint Powers Authority

Risk Management Policy and Framework	
Risk Management Policy To reduce or eliminate costs associated with risks of loss, the City has created a risk management structure with visible support of upper management and adequate resources to address the City's risk exposures.	
1-1-1	City Council has adopted a resolution supporting a formal Risk Management Policy and Framework and provides appropriate resources to maintain it.
1-1-2	City Manager endorses the Risk Management Program and Policy and communicates to all employees.
Risk Management Framework	
Risk Management Organization The City maintains a Risk Management Committee (RMC) or Team with clearly defined accountabilities. This may be a scope enhancement of current safety committees.	
1-2-1	A Risk Management Coordinator is appointed who is responsible for the implementation of risk management and safety programs.
1-2-2	The Chair of the RMC attends and reports on risk management plans and activities at monthly senior management meetings.
1-2-3	The Committee holds regular meetings, at least quarterly.
1-2-4	Written minutes are kept of each meeting along with an attendance list.
1-2-5	The Committee (or subcommittee) reviews all accidents and near misses to: 1. Evaluate adequacy of root cause analysis, 2. Ensure action plan and follow-up accountability are developed, and 3. Determine if broader exposure to loss exists.
1-2-6	The RMC serves as a mechanism for review and approval of equipment purchases or new practices/programs to evaluate risk exposure that may be created for the City.
Goals & Objectives	
1-3-1	Trending of accident claims/reports by type is maintained and used to define action plans to address actual and potential claim types.
1-3-2	Each risk management goal has a corresponding action plan, the components of which may be measured.
1-3-3	Participation in SCORE Risk Management programs demonstrated by: 1. Active participation in loss prevention/risk control surveys and discussions by SCORE staff on strategies to prevent loss, 2. Written response within 45 days upon request providing status of "best practice" recommendations, 3. Development of action plan/strategy to address the five most significant risk exposures as defined by audits and data analysis.
1-3-4	Performance measures for all employee levels are established to ensure risk management goals and objectives are addressed.
1-3-5	Annual goals and objectives are developed and distributed to all employees.
1-3-6	Costs are allocated to each department for general liability.

1-3-7	Costs are allocated to each department for workers' compensation.
Claim Reporting and Follow-Up Successful claim resolution is ensured by good communications among claimant, City, and adjuster with immediate reporting of claims.	
	An effective system is in place to immediately report and investigate claims.
	The City has a claims liaison who is assigned to work with adjusters to investigate and resolve claims.
	Designees from each City are identified and trained to provide claimants with information and address their needs without inappropriately increasing the liability of the City.
	All claims filed against the City that may be covered by SCORE are reported promptly (within 48 hours).
	City staff is trained to recognize and reports incidents that may result in claims against the City.
	All claims covered by SCORE but paid by the City should be reported to SCORE to maintain the accuracy of loss data and provide trending information. Only claims for property damage that settle for no greater than $7,500 within 30 days of notice may be paid directly without first reporting to SCORE.
	An effective Return-To-Work Program is in place to aid in employee recovery and reduce claim costs.
Injury & Illness Prevention Program (IIPP) The City actively maintains an Injury & Illness Prevention Program (IIPP) as required by OSHA.	
	IIPP is available for review and shows proof of periodic review/revision.
	IIPP identifies person of authority who is responsible for IIPP administration.
	Accountability standards and methods of enforcement are included.
	System for communicating hazards to employees and receiving employee feedback on safety concerns is in place.
	Procedure for identifying workplace hazards is in place, including regular inspections and observations of work practices.
	A formal accident investigation procedure is in place with mandatory review by senior management to ensure corrective action is based on management action to prevent a reoccurrence rather than placing blame on employee.
	System of follow-up of identified unsafe conditions or physical hazards in place, with records of mitigation maintained for three years.
	Required and/or appropriate training is documented and maintained for two years or as required by law.

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RISK MANAGEMENT POLICY AND PROCEDURE #RM-BP3

SUBJECT: SIDEWALK INSPECTION AND MAINTENANCE

1.0 Policy

It is the policy of the Small Cities Organized Risk Effort (SCORE) to prudently manage its programs to minimize the frequency and severity of losses incurred by its members. We will achieve this by recommending members implement a risk management program that utilizes the operational best practices provided herein.

2.0 Scope

This Policy applies to all members of SCORE.

3.0 Objective

Provide a process to effectively identify, analyze and manage risks related to sidewalks.

4.0 Criteria

The following Best Practices are used to assess member achievement in addressing the risks associated with sidewalks.

Approved By Board of Directors - TBD

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OPERATIONAL BEST PRACTICES	
Sidewalk Inspection and Maintenance Sidewalks represent a significant risk to the public and City employees due to uneven or slick surfaces that may lead to liability or Workers' Compensation claims due to slips and falls.	
3-1	There is an effective, written, City-specific procedure in place to inspect for and mitigate sidewalk defects such as raised offsets, tilts or steep cross slopes, sunken sections, spalling, improper repairs to surround structures such as drains, and offsets between public and private sidewalks. The procedure includes a process for documenting reports of hazardous sidewalk conditions and responding appropriately.
3-2	The City has a written process in place to notice property owners to repair sidewalks where allowed by Municipal Code.
3-3	The City has a follow-up procedure to ensure defects have been mitigated by the property owner or other responsible party within a reasonable period.
3-4	The City has a follow-up procedure to ensure defects have been addressed by marking, barricading, etc. within reasonable periods.
3-5	Photographs are taken and maintained in Public Works to visually record action taken to guard against contact by the public with a hazardous sidewalk site. This will aid in defense against allegations of inaction by the City.
3-6	The City maintains, where feasible, an annual budget for addressing needed sidewalk inspections, maintenance, repairs and replacements.
3-7	The City has an ordinance in place stating that a property owner may be liable for damages due to failing to maintain sidewalks abutting their property. Alternatively, the City Council has considered and declined to pass such an ordinance.

Approved By Board of Directors - TBD

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OPERATIONAL BEST PRACTICES	
Sewer Loss Prevention and Management Sewer backups and overflows into homes and businesses represent a significant risk to members and are among the most costly types of claims SCORE covers.	
9-1	An ordinance is in place that meets or exceeds current plumbing code requirements for backflow devices, including ownership and maintenance of sewer laterals from a structure to the property line and from the property line to the main. The ordinance specifies when a backflow, overflow or prevention device is required on the private sewer lateral. Cleanout backflow relief devices are allowed.
9-2	The city may adopt an ordinance requiring backflow devices when events not addressed by the code occur, such as when a property owner suffers a loss, remodels, or sells the property.
9-3	The City has a written program and annual budget for risk assessment and review, regular inspection, preventive maintenance, and emergency response for its sanitary sewer system.
9-4	Key personnel have been trained to interact with property owners when responding to reports of sewer backup. Training topic outlines and document templates are available for review if training not provided by a SCORE service provider.
9-5	Sewer inspection and maintenance protocols reflect identification and attention to “high frequency or impact areas” of the system.
9-6	The City has established a public education campaign to minimize backups, including use of backflow devices and minimizing backups due to Fats, Oils, and Grease (FOG), wipes, and other impediments.

