



President
Mr. Wes Heathcock
Town of Loomis

Vice President
Mr. Todd Juhasz
City of Mt. Shasta

Secretary
Ms. Jenny Coelho
City of Mt. Tulelake

Treasurer
Mr. Blake Michaelsen
City of Dunsmuir

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 24, 2024

Time: Breakfast available at 8:30 am
Morning Training to begin at 8:30 am
Long Range Planning to begin at 9:00 am

PAGE

MORNING TRAINING

Time Certain

8:30 am – 9:00 am	<p>SCORE Orientation for New Members</p> <p><i>The Program Administrators will provide an orientation for new members and answer member questions about SCORE programs and services.</i></p>	I 2
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TRAINING AND STRATEGIC PLANNING

PAGE

9:00 am

- | | | |
|--|---|-----|
| | A. CALL TO ORDER – 9:00 am | |
| | B. ROLL CALL | |
| | C. APPROVAL OF AGENDA AS POSTED | A 1 |
| | D. PUBLIC COMMENTS | |
| | E. OPENING COMMENTS | |
| | 1. President’s Welcome | I 4 |
| | <i>Wes Heathcock will address the Board on items pertaining to SCORE.</i> | |

Pg. 3

	1. Claim Review	I 2
	<i>The Board will receive an overview of recent claims history for Property, WC and Liability Programs.</i>	

	2. Coverage Review	I 2
	<i>The Program Administrators will provide a summary and review of the Cyber and Crime coverage programs.</i>	

Pg. 11
Pg. 12

- | | | |
|--|--|--|
| | a) Cyber – summary and the latest recommended security measures | |
| | b) Crime – summary and risk control resources | |

G. FINANCIAL ITEMS

- Pg. 13 **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.
- Pg. 38 **2. Chandler Asset Management Financial Portfolio Review** A 2
The Board will receive a Financial Portfolio Review from Karl Meng of Chandler Asset Management.
- Pg. 90 **3. SCORE Investment Policy** A 1
The Board will review the current investment policy including any recommended changes from Chandler Asset Management and approve or provide direction.

H. JPA BUSINESS & RISK MANAGEMENT

- Pg.108 **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.

LUNCH PRESENTATION I 4 *Employment Law Risk Management*

- Pg. 140 **2. SCORE Funding Formula - How the Budget is Calculated** I 4
Members will review SCORE's funding process to provide feedback regarding the Policy and process and act to reaffirm or revise.
- Pg. 162 **3. Strategic Planning Objectives Update** I 2
The latest revisions to SCORE's Strategic Planning Objectives will be reviewed for feedback and direction.
- Pg. 165 **4. Wrap-Up** I 1
Members will provide feedback and direction regarding the day's discussions and preview the items for tomorrow's agenda.

IMPORTANT NOTICES AND DISCLAIMERS: Per Government Code 54954.2, persons requesting disability related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Michelle Minnick at Alliant Insurance at (916) 643-2715. The Agenda packet will be posted on the SCORE website at www.scorejpa.org. Documents and material relating to an open session agenda item that are provided to the SCORE Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection and copying at 2180 Harvard Street, Suite 460, Sacramento, CA 95815. Access to some buildings and offices may require routine provisions of identification to building security. However, SCORE does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3



BACK TO AGENDA

**Small Cities Organized Risk Effort
Long Range Planning
October 24, 2024**

Agenda Item F.1.

CLAIM REVIEW

INFORMATION ITEM

ISSUE: Members will receive a high-level overview of claims activity for both the Liability and Workers' Compensation programs over the last ten fiscal years for review and discussion.

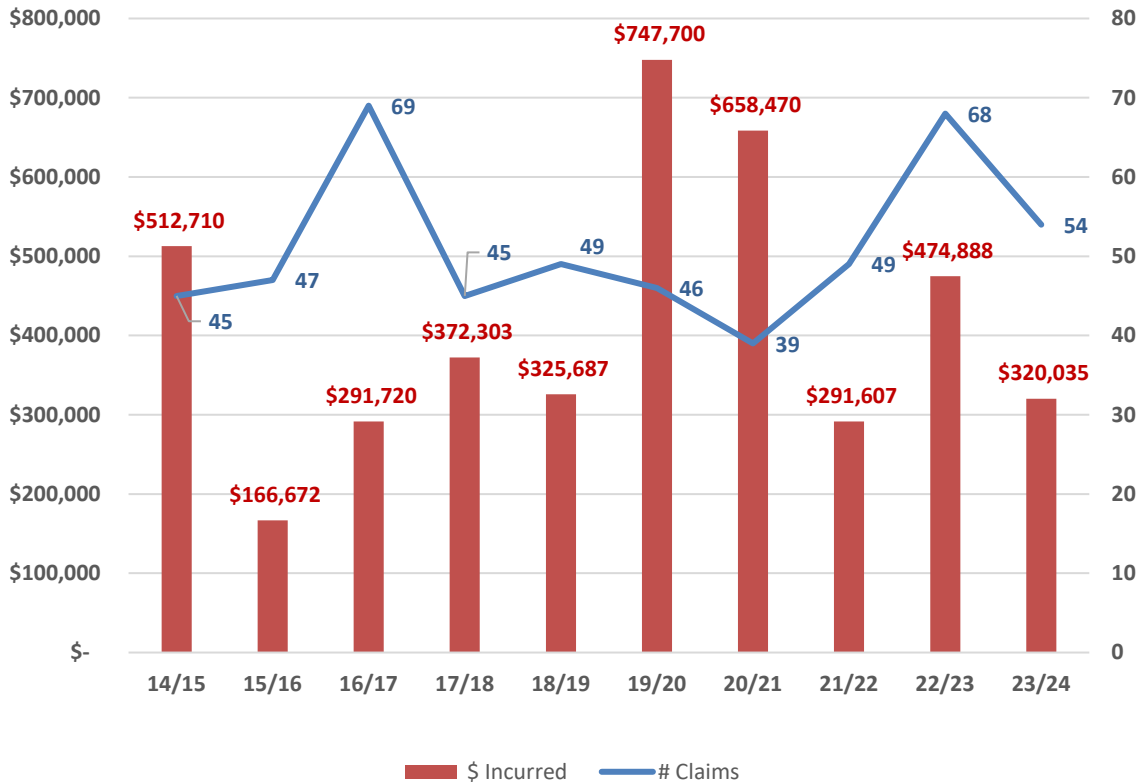
RECOMMENDATION: Review and provide feedback or direction.

