



**Small Cities Organized Risk Effort (SCORE)  
Board of Directors Meeting Minutes  
June 24, 2022**

**Member Cities Present:**

Wes Heathcock, City of Colfax  
Blake Michaelson, City of Dunsmuir  
Adam Cox, City of Etna  
Charles Bergson, City of Isleton  
Jessaca Mata, City of Live Oak  
Roger Carroll, Town of Loomis  
Kathy LeBlanc, City of Loyalton

Todd Juahz , City of Mt. Shasta  
Muriel Howarth Terrell, City of Mt. Shasta  
Jon Kennedy, City of Portola  
Wendy Howard, City of Shasta Lake  
Dan Newton, City of Susanville  
Jenny Coelho, City of Tulelake  
John Elsnab, City of Yreka

**Member Cities Absent:**

City of Biggs  
City of Montague

City of Weed

**Consultants & Guests**

Marcus Beverly, Alliant Insurance Services  
Conor Boughey, Alliant Insurance Services

Michelle Minnick, Alliant Insurance Services  
Kevin Wong, Gilbert & Associates

**A. CALL TO ORDER**

Mr. Wes Heathcock called the meeting to order at 10:02 a.m.

**B. ROLL CALL**

The above mentioned members were present constituting a quorum. Cities absent from this meeting were the City of Biggs, City of Montague, and the City of Weed.

**C. APPROVAL OF AGENDA AS POSTED**

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

**MOTION:** Wendy Howard

**SECOND:** Kathy LeBlanc

**MOTION CARRIED  
UNANIMOUSLY**

**D. PUBLIC COMMENT**

There were no public comments.



## **E. CONSENT CALENDAR**

1. Board of Directors Meeting *Draft Minutes* – March 25, 2022
2. US Bank Custodial Account Statement –March – May 2022
3. Investment Statements from Chandler Asset Management – March – May 2022
4. Local Agency Investment Fund (LAIF) Quarterly Statement of Investments – March 31, 2022
5. Treasurer’s Report as of March 31, 2022
6. Target Solutions Utilization Report– January – March 2022
7. ACI (All One Health) Utilization Report – January – March 2022
8. PRISM Pollution June Version 4 Premium Estimates
9. Public Entity Pool Database
10. Alliant Insurance Services, Inc. - Benchmarking Initiative and Use of Client Data

*A motion was made to accept the consent calendar.*

**MOTION: Blake Michaelsen**

**SECOND: Roger Carroll**

**MOTION CARRIED  
UNANIMOUSLY**

## **F. ADMINISTRATIVE REPORTS**

### **F.1.A. President’s Report**

Mr. Wes Healthcock provided the Board with a encouragement to come up the night before these meetings to have a causal dinner.

### **F.1.B. CJPRMA Report**

Roger Carroll noted that CJPRMA had couple of meetings and provided a report that CJPRMA has bound everything at less than what they were anticipating. He noted that claims keep coming in and are mostly related to police. Marcus Beverly reminded the Board that City of Fremont is at trial right now and we will report out at a later date.

### **F.1.C. ERMA Report**

Roger Carroll noted that the ERMA Board has met a couple times and noted that the big claims are also police related – he noted if you have Police and they want to bypass Human Resources and subsequently don’t report claims which has caused issues with ERMA. It was noted that if you don’t report a claim as soon as you receive knowledge then ERMA will deny and then double your retention.

### **F.1.D. LAWCX Report**

Wes Heathcock noted that LAWCX update and provided that they are moving forward with a captive in Utah and premiums look modest as compared to other Excess Workers’ Compensation pools.



## **F.2. Alliant Update**

- a. SCORE Website ADA Updates**
- b. ERMA Compliance Survey**

Marcus Beverly provided that on page 215 of the consent calendar we are out of the hole and we earned 4.5% - we should start seeing some higher rates of return with the maturities – new updates from he provided a review of the Consent Calendar. Members were reminded to complete the ERMA Compliance Survey to self-report that the city has all mandatory training has been completed for all employees (90% is considered substantial compliance) – it was also noted that any member that is not in substantial compliance at the time a claim is submitted may be subject to their retention being increased for that claim. Lastly, it was noted that Alliant has been working on a new website that will and the Board will be notified once it has launched.