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Small Cities Organized Risk Effort
Long Range Planning
October 30, 2025

Agenda Item H.4.

CYBER DISCUSSION

INFORMATION ITEM

ISSUE: Members are provided an update regarding the latest cyber risk management recommendations, available cyber risk management resources, and excess coverage applications via the Alliant Cyber Portal.

Members have been asked to complete the application in the Cyber Coverage Portal to gauge the current status of member risk control efforts as well as be ready to request excess cyber coverage quotes as needed. Currently, only a few members have completed the portal questionnaire, and those who have not are encouraged to do so.

Another, easy, method to gauge the current state of your cyber risk management controls is to obtain the free Beazley Security Posture Report. Details are attached. Another free resource that is not as easy to implement is the CYGNVS Cyber Incident Command Center for Municipalities. This valuable resource is offered by Beazley because they have seen firsthand how use of the Center reduces the time and expense of responding to a data breach or other critical cyber incident.

RECOMMENDATION: Review, discuss and take advantage of the free resources offered through the Cyber Coverage underwriters and consultants.

FISCAL IMPACT: No fiscal impact from this item.

BACKGROUND: Members continue to face liability and service disruption from cyber-attacks, ranging from sophisticated ransomware attempts to obvious phishing expeditions. The SCORE property program with APIP provides Cyber Coverage with a $2,000,000 Insured/Member Annual Aggregate Limit of Liability for all coverages, subject to various sublimits for Cyber Extortion, Data Recovery, Computer Hardware Replacement, and Funds Transfer Fraud. Members who desire excess coverage must complete an application and form some insurers the member must have Multi-Factor Authentication (MFA) for all remote and privileged access to the network.

ATTACHMENTS:

1. APIP Excess Cyber Insurance Proposal FY 25/26
2. Alliant Recommended Security Standards – September 2025
3. Beazley Security Posture Report
4. CYGNVS Cyber Incident Command Center for Municipalities

ALLIANT INSURANCE SERVICES, INC.
ALLIANT PROPERTY INSURANCE PROGRAM (APIP)

CYBER INSURANCE PROPOSAL SUMMARY
CORE COVERAGE

TYPE OF COVERAGE: Information Security & Privacy Insurance with Electronic Media Liability Coverage

PROGRAM: **Alliant Property Insurance Program (APIP) inclusive of Public Entity Property Insurance Program (PEPIP), and Hospital All Risk Property Program (HARPP), and Special Property Insurance Program (SPIP)**

NAMED INSURED:

APIP Cyber and Pollution Programs, Inc. which may include any member(s), entity(ies), agency(ies), organization(s), enterprise(s) and/or individual(s), attaching to each Declaration insured under the ALLIANT PROPERTY INSURANCE PROGRAM (APIP), inclusive of PUBLIC ENTITY PROPERTY INSURANCE PROGRAM (PEPIP) and HOSPITAL ALL RISK PROPERTY PROGRAM (HARPP) and Special Property Insurance Program (SPIP) as their respective rights and interests may appear which now exist or which hereafter may be created or acquired and which are owned, financially controlled or actively managed by the herein named interest, all jointly, severally or in any combination of their interests, for account of whom it may concern (all hereinafter referred to as Member(s) / Entity(ies).

DECLARATION: Various Declarations as on file with Insurer

POLICY PERIOD: July 1, 2025 to July 1, 2026

TERRITORY: WORLD-WIDE

RETROACTIVE DATE:

APIP/PEPIP

For new members – the retro active date will be the date of addition

July 1, 2025 For new members included on the July 1, 2025/26 policy

July 1, 2024 For existing members included on the July 1, 2024/25 policy

July 1, 2023 For existing members included on the July 1, 2023/24 policy

July 1, 2022 For existing members included on the July 1, 2022/23 policy

July 1, 2021 For existing members included on the July 1, 2021/22 policy

July 1, 2020 For existing members included on the July 1, 2020/21 policy

July 1, 2019 For existing members included on the July 1, 2019/20 policy

July 1, 2018 For existing members included on the July 1, 2018/19 policy

July 1, 2017 For existing members included on the July 1, 2017/18 policy

July 1, 2016 For existing members included on the July 1, 2016/17 policy

July 1, 2015 For existing members included on the July 1, 2015/16 policy

July 1, 2014 For existing members included on the July 1, 2014/15 policy

July 1, 2013 For existing members included on the July 1, 2013/14 policy

July 1, 2012 For existing members included on the July 1, 2012/13 policy

INSURER:	Lloyd's of London - Beazley Syndicate: Syndicates 2623 - 623 - 100% Liberty Surplus Insurance Corporation (Ironshore) Associated Industries Insurance Company, Inc. (AmTrust Financial) Westchester Surplus Lines Insurance Company (Chubb) 100% MRS at Lloyd's (MunichRE)			
COVERAGES & LIMITS:	**Ai.**	$	75,000,000	**Annual Policy and Program Aggregate Limit of Liability** (subject to policy exclusions) for all Insureds/Members combined (Aggregate for all coverages combined, including Claims Expenses), subject to the following limits and sub-limits as noted.
	Aii.	$	2,000,000	**Insured/Member Annual Aggregate Limit of Liability** (subject to policy exclusions) for each Insured/Member, **within** the Annual Policy and Program Aggregate Limit of Liability **and** JPA/Pool Annnual Aggregate Limit of Liability (Aggregate for all coverages combined, including Claim Expenses) subject to the following limits and sub-limits as noted.
BREACH RESPONSE				
Breach Response Costs:		$	500,000	**Aggregate Limit of Liability** for each Insured/Member (Limit is increased to $1,000,000 if Beazley Nominated Services Providers are used)
FIRST PARTY LOSS				
Business Interruption and Dependent Business Interruption Aggregate Sub-Limit:		$	750,000	**Aggregate Limit of Liability** for each Insured/Member
Business Interruption Loss Resulting from Security Breach		$	750,000	**Aggregate Limit of Liability** for each Insured/Member (Within the $750,000 Business Interruption and Dependent Business Interruption Aggregate Sublimit)
Business Interruption Loss Resulting from System Failure:		$	500,000	**Aggregate Limit of Liability** for each Insured/Member (Within the $750,000 Business Interruption and Dependent Business Interruption Aggregate Sublimit)
Dependent Business Loss Resulting from Security Breach:		$	750,000	**Aggregate Limit of Liability** for each Insured/Member (Within the $750,000 Business Interruption and Dependent Business Interruption Aggregate Sublimit)
Dependent Business Loss Resulting from System Failure:		$	100,000	**Aggregate Limit of Liability** for each Insured/Member (Within the $750,000 Business Interruption and Dependent Business Interruption Aggregate Sublimit)
Cyber Extortion Loss:		$	750,000	**Aggregate Limit of Liability** for each Insured/Member
Data Recovery Costs:		$	750,000	**Aggregate Limit of Liability** for each Insured/Member