FISCAL IMPACT: None.

BACKGROUND: Members regularly receive claim loss runs and updates from their claims administrators. The Program Administrators provide loss analysis focused on loss causes to inform risk control efforts.

ATTACHMENTS: Claims from FY 14/15 to 24/25 as of 9.30.24.

SCORE Liability Claims By Year Capped \$500K at 9.30.24

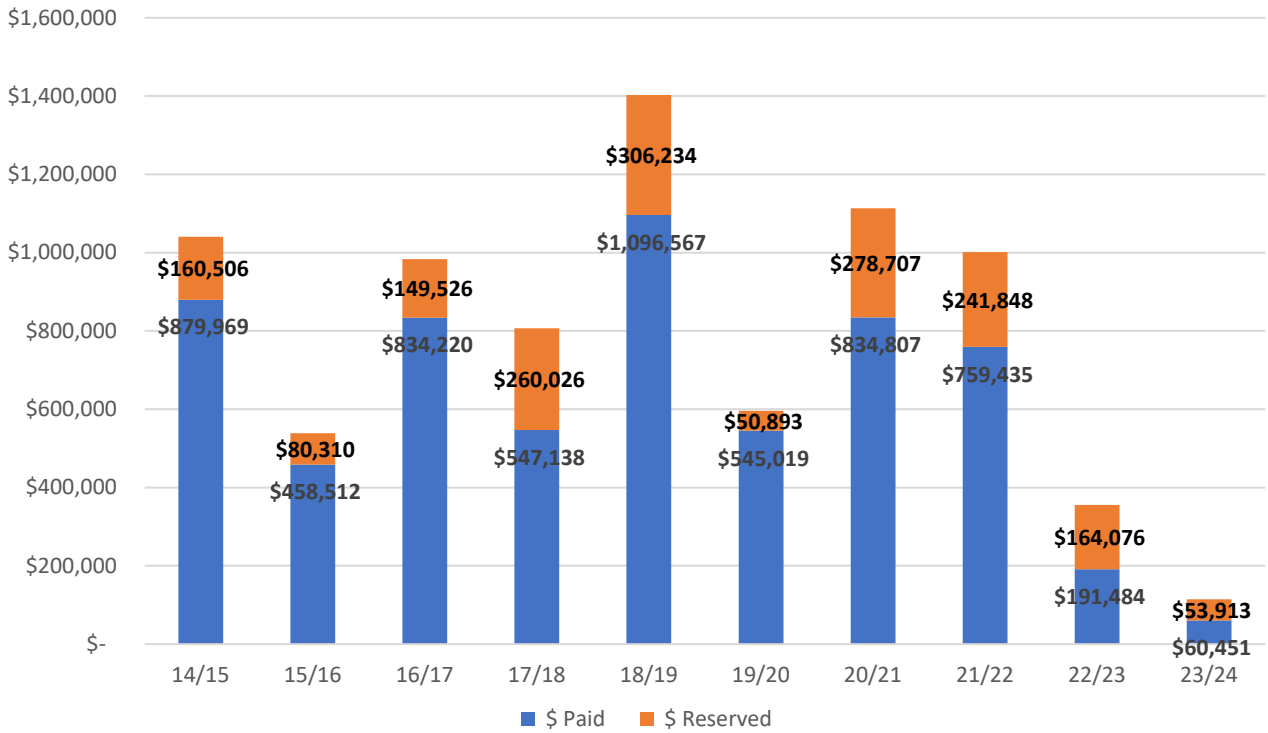


Fiscal Year	# Claims	\$ Paid	\$ Reserved	\$ Incurred
2014/2015	45	\$ 512,710	\$ -	\$ 512,710
2015/2016	47	\$ 166,672	\$ -	\$ 166,672
2016/2017	69	\$ 291,720	\$ -	\$ 291,720
2017/2018	45	\$ 372,303	\$ -	\$ 372,303
2018/2019	49	\$ 325,687	\$ -	\$ 325,687
2019/2020	46	\$ 541,407	\$ 10,101,815	\$ 747,700
2020/2021	39	\$ 243,181	\$ 415,289	\$ 658,470
2021/2022	49	\$ 189,693	\$ 101,914	\$ 291,607
2022/2023	68	\$ 299,427	\$ 175,461	\$ 474,888
2023/2024	54	\$ 94,388	\$ 225,646	\$ 320,035
Grand Total	511	\$ 3,037,188	\$ 11,020,126	\$ 4,161,791

Member	# Claims	\$ Paid	\$ Reserved	\$ Incurred
Biggs, City of	31	\$ 348,413	\$ -	\$ 348,413
Colfax, City of	96	\$ 1,615,558	\$ -	\$ 1,242,683
Dunsmuir, City of	157	\$ 1,419,956	\$ -	\$ 1,419,956
Etna, City of	33	\$ 270,707	\$ 306,530	\$ 577,238
Isleton, City of	75	\$ 793,681	\$ 108,759	\$ 902,440
Live Oak, City of	91	\$ 416,416	\$ 34,661	\$ 451,077
Loomis, Town of	219	\$ 1,457,968	\$ -	\$ 824,317
Loyalton, City of	12	\$ 8,560	\$ -	\$ 8,560
Montague, City of	51	\$ 108,878	\$ 22,429	\$ 131,307
Mount Shasta, City of	208	\$ 1,844,785	\$ 289,675	\$ 2,134,460
Portola, City of	111	\$ 460,936	\$ -	\$ 460,936
Rio Dell, City of	25	\$ 64,018	\$ -	\$ 64,018
Shasta Lake, City of	291	\$ 1,581,578	\$ 192	\$ 1,581,770
Susanville, City of	192	\$ 1,804,931	\$ 51,142	\$ 1,856,073
Tulelake, City of	6	\$ 43,527	\$ -	\$ 43,527
Weed, City of	191	\$ 2,946,995	\$ 10,126,031	\$ 3,146,312
Yreka, City of	209	\$ 1,633,009	\$ 80,899	\$ 1,713,908
Grand Total	2250	\$ 18,897,795	\$ 11,020,318	\$ 18,984,871