## **G. FINANCIAL**

### **G.1. Quarterly Financials for QE March 31, 2022**

Kevin Wong was present to provide the Board with a review of the Quarterly Financials as of March 31, 2022. He noted that the biggest changes are to the LAIF Items are an increase from \$4.2M in 2021 to \$6.3M as of 2022. Total Net Position is favorable from \$9.4M in 2021 to \$11.2M in 2022. He noted that insurance expenses have been increasing from the prior year which is due to the cost of premiums increasing in the market. It was noted that the Banking Layer Schedules provided in this report do not include the Dividend & Assessments program as that will be reflected in the fourth quarter.

*A motion was made to accept and file the Quarterly Financial Report for the QE March 31, 2022.*

**MOTION: Wendy Howard      SECOND: Blake Michaelsen      MOTION CARRIED  
UNANIMOUSLY**

**At this time the Board requested to review Item G.2.B.**

### **G.2.B. Premium Payment Plan Requests for FY 22/23 – Tulelake**

Marcus noted that the City of Tulelake has requested quarterly payment plan for the Liability program as WC is already billed quarterly. It was noted that there is a 3% Administrative Fee. There was a small discussion about their current status and the City agreed to pay all outstanding.

*A motion was made to approve the payment plan as presented.*

**MOTION: Kathy LeBlanc      SECOND: Todd Juahsz      MOTION CARRIED  
UNANIMOUSLY**

### **G.2.A. Premium Payment Plan Requests for FY 22/23 – Isleton**

Marcus Beverly provided the Board with an update regarding the City of Isleton – it as noted that they have been requesting a payment plan and asking to waive the administrative fee. There were past



assessments that they were on a payment plan for as well as the Payment Plan request for the premiums. It was noted that the member is not clear on the officially outstanding balance. It was requested that invoices should show the detail of each line item to help communicate the past due balance amounts. The City of Isleton noted that they will pay the full Liability Premium for FY 22/23 and there will be no need for a payment plan.

## **H. JPA BUSINESS**

### **H.1. IDENTITY FRAUD COVERAGE FY 22/23**

Marcus Beverly provided a review of the ID Coverage that is available to all SCORE employees and it has been included in the Administrative Budget. After a general discussion it was agreed to renew the coverage for FY 22/23.

*A motion was made to provide the SCORE President with authority to sign and bind coverage.*

**MOTION: Blake Michaelsen      SECOND: Wendy Howard      MOTION CARRIED  
UNANIMOUSLY**

### **H.2. Crime Coverage for SCORE Treasurer FY 22/23**

Marcus Beverly provided a review of the SCORE FY 22/23 ACIP Proposal which provides coverage for the SCORE Treasurer. After a general discussion it was agreed to renew the coverage for FY 22/23.

*A motion was made to provide the SCORE President with authority to sign and bind coverage.*

**MOTION: Todd Juahsz      SECOND: Jenny Coelho      MOTION CARRIED  
UNANIMOUSLY**

### **H.3.A. SCORE RESOLUTIONS – RESOLUTION 22-02 DELEGATION OF TREASURER RESPONSIBILITIES**

Marcus Beverly provided a review both Item H.3.A and Item H.3.B at the same of the annual resolutions that are passed annually – after a discussion it was noted that this is a requirement when we change the 2 year Slate of Officers.