Data & Network Liability:	$	2,000,000	**Aggregate Limit of Liability** for each Insured/Member for all Damages and Claims Expenses
Regulatory Defense & Penalties:	$	2,000,000	**Aggregate Limit of Liability** for each Insured/Member
Payment Card Liabilities & Costs:	$	2,000,000	**Aggregate Limit of Liability** for each Insured/Member
Media Liability:	$	2,000,000	**Aggregate Limit of Liability** for each Insured/Member for all Damages and Claims Expenses
eCRIME			
Fraudulent Instruction:	$	75,000	**Aggregate Limit of Liability** for each Insured/Member
Funds Transfer Fraud:	$	75,000	**Aggregate Limit of Liability** for each Insured/Member
Telephone Fraud:	$	75,000	**Aggregate Limit of Liability** for each Insured/Member
CRIMINAL REWARD			
Criminal Reward:	$	25,000	**Aggregate Limit of Liability** for each Insured/Member
COVERAGE ENDORSEMENT(S)			
Reputation Loss:	$	200,000	**Aggregate Limit of Liability** for each Insured/Member
Claims Preparation Costs for Reputation Loss Claims Only:	$	50,000	**Aggregate Limit of Liability** for each Insured/Member
Computer Hardware Replacement Costs:	$	200,0000	**Aggregate Limit of Liability** for each Insured/Member
Invoice Manipulation:	$	100,000	**Aggregate Limit of Liability** for each Insured/Member
Cryptojacking:	$	50,000	**Aggregate Limit of Liability** for each Insured/Member

RETENTION:

$	50,000	Per Claim for each Member/Insured with Total Insured Value (TIV) up to $250,000,000 at the time of policy inception
	8	Hour waiting period for Dependent/Business Interruption Loss
$	100,000	Per Claim for each Member/Insured with Total Insured Value (TIV) greater than $250,000,000 and up to $750,000,000 at the time of policy inception
	8	Hour waiting period for Dependent/Business Interruption Loss
$	250,000	Per Claim for each Member/Insured with Total Insured Value (TIV) greater than $750,000,000 at the time of policy inception
	8	Hour waiting period for Dependent/Business Interruption Loss

NOTICES:

Policy coverage of this policy provides coverage on a claims made and reported basis; except as otherwise provided, coverage under noted coverage schedule applies only to claims first made against the Insured/Member and reported to underwriters during the policy period. Claims expenses shall reduce the applicable limit of liability and are subject to the applicable retention.

This is a shared limit policy among the Named Insureds. The per Insured/Member policy limits are on a per claim or incident for each Insured/Member basis, sub-limits listed are aggregated per Insured/Member and are within the total Insured/Member aggregate limit. In the event of a claim/incident with multiple Insureds/Members exhausting the program aggregate limit provided by the Insurer to Insureds/Members, payment to all Insureds/Members for the claim/incident will be determined by the Insurer. Where coverages are aggregated, sub-limit and limits apply to all Insureds/Members for the entire Policy Period unless specifically stated otherwise. The policy aggregate limit is not a per Insured/Member maximum limit.

EXTENDED REPORTING PERIOD:

For Named Insured - To be determined at the time of election (additional premium will apply)

SPECIFIC COVERAGE PROVISIONS:

A. **Breach Response** indemnifies the Insured/Member for Breach Response Costs incurred by the Insured/Member because of an actual or reasonably suspected Data Breach or Security Breach that the Insured first discovers during the Policy Period.

B. First Party Loss

Business Interruption Loss indemnifies the Insured/Member for a Business Interruption Loss sustained as a result of a Security Breach or System Failure that the Insured first discovers during the Policy Period.

Dependent Business Interruption Loss indemnifies the Insured/Member for a Dependent Business Interruption Loss sustained as a result of a Security Breach or a System Failure that the Insured first discover during the Policy Period.

Cyber Extortion Loss indemnifies the Insured/Member for a Cyber Extortion Loss incurred as a result of an Extortion Threat first made against the Insured/Member during the Policy Period.

Data Recovery Costs indemnifies the Insured/Member for Data Recovery Costs incurred as a direct result of a Security Breach or System Failure that the Insured first discovers during the Policy Period.

C. Liability

Data & Network Liability pays Damages and Claims Expenses, which the Insured is legally obligated to pay because of any Claim first made against any Insured during the Policy Period for a Data Breach, a Security Breach, the Insured's failure to disclose a Data Breach or Security Breach, or failure of the Insured to comply with the part of a Privacy Policy that specifically is related to disclosure, access or procedures related to Personally Identifiable Information.

Regulatory Defense & Penalties pays Penalties and Claims Expenses, which the Insured is legally obligated to pay because of a Regulatory Proceeding first made against any Insured during the Policy Period for a Data Breach or a Security Breach.

Payment Card Liabilities & Costs indemnifies the Insured/Member for PCI Fines, Expenses and Costs which it is legally obligated to pay because of a Claim first made against any Insured during the Policy Period.

Media Liability pays Damages and Claims Expenses, which the Insured is legally obligated to pay because of any Claim first made against any Insured during the Policy Period for electronic Media Liability.

D. **eCrime** indemnifies the Insured/Member for any direct financial loss sustained resulting from:

- *Fraudulent Instruction*
- *Funds Transfer Fraud*
- *Telephone Fraud*

That the Insured first discovers during the Policy Period.