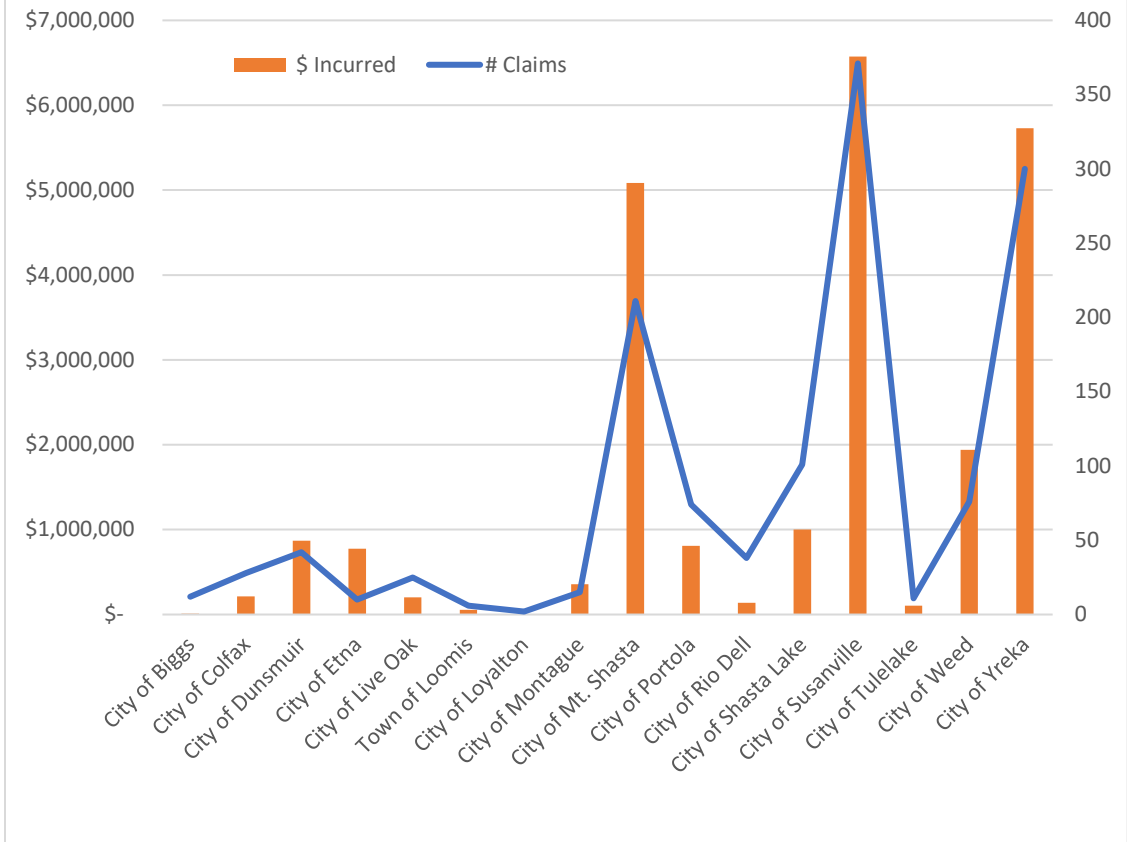
Cause of Loss	# Claims	\$ Paid	\$ Reserved	\$ Incurred
AL – Comprehensive – Other	139	\$ 370,378	\$ -	\$ 370,378
AL: Collision - Caused by Falling or Shifting Load	1	\$ -	\$ -	\$ -
AL: Collision - Caused by Mechanical Failure	1	\$ 4,110	\$ -	\$ 4,110
AL: Collision - Loss Control of Vehicle	1	\$ 10,702	\$ -	\$ 10,702
AL: Collision - Other Moving Collision	187	\$ 1,375,924	\$ 24,216	\$ 1,400,140
AL: Collision - Unsafe Backing	6	\$ 19,126	\$ -	\$ 19,126
AL: Collision - Unsafe Passing	4	\$ 12,366	\$ -	\$ 12,366
AL: Emergency Medical vehicle - Emergency Response	1	\$ 1,239	\$ -	\$ 1,239
AL: LE - Collision Non-Pursuit	1	\$ -	\$ -	\$ -
BI & PD: Electrical	4	\$ -	\$ -	\$ -
BI & PD: Fire/Electrical	22	\$ 17,512	\$ -	\$ 17,512
BI & PD: Flooding/Water Damage - Broken Pipe	2	\$ 15,348	\$ -	\$ 15,348
BI & PD: Flooding/Water Damage - Other	3	\$ -	\$ -	\$ -
BI & PD: Improper Road Design - Signage	2	\$ 10,460	\$ -	\$ 10,460
BI & PD: Improper Road Design Or Dangerous Cond	90	\$ 522,674	\$ 192	\$ 522,866
BI & PD: Improper Road Maintenance - Const. Zone	4	\$ 5,414	\$ -	\$ 5,414
BI & PD: Improper Road Maintenance - Pothole	7	\$ -	\$ -	\$ -
BI & PD: Medical Malpractice Improper Care	1	\$ -	\$ -	\$ -
BI & PD: Pollution - Water Supply	1	\$ -	\$ -	\$ -
BI & PD: Premises Liability - Animal Bite	2	\$ 1,105	\$ -	\$ 1,105
BI & PD: Premises Liability - Building - Other	1	\$ -	\$ -	\$ -
BI & PD: Premises Liability - Building - Stairway	1	\$ 1,234	\$ -	\$ 1,234
BI & PD: Premises Liability - Building-Parking Are	7	\$ 17,647	\$ -	\$ 17,647
BI & PD: Premises Liability - Building-Slip and Fa	291	\$ 2,152,469	\$ 55,899	\$ 2,208,368
BI & PD: Premises Liability - Failure to Maint Equ	2	\$ -	\$ -	\$ -
BI & PD: Premises Liability - Other	887	\$ 6,636,155	\$ 101,914	\$ 5,731,543
BI & PD: Premises Liability - Park or Open Space	2	\$ -	\$ -	\$ -
BI & PD: Premises Liability - Sewer - Other	5	\$ 18,852	\$ 25,000	\$ 43,852
BI & PD: Premises Liability - Sewer Blockage	328	\$ 4,500,696	\$ -	\$ 4,500,696
BI & PD: Premises Liability - Sewer Pipe Breakage	1	\$ 5,087	\$ -	\$ 5,087
BI & PD: Premises Liability - Sidewalk - Other	5	\$ 31,610	\$ 143,420	\$ 175,030
BI & PD: Premises Liability - Tree Branch	2	\$ 6,788	\$ -	\$ 6,788
BI & PD: Premises Liability - Trees	2	\$ -	\$ -	\$ -
BI & PD: Property Damage Only (Non-Auto)	23	\$ 23,599	\$ 9,543	\$ 33,142
E&O: Breach of Contract	20	\$ 1,084,112	\$ -	\$ 1,052,919
E&O: Financial Loss	1	\$ 12,114	\$ 12,886	\$ 25,000
E&O: Improper Assessment of Fees	1	\$ -	\$ -	\$ -
E&O: Other	38	\$ 171,895	\$ -	\$ 171,895
E&O: Permits & inspections	3	\$ -	\$ -	\$ -
EPL: Discrimination	21	\$ 39,139	\$ -	\$ 39,139
EPL: Harassment (Non-Sexual)	6	\$ 6,871	\$ -	\$ 6,871
EPL: Sexual Harassment	2	\$ -	\$ -	\$ -
EPL: Wrongful Termination	9	\$ 39,371	\$ -	\$ 39,371
PI: Assault & Battery - LE - Excessive Force Other	1	\$ 3,859	\$ 51,142	\$ 55,000
PI: Assault & Battery-LE-Excessive Force-Shooting	1	\$ 12,239	\$ 187,761	\$ 200,000
PI: Discrimination (Non-Employment Related)	55	\$ 1,248,348	\$ 10,408,345	\$ 1,761,170
PI: False Arrest/Malicious Prosecution	42	\$ 446,223	\$ -	\$ 446,223
PI: Invasion of Privacy - Inverse Condemnation	3	\$ 1,737	\$ -	\$ 1,737
PI: Invasion of Privacy - Search Warrant	1	\$ -	\$ -	\$ -
PI: Libel or Slander	10	\$ 71,393	\$ -	\$ 71,393
Grand Total	2250	\$ 18,897,795	\$ 11,020,318	\$ 18,984,871