*A motion was made to approve the Resolutions 22-02 and Resolution 22-03 as presented.*

**MOTION: Wendy Howard      SECOND: Kathy LeBlanc      MOTION CARRIED  
UNANIMOUSLY**

### **H.3.B. SCORE RESOLUTIONS – RESOLUTION 22-02 DELEGATION OF TREASURER RESPONSIBILITIES**

*A motion was made to approve the Resolutions 22-02 and Resolution 22-03 as presented.*



**MOTION: Wendy Howard**

**SECOND: Kathy LeBlanc**

**MOTION CARRIED  
UNANIMOUSLY**

#### **H.4. PRISM POLLUTION PROGRAM PROPOSAL AND FY 21/22 CLAIMS REPORTING**

Marcus Beverly provided a review of the PRISM Pollution Proposal and reminded members that this policy is a claims made policy and claims need to be reported as soon as possible but certainly before the policy expires. Additionally, he provided a review of the coverage and noted that the carrier is moving up the retroactive date to 7/1/2022. Members were reminded that there is a \$1M deductible for a sewer incident – but members should never have a sewer back up if you require the use of a back flow device.

*A motion was made to provide the SCORE President with authority to sign and bind coverage.*

**MOTION: Wendy Howard**

**SECOND: Dan Newton**

**MOTION CARRIED  
UNANIMOUSLY**

#### **H.5. FY 22/23 PROPERTY PROGRAM RENEWAL**

##### **H.5.A. SCORE PROPERTY PROGRAM RENEWAL PROPOSAL**

Marcus Beverly reviewed the APIP Property Program and noted that the trend factors used was 7% for Real and 5% Personal Property. He also mentioned that the deductibles have remained the same but noted there is a lower deductible for members who declared ACV. It was also noted that with the increase in Cyber claims members should be working to set up MFA for members as it will likely become a requirement in the future to secure coverage. Additionally, it was noted that Underwriters have been focusing more on Vacant Buildings and they have lowered the sublimit to \$2.5M for vacant buildings this is a carryover from COVID when employees were remotely working. Marcus also reminded members that there is Boiler & Machinery coverage which includes inspections as well as the Pollution and Cyber coverage as part of this placement.

For Pollution coverage in APIP he reminded members that there is coverage for migration in the program as well as On/offsite pollution – clean up for 1<sup>st</sup> and 3<sup>rd</sup> party. He reminded members about the reporting requirements of the Pollution policy.

*A motion was made to provide the SCORE President with authority to sign and bind coverage for the FY 22/23 APIP Property policy including Pollution and and decline TRIA.*

**MOTION: Roger Carroll**

**SECOND: Wendy Howard**

**MOTION CARRIED  
UNANIMOUSLY**



### **H.5.A. APIP CLAIMS REPORTING ACKNOWLEDGEMENTS**

Marcus Beverly provided members with the APIP Claims Acknowledgment forms and it was noted that these forms must be signed by all members to acknowledge they have been informed of the claims reporting requirements – this is a requirement in order to bind coverage with APIP.

### **H.6. EXCESS CYBER LIABILITY OPTIONS**

Marcus Beverly provided a review of Excess Cyber options and noted there were only a few members who completed the application and we are working to secure quotes for those members. Any members that are interested in the coverage were encouraged to reach out for a quote.

### **H.7.A. MEMORANDA OF COVERAGE (MOC) – LIABILITY**

Marcus Beverly reviewed the SCORE Memorandum of Coverage for the Liability program and noted that CJPRMA has not released their MOC yet but we have not received it yet. He reminded members that SCORE does not provide coverage for EPL and those members who want coverage participate in ERMA. He reminded members that don't participate in ERMA that the new deductible for EPL eff. 7/1/2022 will become \$750,000. He also reminded members of the limits of liability.

### **H.7.B. MEMORANDA OF COVERAGE (MOC) – WC**

Marcus Beverly reviewed the SCORE Memorandum of Coverage for the Liability program and noted that SCORE does not provide 4850 benefits. Members were reminded the endorsement which provides coverage to Off-Duty Peace Officers.