E. **Criminal Reward** indemnifies the Insured/Member for Criminal Reward Funds.

Reputational Loss indemnifies the Insured Organization for Reputation Loss that the Insured Organization sustains solely as a result of an Adverse Media Event

Coverage Endorsement(s)	that occurs during the Policy Period, concerning: a Data Breach, Security Breach, or Extortion Threat that the Insured first discovers during the Policy Period. **Computer Hardware Replacement Costs** is part of the Extra Expense coverage. Extra Expense means reasonable and necessary expenses incurred by the Insured Organization during the Period of Restoration to minimize, reduce or avoid Income Loss, over and above those expenses the Insured Organization would have incurred had no Security Breach, System Failure, Dependent Security Breach or Dependent System Failure occurred; and includes reasonable and necessary expenses incurred by the Insured Organization to replace computers or any associated devices or equipment operated by, and either owned by or leased to, the Insured Organization that are unable to function as intended due to corruption or destruction of software or firmware directly resulting from a Security Breach **Invoice Manipulation** indemnifies the Insured Organization for Direct Net Loss resulting directly from the Insured Organization's inability to collect Payment for any goods, products or services after such goods, products or services have been transferred to a third party, as a result of Invoice Manipulation that the Insured first discovers during the Policy Period. Invoice Manipulation means the release or distribution of any fraudulent invoice or fraudulent payment instruction to a third party as a direct result of a Security Breach or a Data Breach. **Cryptojacking** indemnifies the Insured Organization for any direct financial loss sustained resulting from Cryptojacking that the Insured first discovers during the Policy Period. Cryptojacking means the Unauthorized Access or Use of Computer Systems to mine for Digital Currency that directly results in additional costs incurred by the Insured Organization for electricity, natural gas, oil, or internet.

EXCLUSIONS:
(Including but not limited to)

Coverage does not apply to any claim or loss from:

- Bodily Injury or Property Damage
- Trade Practices and Antitrust
- Gathering or Distribution of Information
- Prior Known Acts & Prior Noticed Claims
- Racketeering, Benefit Plans, Employment Liability & Discrimination
- Sale or Ownership of Securities & Violation of Securities Laws
- Criminal, Intentional of Fraudulent Acts
- Patent, Software Copyright, Misappropriation of Information
- Governmental Actions
- Other Insureds & Related Enterprises
- Trading Losses, Loss of Money & Discounts
- Media-Related Exposures – Contractual liability or obligation
- Nuclear Incident
- Radioactive Contamination
- Tribal Exclusion Endorsement
- Sanctions Limitation
- War and Cyber War Exclusion with Single Entity Carve Back
- Asbestos, Pollution and Contamination
- First Party Loss – with respects: 1. seizure, nationalization, confiscation, or destruction of property or data by order of any governmental or public authority; 2. costs or expenses incurred by the Insured to identify or remediate software program errors or vulnerabilities or update, replace, restore, assemble, reproduce, recollect or enhance data or Computer Systems to a level beyond that which existed prior to a Security Breach, System Failure, Dependent Security Breach, Dependent System Failure or Extortion Threat; 3. failure or malfunction of satellites or of power, utility, mechanical or telecommunications (including internet) infrastructure or services that are not under the Insured Organization's direct operational control; or 4. fire, flood, earthquake, volcanic eruption, explosion, lightning, wind, hail, tidal wave, landslide, act of God or other physical event.
- Website Tracking Exclusion specific to hospitals as defined by: Hospitals defined as institutions that comprise all the following: A health facility with overall administrative and professional responsibility and an organized medical staff that provides 24-Hour inpatient care, including the following services: Medical, nursing, surgical, anesthesia, laboratory, pharmacy, and dietary services.

NOTICE OF CLAIM:	• IMMEDIATE NOTICE must be made to Beazley NY of all potential claims and circumstances (assistance, and cooperation clause applies) • Claim notification under this policy is to: Beazley Group Attn: TMB Claims Group 45 Rockefeller Plaza, 16th Floor New York, NY 10111 bbr.claims@beazley.com Toll Free 24 Hour Hotline 866-567-8570

NOTICE OF CANCELLATION:	10 days for non-payment of premium
OTHER SERVICES	Unlimited Access to Beazley Breach Solutions website https://www.beazley.com/en-us/cyber-customer-centre/cyber/
BROKER:	ALLIANT INSURANCE SERVICES, INC. License No. 0C36861

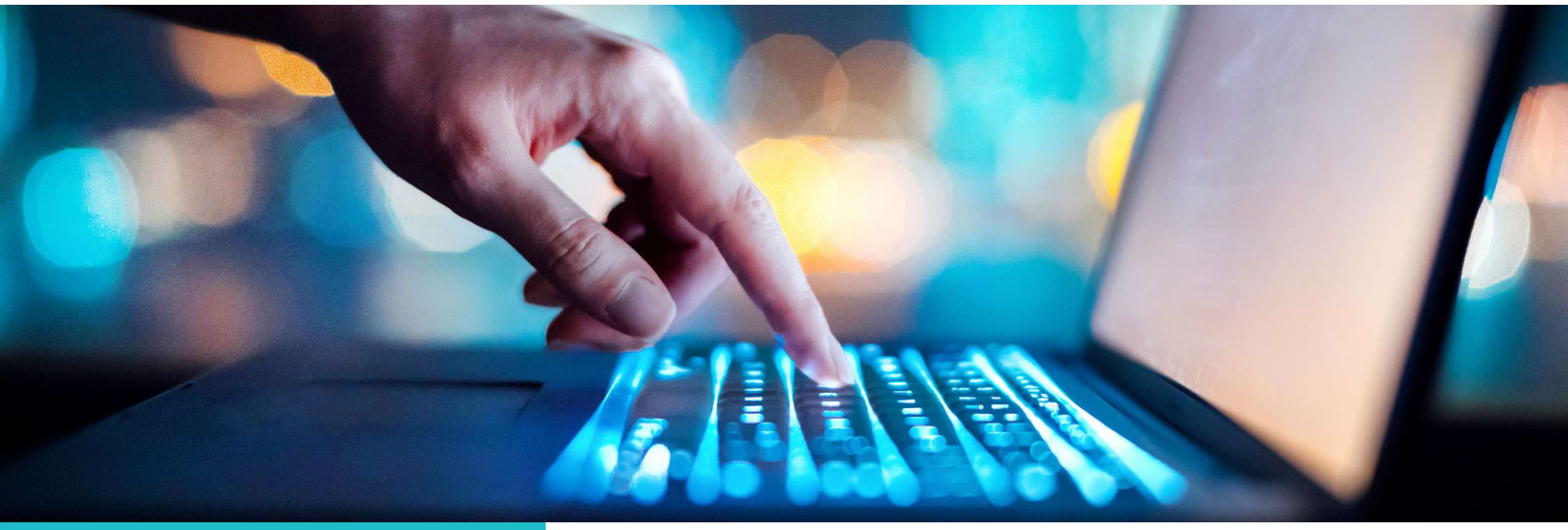
NOTES:

- ***Some coverage, limits, sub-limits, terms and conditions may change, as negotiations are ongoing. Changes will be documented and accompany the Binder Confirmation for July 1, 2025 bound terms. Coverage outlined in this Proposal is subject to the terms and conditions being negotiated with the policy. To be finalized and presented at Program Inception.***
- ***Please refer to Policy for specific terms, conditions and exclusions***

CYBER SUMMARY OF PROPOSED CHANGES

THE FOLLOWING ITEMS ARE PROPOSED CHANGES FOR THE 2025-2026 POLICY PERIOD

Coverage	2024-2025	2025-2026
Beazley Breach Response Endorsement	Coverage offered to new and existing Members – Underwriting required	No Change
Retention Buy Down	Coverage is being offered to new and existing members; underwriting required	No Change
New members to APIP Cyber Core-Mid Term Transactions	New this year; no underwriting, all members requesting core coverage are eligible. Ransomware application, statement of no losses, and AFB warranty required.	All insureds requesting core cyber coverage are required to complete the Beazley Ransomware Supplemental application in the application portal, provide a signed statement of no losses, and an AFB warranty .
New To APIP Core effective Mid-Term or July 1	Minimum Premium was $500	Minimum Premium Changed to $1,000
Beazley Core Coverage-Website Tracking Exclusion	Website Pixel Tracking Exclusion specific to Hospitals defined as a Health Facility with overall administrative and professional responsibility and organized medical staff that provides 24-hour inpatient care, including the following services: Medical, nursing, surgical, anesthesia, laboratory, pharmacy, and dietary services.	No Change
Beazley Core Coverage-New Boost offering	By endorsement and included only with the BBR purchase. Open to all members. Provides full limit coverage for some First Party Limits; Business Interruption, Cyber Extortion, and Data Recovery.	No Change
Beazley Breach Response		No retention at time of loss for forensic services only when using Beazley Security; applicable to Beazley Breach Response Endorsement purchasers only.



BULLETIN #4

RECOMMENDED SYSTEM SECURITY STANDARD GUIDELINES FOR CYBER LIABILITY INSURANCE

The summary of recommended system security standards has been updated to reflect recent changes in the cyber insurance marketplace. Entities that do not meet the standards indicated in this document may be challenged in finding quality cyber liability coverage.

MFA 100% IMPLEMENTED FOR REMOTE ACCESS AND PRIVILEGED USER ACCOUNTS

Minimum: MFA implemented for access to email (e.g. enforced via Office 365. Note, if using O365, enabling Advanced Threat Protection is also a recommended standard)

- Minimum: MFA enforced for access to "privileged user accounts" (i.e., the information technology department)
- MFA enabled for all remote access to the insured network

END-POINT PROTECTION, DETECTION, AND RESPONSE PRODUCT IMPLEMENTED ACROSS ENTERPRISE

Minimum: an End-Point Protection (EPP) solution in place

- Preferred: an End-Point Detection & Response (EDR) solution in place (Now considered a minimum on medium-large sized organizations)

IF REMOTE DESKTOP PROTOCOL CONNECTION ENABLED, THE FOLLOWING ARE IMPLEMENTED

Minimum: MFA-enabled VPN is used for access to any Remote Access software

- Network level authentication enabled

BACKUPS

Minimum: Regular backups are (i) in place, (ii) successful recovery is tested, (iii) backups are stored separately (i.e. 'segregated') from the primary network, (iv) encrypted, and (v) protected with anti-virus or monitored on a continuous basis

- Tested at least twice per year
- Ability to bring up within 24–72 hours — less time for critical operations (4–8 hours)
- Consider an offline, offsite, or secondary back up to have an additional copy of your data easily accessible for restoration purposes
- Consider adding MFA to backups, which will add an extra layer of security in the authentication process

PLANNING & POLICIES

Minimum: Tested and rehearsed

- Incident Response Plan
- Disaster Recovery Plan
- Business Continuity Plan
- Asset Management

ASSET MANAGEMENT

- Monitor all assets' life cycle from new asset creation to the point that it becomes obsolete and must be disposed of
- Ensure that cyber assets remain secure and compliant
- Spot unknown assets and bring under management for their protection
- Regularly maintain assets to detect unauthorized changes
- Gain insight into your internal and external attack surface

TRAINING

Minimum: Training and regular simulated phishing exercises for all users

- Social Engineering Training
- Phishing Training
- General Cyber security training
- Training of account team staff on fraudulent transactions

VULNERABILITY AND PATCH MANAGEMENT

Minimum: Critical & high severity patches installed within 30 or fewer days, optimally within 1–7 days for critical & high severity patches regarding active exploits

- Clients should check their network for vulnerabilities on at least a weekly basis and patch accordingly

END OF LIFE SOFTWARE

- Formalize a roadmap for addressing end of life software concerns in the environment
- Provide a status update at time of submission
- All end of life devices should have a formalized roadmap for sunsetting/decommissioning, and in the interim, extended support should be purchased and access restricted as much as possible using ACL's, VLAN's, bastion/jump hosts, etc.

SERVICE ACCOUNT MANAGEMENT/DOMAIN ADMINISTRATOR ACCOUNTS

- Service Account Passwords should be longer than standard user accounts, recommending at least 25 characters. Passwords should not be rotated arbitrarily; however, they should be changed if there is evidence of compromise
- Where possible, remove domain admin privileges and disable interactive login
- Domain admin accounts should be restricted to only domain controller activity and monitored for any activities outside of that function

WEBSITE COMPLIANCE:

- Evaluate existing cookie-consent management platforms to make sure they are in compliance with Global Privacy Control measures
- Confirm that compliance mechanisms and website disclosures comply with applicable legal requirements for your specific industry
- Draft privacy notices, terms of use disclosures, cookie notices, and website pop-up banners to ensure website visitors are informed about how the websites collect, use and share information
- Develop "gatekeeping" processes and procedures for proactive monitoring of changes to your website to mitigate risk of future non-compliance