Work Comp Paid and Reserved



Fiscal Year	# Claims	\$ Paid	\$ Reserved	\$ Incurred
14/15	33	\$ 879,969	\$ 160,506	\$ 1,040,474
15/16	42	\$ 458,512	\$ 80,310	\$ 538,823
16/17	48	\$ 834,220	\$ 149,526	\$ 983,746
17/18	38	\$ 547,138	\$ 260,026	\$ 807,164
18/19	41	\$ 1,096,567	\$ 306,234	\$ 1,402,802
19/20	38	\$ 545,019	\$ 50,893	\$ 595,912
20/21	38	\$ 834,807	\$ 278,707	\$ 1,113,514
21/22	31	\$ 759,435	\$ 241,848	\$ 1,001,283
22/23	55	\$ 191,484	\$ 164,076	\$ 355,560
23/24	27	\$ 60,451	\$ 53,913	\$ 114,364
Grand Total	391	\$ 6,207,602	\$ 1,746,039	\$ 7,953,642

SCORE WC Claims By Member



Member	# Claims	\$ Paid	\$ Reserved	\$ Incurred
City of Biggs	12	\$ 10,788	\$ -	\$ 10,788
City of Colfax	28	\$ 213,129	\$ 2,000	\$ 215,129
City of Dunsmuir	42	\$ 704,019	\$ 166,526	\$ 870,545
City of Etna	10	\$ 590,761	\$ 183,018	\$ 773,779
City of Live Oak	25	\$ 203,939	\$ -	\$ 203,939
Town of Loomis	6	\$ 55,978	\$ -	\$ 55,978
City of Loyalton	2	\$ 1,394	\$ -	\$ 1,394
City of Montague	15	\$ 357,073	\$ -	\$ 357,073
City of Mt. Shasta	211	\$ 4,845,660	\$ 237,399	\$ 5,083,058
City of Portola	74	\$ 778,925	\$ 28,679	\$ 807,604
City of Rio Dell	38	\$ 133,260	\$ 5,030	\$ 138,290
City of Shasta Lake	101	\$ 1,002,822	\$ -	\$ 1,002,822
City of Susanville	371	\$ 5,783,729	\$ 791,631	\$ 6,575,360
City of Tulelake	11	\$ 102,469	\$ -	\$ 102,469
City of Weed	76	\$ 1,909,575	\$ 29,922	\$ 1,939,498
City of Yreka	300	\$ 4,909,471	\$ 820,298	\$ 5,729,769
Grand Total	1733	\$ 26,621,285	\$ 2,264,503	\$ 28,885,788