*A motion was made to approve both the Liability and Workers' Compensation MOC's as presented.*

**MOTION: Blake Michaelsen      SECOND: Wendy Howard      MOTION CARRIED  
UNANIMOUSLY**

### **H.8. PROPERTY PROGRAM GOVERNING DOCUMENTS AND FUNDING**

Marcus Beverly reminded members that this is the new banking layer program that was approved at the March SCORE BOD meeting. Marcus reviewed the Program MOC for the Property Program – he noted there is a requirement to stay in the program for 3 years and noted that members should consider how we are handling claims in the banking layer, he noted that if members fall behind we will need to consider Assessments or setting a deductible (currently this is dollar one coverage). This is a banking layer, not a risk-sharing program. After a general discussion it was agreed that a \$1K deductible was generally acceptable to the Board.

*A motion was made to approve as presented with the inclusion of a \$1K and a reference on the Declarations page for the Property MOC and Property Banking Layer Allocation.*



**MOTION: Todd Juhasz**

**SECOND: Wendy Howard**

**MOTION CARRIED  
UNANIMOUSLY**

#### **H.9. LOSS CONTROL GRANT FUND PROGRAM**

Michelle Minnick provided the Board with an update regarding the usage for FY 21/22 and noted that this was one of the best years of usage yet including the request to rollover funds into FY 22/23.

*A motion was made to approve the FY 22/23 Loss Control Grant Fund Allocation as presented.*

**MOTION: Roger Carroll**

**SECOND: Blake Michaelsen**

**MOTION CARRIED  
UNANIMOUSLY**

#### **H.10. PROPOSED FY 22/23 SCORE PROGRAM BUDGET**

Marcus Beverly noted there is an overall increase of approximately 6% and noted the addition of the based on service provider contract increases. He noted there was an addition to the SCORE Website this year as we are in the process of completing an update to the website.

*A motion was made to approve the Administration Budget as presented.*

**MOTION: Kathy LeBlanc**

**SECOND: Wendy Howard**

**MOTION CARRIED  
UNANIMOUSLY**

Marcus Beverly then reviewed the Liability Program Funding budget and noted that part of the increase is related to the change in SIR from \$500k to \$750K in CJPRMA. It was noted there as a 5% increase in payroll, 6% increase in the base rate which contributed to the 11% increase overall.

*A motion was made to approve the Liability and Workers' Compensation and ERMA Budgets as presented.*

**MOTION: Blake Michaelsen**

**SECOND: Wendy Howard**

**MOTION CARRIED  
UNANIMOUSLY**

#### **H.11. ALLIANT DEADLY WEAPONS RESPONSE PROGRAM OPTIONAL**

Marcus Beverly provided a review of the Alliant Deadly Weapons Response Program and the coverage provided. After a general discussion members were in favor of the purchase of the coverage.

*A motion was made to provide the SCORE President with authority to sign and bind coverage for the FY 22/23 Alliant Deadly Weapons Response Program.*

**MOTION: Kyle Knopp**

**SECOND: Roger Carroll**

**MOTION CARRIED  
UNANIMOUSLY**





## **I. GENERAL RISK MANAGEMENT ISSUES**

Marcus Beverly provided a reminder that CAJPA completed a study of 10 years of Loss Data which was very informative and we will likely bring back at the October meeting for further discussion. There was a question regarding SB3 which requires speed processing for development agreements of low income housing – it was noted they will continue to keep the board apprised. Additionally it was mentioned to ensure payroll is being paid correctly given the lookback of three years. Members had questions regarding Code Enforcement and it was noted that the Program Administration will send out Procedures for Code Enforcement after the meeting.

## **J. INFORMATION ITEMS**

### **J.1. Glossary of Terms**

This was provided as an information item only.

### **J.2. FY 21/22 Resource Contact Guide**

This was provided as an information item only.

## **K. CLOSING COMMENTS**

## **L. AJOURNMENT**

The meeting was adjourned at 1:37 PM

**NEXT MEETING DATE: August 26, 2022 TELECONFERENCE**

Respectfully Submitted,



Muriel Terrell, Secretary

10/7/22

Date