SINGLE POINTS OF FAILURE IN DIGITAL SUPPLY CHAINS

- Conduct a business impact analysis of the failure of any of the vendors in the supply chain to understand your resilience in the event of an outage
- Ongoing monitoring of vendors within the supply chain, confirming that maintenance, updates, and patching are being conducted
- Review vendors business continuity plan and responses in the event of a cyber-attack
- Identify suppliers who utilize the same software, which can present an accumulation of risk across your network
- Control Systems and Manufacturing Systems should be isolated from external networks
- Vendor contracts should include service level agreements with contingencies included when the supplier is unable to provide service
- Understand how long an interruption would last for key technology suppliers

MISCELLANEOUS

- Sufficient IT Security budgets and dedicated security personnel, insurance carriers generally like to see 10% of total IT spend go to security but this will differ based on organization size
- Email security controls in place
- Privileged Access Management. A PAM solution is now considered a minimum on medium-large sized entities
- Consider implementing system monitoring 24/7 to check the condition of your IT infrastructure in real time
- Establish a formalized enterprise risk register as well as third party management

- Please note this list is context dependent. If an underwriter views a client as potentially higher risk (e.g., due to previous incidents/losses) then they may look for more controls beyond the 'minimums'
- If the market continues to harden, underwriters' 'minimum' expectations may increase
- Different insurance carriers may have different expectations of 'minimums'. This is our current best understanding
- Many carriers are no longer writing new Public Entity business, regardless of controls

beazley security |

SCORE
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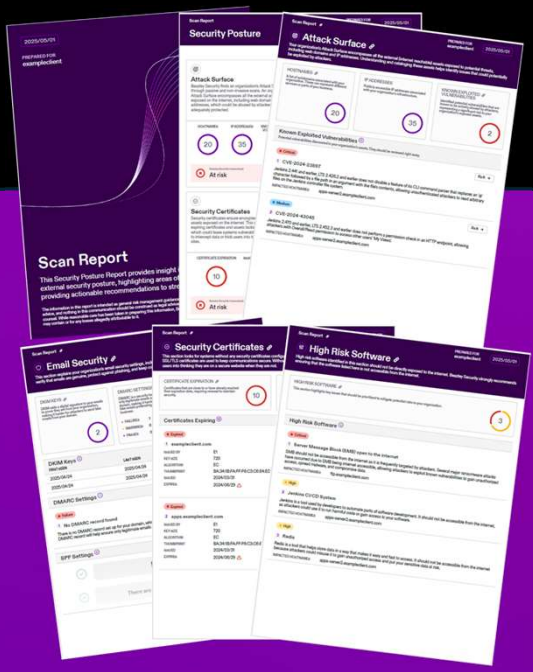
A Joint Powers Authority



Security Posture Report

The Security Posture Report (SPR) delivers a non-invasive, strategic, point-in-time assessment of your organization's external cyber risk exposure. By analyzing your internet-facing technologies, the SPR translates complex technical findings into clear business insights that inform smarter security decisions.

Your tailored report will highlight:

- Attack surface
- Email security
- Security certificates
- High-risk software

Following delivery, our experts will walk you through the results, highlighting potential business impact and recommending prioritized actions to strengthen resilience, reduce operational risk, and align security investment with organizational objectives.

Scan to request your SPR

About Beazley Security: Beazley Security is a global cyber security firm committed to helping clients develop true cyber resilience: the ability to withstand and recover from any cyberattack. We combine decades of cyber security protection, detection, response, and recovery expertise with the actuarial precision and risk mitigation capability of our parent company, Beazley Insurance. To learn more, visit **https://beazley.security**

**This offer is available to all organizations, regardless of cyber insurance coverage*

CYGNVS

Solution Brief

CYGNVS Incident Cyber Incident Command Center for Municipalities

From ransomware assaults to state-sponsored intrusions, cybercriminals exploit vulnerabilities embedded in the array of services local governments provide. The CYGNVS Cyber Incident Command Center enables municipalities to plan, practice, respond and report to cyber incidents.

Tailored Defense for Municipalities—Seamless Collaboration with Your Team

CYGNVS converts static playbooks into dynamic response playbooks providing intuitive role-based access-controlled workflows. You can invite your internal and 3rd party teams and report to your stakeholders and regulators from one single pane of glass. Plus, you can use it even if your network is down and your files are encrypted.

Train How You Are Going to Fight

CYGNVS facilitates "training how you're going to fight," allowing municipalities to practice their response plan against real-world cyber scenarios. This hands-on training approach ensures that response teams are well-prepared and aware of diverse cyber incidents targeting municipalities. Ultimately this can help reduce response times and minimize the impact of cyber outages.

Secure Out-of-Band Collaboration

CYGNVS establishes a secure out-of-band incident response platform, creating an isolated environment for response efforts. Even if the primary network is compromised, CYGNVS ensures that incident response operations remain secure and unaffected, serving as a beacon guiding teams through the chaos of a cyber crisis.

Single Pane of Glass for Incident Management

CYGNVS streamlines incident management by providing a single pane of glass for planning, practicing, responding, and reporting. This integrated approach ensures a comprehensive and coordinated response, reducing the risk of critical information slipping through the cracks and enhancing overall incident response efficiency.

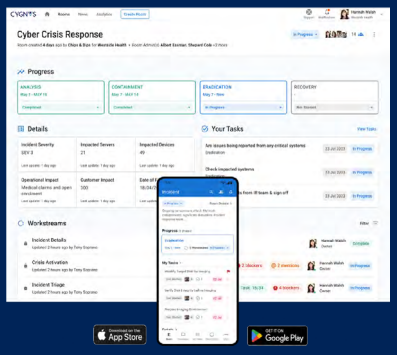
Comprehensive Cyber Resilience with CYGNVS

Serving over 3,000 organizations around the world, the team of experts at CYGNVS has pooled together best practices from managing thousands of cyber incidents to build the CYGNVS Cyber Incident Command Center. The CYGNVS platform is designed for enterprise-grade security with SOC2 Type 2 compliance, ISO 27001 certification, and 24/7 live technical support. Learn more about how CYGNVS can help your organization plan, practice, respond and report during a cyber crisis by visiting www.cygnvs.com

Schedule a Demo

CYGNVS helps prepare your organization to respond to the inevitable

- ✓ Secure, Out-of-Band Communications and Conferencing
- ✓ Fine-Grained Access Control and Data Retention for Internal Roles and External Providers



- ✓ SOC 2 Type 2 & ISO 27001; Multi-National, Multi-Lingual Response
- ✓ Library of Pre-Built Compliance Reports for 60 Jurisdictions

INFO@CYGNVS.COM

SCORE
Small Cities Organized Risk Effort
A Joint Powers Authority

Small Cities Organized Risk Effort
Long Range Planning
October 30, 2025

Agenda Item H.5.