Claim Cause	# Claims	\$ Paid	\$ Reserved	\$ Incurred
Absorption, Ingestion or Inhalation or vaccination	90	\$ 189,899	\$ 18,497	\$ 208,396
Animal or Insect	53	\$ 299,772	\$ 47,388	\$ 347,160
Broken Glass	12	\$ 10,470	\$ -	\$ 10,470
Caught In, Under or Between, NOC	33	\$ 79,827	\$ -	\$ 79,827
Chemicals	3	\$ 1,149	\$ -	\$ 1,149
Collision or Sideswipe both vehicles in motion	13	\$ 396,673	\$ -	\$ 396,673
Collision with Fixed Object - stationary object	1	\$ 2,122	\$ -	\$ 2,122
Continual Noise	1	\$ 1,247	\$ -	\$ 1,247
Cumulative, NOC	123	\$ 3,467,841	\$ -	\$ 3,467,841
Cut, Puncture, Scrape, NOC	72	\$ 44,611	\$ -	\$ 44,611
Dusts, Gasses, Fumes or Vapors	5	\$ 3,709	\$ -	\$ 3,709
Electrical Current	3	\$ 5,837	\$ -	\$ 5,837
Explosion or Flare Back	4	\$ 2,006	\$ -	\$ 2,006
Fall, Slip, or Trip, NOC	88	\$ 1,322,729	\$ 116,848	\$ 1,439,577
Falling or Flying Object	19	\$ 93,717	\$ -	\$ 93,717
Fellow Workers, Patient	14	\$ 42,493	\$ 10,000	\$ 52,493
Fire or Flame	9	\$ 15,159	\$ -	\$ 15,159
Foreign Matter (Body) in Eye(s)	45	\$ 20,615	\$ 4,050	\$ 24,665
From Different Level	27	\$ 662,231	\$ 5,500	\$ 667,731
From Ladder or Scaffolding	8	\$ 304,945	\$ -	\$ 304,945
From Liquid or Grease Spills	5	\$ 5,015	\$ -	\$ 5,015
Hand Tool or Machine in Use	11	\$ 63,241	\$ -	\$ 63,241
Hand Tools, Utensils, Not Powered	8	\$ 8,979	\$ -	\$ 8,979
Holding or Carrying	13	\$ 36,211	\$ 3,000	\$ 39,211
Hot Objects, Substances, Materials	6	\$ 10,002	\$ -	\$ 10,002
Into Openings	4	\$ 161,504	\$ -	\$ 161,504
Jumping	10	\$ 821,415	\$ -	\$ 821,415
Lifting	161	\$ 2,944,495	\$ 551,821	\$ 3,496,316
Machine or Machinery	5	\$ 34,733	\$ 21,400	\$ 56,133
Motor Vehicle	1	\$ 25,752	\$ -	\$ 25,752
Motor Vehicle, NOC	47	\$ 564,048	\$ -	\$ 564,048
Moving Part of Machine	1	\$ 1,591	\$ -	\$ 1,591
Object Being Lifted or Handled	27	\$ 260,098	\$ 5,030	\$ 265,128
Object Handled	8	\$ 17,239	\$ -	\$ 17,239
Object Handled by Others	2	\$ 156,301	\$ -	\$ 156,301
Objects Being Lifted or Handled	2	\$ -	\$ 2,300	\$ 2,300
On Ice or Snow	28	\$ 708,620	\$ 50,893	\$ 759,513
On Same Level	27	\$ 1,110,459	\$ 156,068	\$ 1,266,526
On Stairs	18	\$ 256,769	\$ -	\$ 256,769
Other - Miscellaneous, NOC	179	\$ 1,341,095	\$ -	\$ 1,341,095
Other than Physical Cause of Injury	65	\$ 2,856,028	\$ 410,408	\$ 3,266,436
Pandemic	6	\$ 1,923	\$ 6,750	\$ 8,673
Person in Act of a Crime	78	\$ 767,240	\$ 112,570	\$ 879,809
Power Hand Tool, Appliance	4	\$ 3,137	\$ -	\$ 3,137
Pushing or Pulling	72	\$ 2,187,719	\$ 66,453	\$ 2,254,171
Reaching	15	\$ 240,342	\$ 23,202	\$ 263,544
Repetitive Motion, Callous, Blister	1	\$ 11,172	\$ -	\$ 11,172
Repetitive Motion, Carpal Tunnel	10	\$ 144,431	\$ 148,934	\$ 293,365
Sanding, Scraping, Cleaning Operation	1	\$ 502	\$ -	\$ 502
Slipped, did not fall	20	\$ 851,346	\$ -	\$ 851,346
Stationary Object	28	\$ 461,185	\$ -	\$ 461,185
Stepping on Sharp Object	1	\$ 488	\$ -	\$ 488
Strain or Injury, NOC	29	\$ 472,240	\$ 343,003	\$ 815,243
Striking Against or Stepping	48	\$ 622,407	\$ -	\$ 622,407
Struck or Injured, NOC	63	\$ 533,159	\$ 3,432	\$ 536,591
Temperature Extremes	6	\$ 10,380	\$ -	\$ 10,380
Twisting	65	\$ 1,277,660	\$ 156,958	\$ 1,434,618
Using Tool or Machinery	32	\$ 681,913	\$ -	\$ 681,913
Vehicle Upset, Overturn, Jackknife	1	\$ 2,130	\$ -	\$ 2,130
Welding Operations	1	\$ 879	\$ -	\$ 879
Welding or Throwing	1	\$ 384	\$ -	\$ 384
Grand Total	1733	\$ 26,621,285	\$ 2,264,503	\$ 28,885,788

WORKERS' COMPENSATION

Location	# Claims	\$ Paid	\$ Reserved	\$ Incurred
ADMIN/FINANCE	77	\$ 910,026	\$ -	\$ 910,026
BLDG/MAINT/INSP	71	\$ 697,704	\$ -	\$ 697,704
City of Biggs	8	\$ 6,244	\$ -	\$ 6,244
City of Colfax	25	\$ 212,417	\$ -	\$ 212,417
City of Dunsmuir	6	\$ 3,872	\$ -	\$ 3,872
City of Etna	8	\$ 590,351	\$ 183,018	\$ 773,369
City of Live Oak	19	\$ 199,925	\$ -	\$ 199,925
City Of Loyalton	2	\$ 1,394	\$ -	\$ 1,394
City of Montague	2	\$ 40,031	\$ -	\$ 40,031
City of Mt. Shasta	16	\$ 48,361	\$ -	\$ 48,361
City of Portola	70	\$ 744,000	\$ 28,679	\$ 772,679
City of Rio Dell	38	\$ 133,260	\$ 5,030	\$ 138,290
City of Shasta Lake	21	\$ 212,562	\$ -	\$ 212,562
City of Susanville	51	\$ 860,240	\$ 5,800	\$ 866,040
City of Tule Lake	11	\$ 102,469	\$ -	\$ 102,469
City of Weed	13	\$ 953,674	\$ -	\$ 953,674
City of Yreka	25	\$ 305,575	\$ 2,300	\$ 307,875
ELECTRIC UTILITIES	12	\$ 306,646	\$ -	\$ 306,646
FIRE	183	\$ 4,849,227	\$ 458,645	\$ 5,307,872
MISCELLANEOUS	62	\$ 753,781	\$ 68,653	\$ 822,434
NON-CITY CLAIMS	2	\$ 1,999	\$ -	\$ 1,999
PARK & RECREATION	69	\$ 765,219	\$ -	\$ 765,219
PLANNING	3	\$ 2,963	\$ -	\$ 2,963
POLICE	474	\$ 8,363,497	\$ 687,978	\$ 9,051,475
PUBLIC WORKS	282	\$ 3,387,940	\$ 798,855	\$ 4,186,794
REFUSE	2	\$ 1,664	\$ -	\$ 1,664
SENIOR CITIZEN PROG	17	\$ 399,686	\$ -	\$ 399,686
SEWER	21	\$ 330,492	\$ -	\$ 330,492
STREETS	14	\$ 126,369	\$ -	\$ 126,369
Town of Ft. Jones	7	\$ 98,623	\$ -	\$ 98,623
Town of Loomis	4	\$ 55,448	\$ -	\$ 55,448
WATER	29	\$ 640,083	\$ -	\$ 640,083
(blank)	2	\$ 4,225	\$ 25,545	\$ 29,770
Grand Total	1733	\$ 26,621,285	\$ 2,264,503	\$ 28,885,788



BACK TO AGENDA

**Small Cities Organized Risk Effort
Long Range Planning
October 24, 2024**

Agenda Item F.2.a.

COVERAGE REVIEW - CYBER

INFORMATION ITEM

ISSUE: The Program Administrators will provide an overview of the Cyber Coverage for SCORE members and the latest recommended cyber security measures and resources.

RECOMMENDATION: Review and distribute the recommended security measures and resources to your IT staff or provider.

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.*



COVERAGE REVIEW – CRIME

INFORMATION ITEM

ISSUE: The Program Administrators will provide an overview of the Crime Coverage for SCORE members who participate in the ACIP program.

RECOMMENDATION: Review and provide feedback.

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.*



TARGET FUNDING BENCHMARKS

INFORMATION ITEM

ISSUE: Marcus Beverly will present the annual review of SCORE’s financial condition as of 6/30/24 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 2024

Small Cities Organized Risk Effort (SCORE)

Target Funding Benchmarks

PRESENTED BY:

MARCUS BEVERLY

ALLIANT INSURANCE SERVICES

OCTOBER 24, 2024



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**

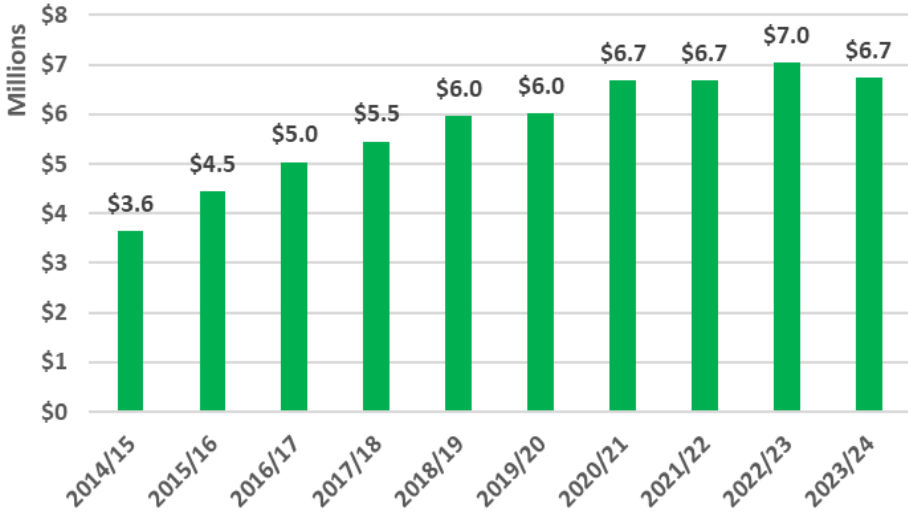
Pricing Errors – Net Deposits (**ND**) to **NP**