LIABILITY BANKING LAYER FOR EPL CLAIMS

ACTION ITEM

ISSUE: Members are asked to consider including Employment Practices Liability (EPL) Claims in their Liability Banking Layer, to cover the $25,000 ERMA deductible ($50,000 for Yreka beginning 7/1/2026). Members who do not participate in ERMA could also use their Banking Layer, up to $25,000, for EPL claims that remain excluded in the SCORE Liability Shared Layer.

If the Board approves Bickmore Actuarial will be asked to estimate the additional funding for those claims for FY 25/26.

RECOMMENDATION: Review, discuss and approve estimated funding of Liability Banking Layer EPL claims for FY 26/27 or provide direction.

FISCAL IMPACT: Additional Banking Layer funding to be determined.

BACKGROUND: SCORE does not cover EPL claims. Members desiring coverage up to SCORE's retention of $750,000, at which point CJPRMA covers, join the Employment Risk Management Authority (ERMA), a JPA risk pool dedicated solely to EPL claims. All but two Members have a $25,000 deductible with ERMA, though Yreka's deductible will be increasing to $50,000 in FY 26/27 and is one of the drivers of this proposal. Dunsmuir has a $50,000 deductible and Weed's is $100,000. Those cities may choose to limit their use of their Banking Layer depending on the expected cost to fund it. Even if limited, having $25,000 available for the initial costs of an EPL claim will benefit all members.

ATTACHMENTS: None

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Agenda Item H.6.

SCORE SCHEDULE OF CONTRACTS AND RENEWAL DIRECTION

ACTION ITEM

ISSUE: The Board regularly reviews the status of major contracts with terms expiring by the end of the fiscal year during the October meeting to plan for renewal or consider alternatives.

RECOMMENDATION: Review and provide direction regarding upcoming contract renewals.

FISCAL IMPACT: None expected from this item.

BACKGROUND: SCORE's administrators maintain the attached schedule of contracts to assist in managing the services provided to the group. Alliant has partnered with SCORE to provide key services since the group's inception.

ATTACHMENT(S): Schedule of SCORE Contracts

8/15/25 MM

Provider	Service	Action	Duration	Expiration	In File	Signed	Budget 2024-25	Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29
Alliant Insurance Services, Inc.	Brokerage, Risk Management & Program Administration	Extension	5 Year	6/30/2028	Yes	Yes	$ 302,256	$ 311,324	$ 320,663	$ 330,283	
AllOne Health (formerly ACI)	Employee Assistance Program	Extension	2 year	9/1/2026	Yes	Yes	$ 15,772	$ 15,772			
Bickmore Actuary	Actuary	Agreement	3 year	6/30/2028	Yes	Yes	$ 15,640	$ 16,260	$ 16,880	$ 17,500	
Chandler Investment Management	Investment Management (Chandler Asset Management)	Renewal	Until Cancelle	U/C	Yes	NO	U/C				
DKF	Safety & Risk Control	Extension	2 year	6/30/2027	Yes	Yes	115,000	$ 115,000	$ 120,000		
Gibbons & Conley, Attorneys at Law	Legal	Renewal	3 Year	6/30/2026	Yes	Signed by Presi	$7,500	$7,500			
Gilbert & Associates	Financial Accounting & Consulting	Renewal	3 year	6/30/2028	Yes	Yes	$ 70,000	$ 72,000	$ 74,000	$ 76,000	
Lexipol	Lexipol	Renewal	3 year	7/1/2027	Yes	Signed by Presi	$32,459	$34,082	$35,786		
Maze Associates	**Financial Auditing**		1 year	7/1/2026		NO	$ 24,825	$25,695			
North Bay Associates (WC Auditor)	**WC Claims Auditor (completed for prior year ending with odd number but actually done/paid every fiscal year that ends with an even number year) e.g. YE 6-30-23 would be done and paid during FY 23-24**	**Need Agreement to be signed**	1 year	7/2/2025	NO	NO	N/A	$5,060	**N/A**		**N/A**
RMS	GL Claims Auditor (completed for prior year ending with even number but actually done/paid every fiscal year that ends with an odd number year) e.g. YE 6-30-24 would be done and paid during FY 24-25	Renewal?	1 year	7/3/2025	email communi cations	no	$ 5,000	N/A		N/A	
Vector Solutions (formerly Target Solutions)	Training Resources	Addendum to Agreement	3 year	11/3/2026	Yes	Yes	$31,896	$33,829			
George Hills	Liability Claims Management	New Agreement	3 year	6/30/2028	Yes	Yes	$92,970	$96,038	$99,207	$102,481	
Intercare	Workers' Compensation Claims Management	New Agreement	3 year	6/30/2026	Yes	Yes	$111,750	$115,103	$118,556.070	$122,112.750	$125,776.140
Company Nurse - contract thru LAWCX	Reporting Claims (triage first report of claim)	LAWCX	LAWCX	7/7/2022	Proposal	NO	$ 7,630				
Occu-Med	Occupational Medical Clincs (Fit for Duty)	none	unknown	7/8/2022	no	no					
Precision Concrete	Concrete Cutting	Renewal	unknown		Yes	Signed by President					

U/C = Until Cancelled

In Box means contract has been executed/approved by BOD

Orange indicates optional year extentions pricing

Yellow indicates contract expiration is soon

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Agenda Item H.7.

SCORE FY 26/27 MEETING DATES AND LOCATIONS

ACTION ITEM

ISSUE: The SCORE Board approved the meeting dates for the FY 25/26 year at their meeting in October of 2024. The three remaining dates this year are set for Friday, January 23, 2025, March 27, 2025, and Friday, June 12, 2025, all starting at 9:00 a.m. The meeting date resolution states the location as Anderson, CA. To help members avoid scheduling conflicts during the FY 26/27 we have proposed meeting dates.

RECOMMENDATION: Consider and approve dates and locations for the FY 26/27 meetings, including the annual retreat and Board meeting.

FISCAL IMPACT: The Fiscal Impact cannot be determined at this time, any change to the location or schedule should have a minimal financial impact.

BACKGROUND: For the last fiscal year all SCORE meetings have been held via Teleconference.