Also measure *yearly changes & trends* in

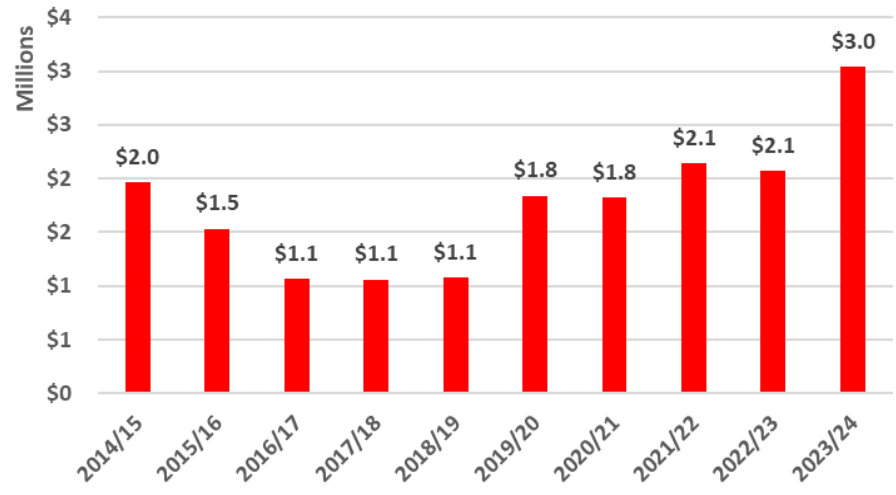
Net Position, Liabilities, and Deposits

Financials For Liability Analysis

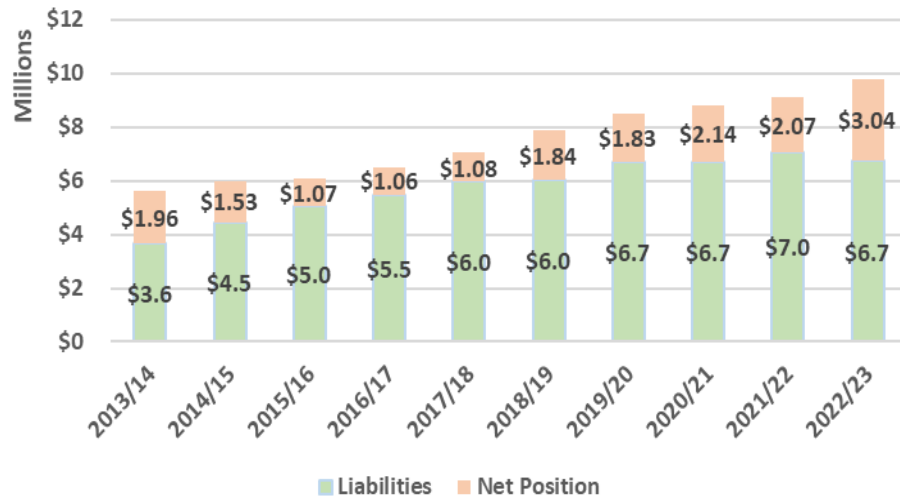
SCORE Liability Program Net Position



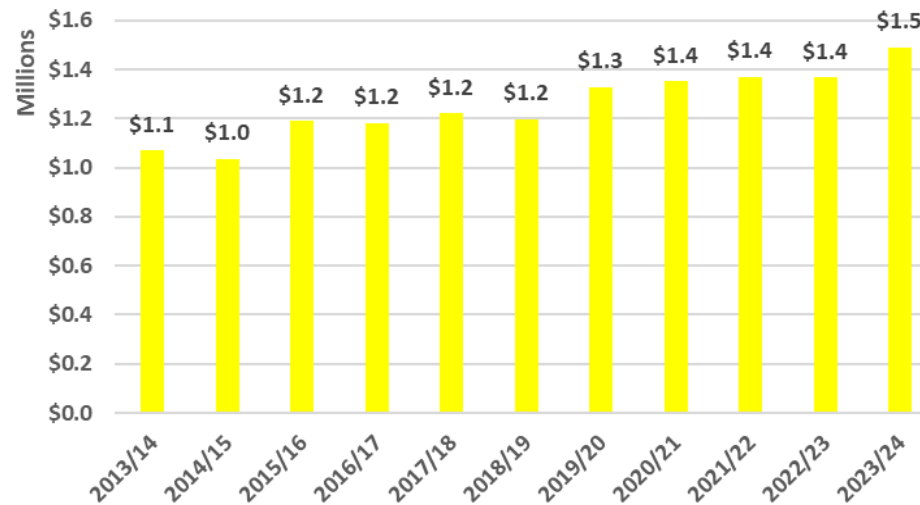
SCORE Liability Program Expected Liabilities