ATTACHMENT(S): Resolution 26-01 Proposed Meeting Dates and Locations

RESOLUTION NO. 26-01

RESOLUTION OF THE BOARD OF DIRECTORS
SMALL CITIES ORGANIZED RISK EFFORT (SCORE)
ESTABLISHING MEETING DATES FOR THE PROGRAM YEAR 2026/27

BE IT RESOLVED THAT:

The following meeting dates are hereby established for the 2025/26 Program Year:

Friday, August 21, 2026 commence at 9:00 a.m.	Teleconference
Thursday, October 22, 2026 commence at 9:00 a.m.	Anderson, CA
Friday, October 23, 2026 commence at 9:00 a.m.	Anderson, CA
Friday, January 22, 2027 commence at 9:00 a.m.	Anderson, CA
Friday, March 26, 2027 commence at 9:00 a.m.	Anderson, CA
Friday, June 11, 2027 commence at 9:00 a.m.	Anderson, CA

This Resolution was adopted by the Board of Directors at a regular meeting of the Board held on October 31, 2025 in Anderson, California, by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

ATTEST:

_____

Wes Heathcock, SCORE President

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Agenda Item H.8.

FORM 700 – FILING PROCESS

INFORMATION ITEM

ISSUE: Members are reminded of their obligations to file a Form 700 annually and upon entering or *leaving* office. Members have experienced appointees who may not have been aware of their duties and have been subject to fines for failure to report.

The Board is reminded if the Form 700 is filed after the deadline of 30 days upon assuming a role, under Government Code section 91013, a *fine of $10 per day, up to a maximum of $100*, may be imposed for late filing of this form.

RECOMMENDATION: The members of the SCORE Board are asked to pass a City Resolution when a new Board Representative or Alternate is appointed, including notice to the appointee.

FISCAL IMPACT: None expected – information only.

BACKGROUND: The Fair Political Practices Commission (FPPC) has implemented an electronic filing system for the Form 700. Beginning in 2017, SCORE Members file their assuming office, leaving office and annual reports online.

If you have any questions regarding your filing officer duties, please call your FPPC contact Christine Chen at Phone: (916) 324-7602 or Email: Form700@fppc.ca.gov. For other questions, please call toll free at 1-866-275-3772, ext. 2 or email advice@fppc.ca.gov.

ATTACHMENTS: None

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Agenda Item H.9.

STRATEGIC PLANNING OBJECTIVES UPDATE

INFORMATION ITEM

ISSUE: The Program Administrators will present the most recent Strategic Planning Objectives for review and discussion.

RECOMMENDATION: Review and provide feedback and direction.

FINANCIAL IMPACT: No fiscal impact for SCORE.

BACKGROUND: SCORE regularly conducts strategic planning meetings to determine plans for SCORE's future operations.

ATTACHMENT: Strategic Planning Goals and Action Plan as of 10/21/25.

SCORE STRATEGIC GOALS & ACTION PLAN

Goals Drafted: 10/28/2021- 10/29/2021 BOD Long Range Planning meeting Updated: 10/20/25

MISSION STATEMENT

Small Cities Organized Risk Effort (SCORE) is an association of small rural cities joined together in 1986 to protect member resources by stabilizing costs in a reliable, economical and beneficial manner while providing members with broad coverage and quality services in risk management and claims management.

GOAL	ACTION/TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
LRP-1				
Property Program: Objective - Review the Property Program structure	1. Conduct study of estimated premiums at various self-insured retentions (SIRs) to bring stability to program	Alliant/Bickmore	Initial Study Completed	Update for 25/26
	Notes: Received and discussed briefly at 10/28/21 BOD meeting			
	2. Analyze banking layer options for members	Alliant	Completed	Started Banking Layer 7/1/22
	Notes: Will have financials by member for the Property Banking Layer at BOD 1/23/23			
	3. Review options for Auto Physical Damage Program	Alliant/Board	Presentation at 1/24/25 BOD	Completed - review again for FY 25/26 renewals
	Notes: compare options including AMVP as deductible buy-down for high-value vehicles			
LRP-2				
Liability Program - Flattening the curve of increasing premiums and risk	1. Review options for increasing SIR from $750K and $1M	Alliant/Bickmore	Ongoing	Review begins in March
	Note: will present draft budget options at March BOD meetings			
	2. Analyze risk for loss leaders and trends	George Hills/Alliant	BOD 1/2025	Will prep for next meeting
	Note: Look at risk from the pool level as well as individual member level			
	3. Address the risks of police liability and dangerous condition claims	Alliant/Members	Set training by 2/1/23 and budget FY 23/24	New Briefing Room Training App
	Notes: engaged police RM consultant, training for PD, upcoming Training Day in November. Resolution for Engineer.			

LRP-3				
Cyber Program - Objective: Analyze purchasing excess insurance	1. Alliant to send members application early	Alliant	BOD 3/25	Update at 10/30/25 BOD
	Note: Solicit feedback from members			
	2. Create more robust risk control program	Alliant/DKF Solutions	Started October 2021	Ongoing
	Note: Risk control efforts to include multi factor authentication, redundant systems, phishing simulation training and more			
	3. Analyze options available from excess insurers	Alliant	BOD 6/24/24 & 2025	One member purchased
	Note: All members will need to complete applications and have controls in place			
LRP-4				
Member Engagement and Education	1. Create Board Member Training Materials	Alliant/BOD	Presented in 2022,23,24	Present topic at each BOD meeting
	Note: The materials will include education on Board member responsiblities, Program details, and the Budget/Funding process			
	2. Continue plan for staff visits	Alliant/DKF/Board	BOD 1/28/22	**Ongoing**
	Note: Staff member visits are valued by members and creating a plan will ensure visits are done on a timely basis			
LRP-5				
Wildfire Risk Management Mitigation	1. Conduct wildfire risk scores for key member locations	Alliant	Reviewed at 10/28 BOD	Completed
	Additional locations may be assessed based on exposure			
	2. Contract with IEC to obtain Wildfire Risk Assessments for 4 SCORE Members (Colfax, Dunsmuir, Portola and Shasta Lake)	Alliant/BOD	BOD 3/25/22	Completed
	whole.			
	3. Create a plan for after IEC Assessments	Alliant/BOD	BOD 6/24/22	Direction at 10/27/22Meeting
	Note: SCORE Board will make a decision if further reports are needed for additional members.			

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Agenda Item H.10.

WRAP-UP

ACTION ITEM

ISSUE: The Board will review the meeting's discussions and identify items that will be more fully developed in a Long-Range Action Plan for adoption at a future SCORE Board meeting.

RECOMMENDATION: Review, ask questions and provide feedback.

FINANCIAL IMPACT: The Fiscal Impact cannot be determined at this time.

BACKGROUND: The October 30-31, 2025, Long Range Planning and Board Meeting was held by the SCORE Group. Members provided comments and direction to Program Administration over the course of the two-day meeting.

ATTACHMENT: None.