SCORE GL Program Total Assets

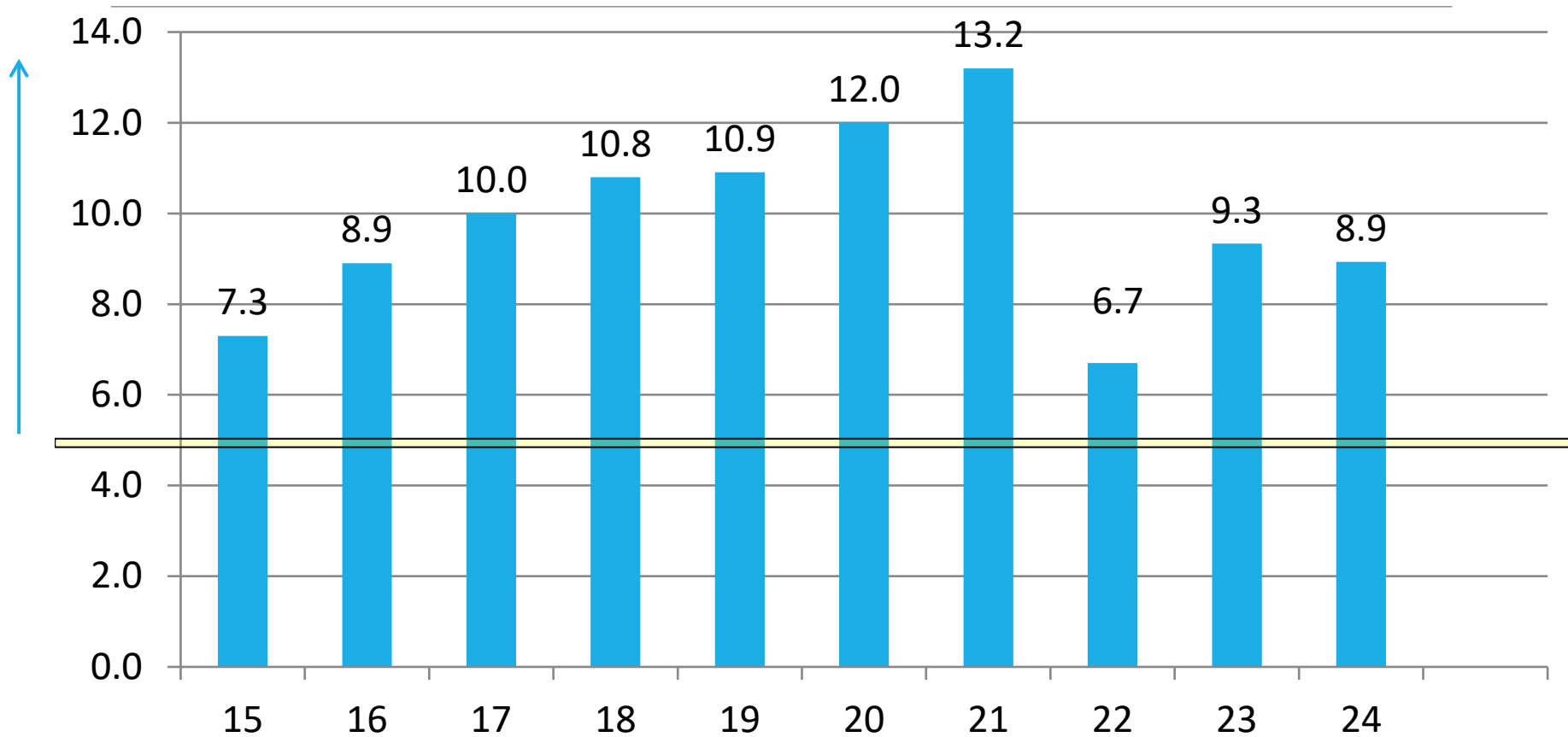


SCORE Liability Program Net Deposit



Net Position to SIR – Liability

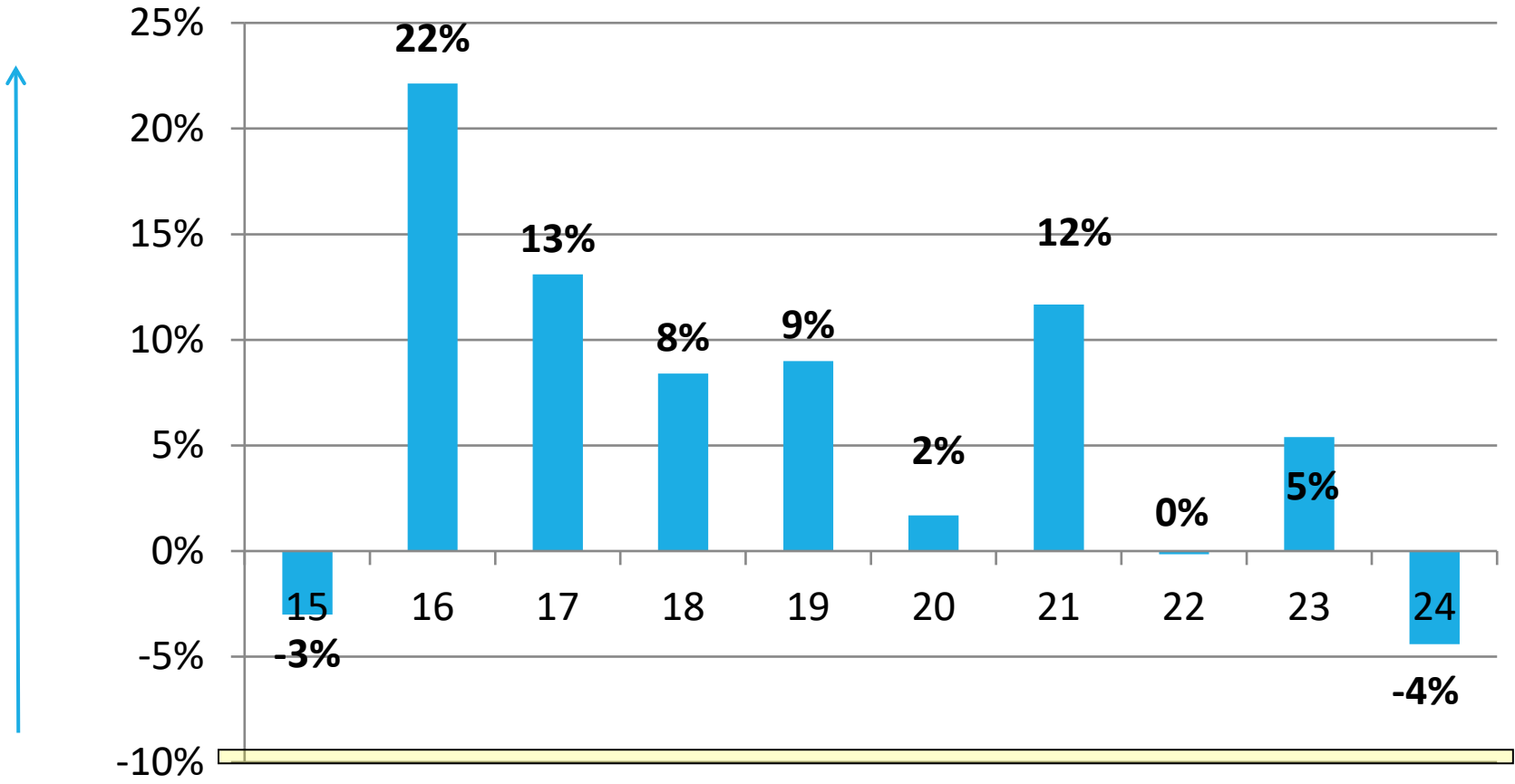
Benchmark $\geq 5:1$ SIR = \$750,000



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

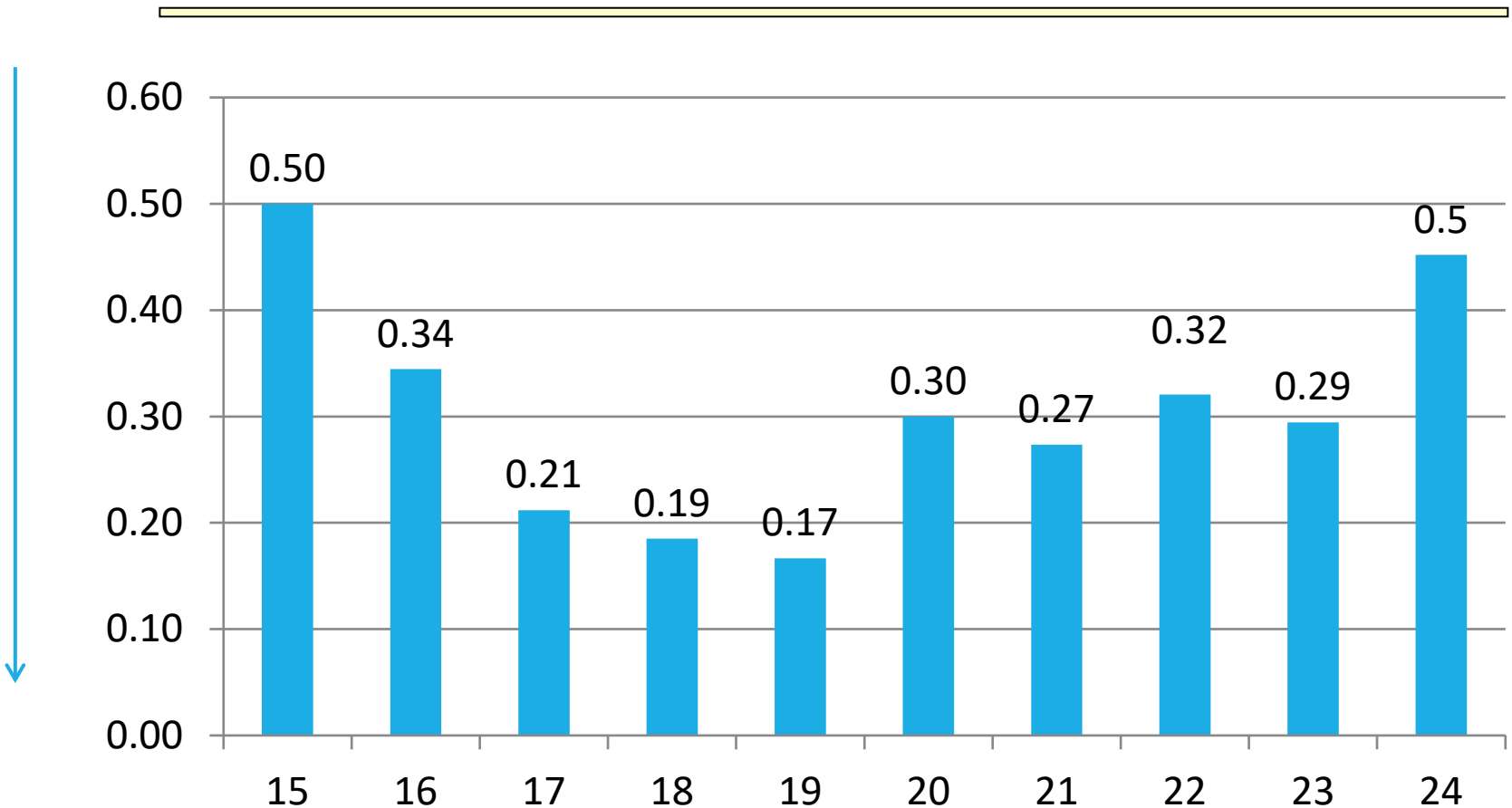
Change in Net Position – Liability

Benchmark $\geq -10\%$



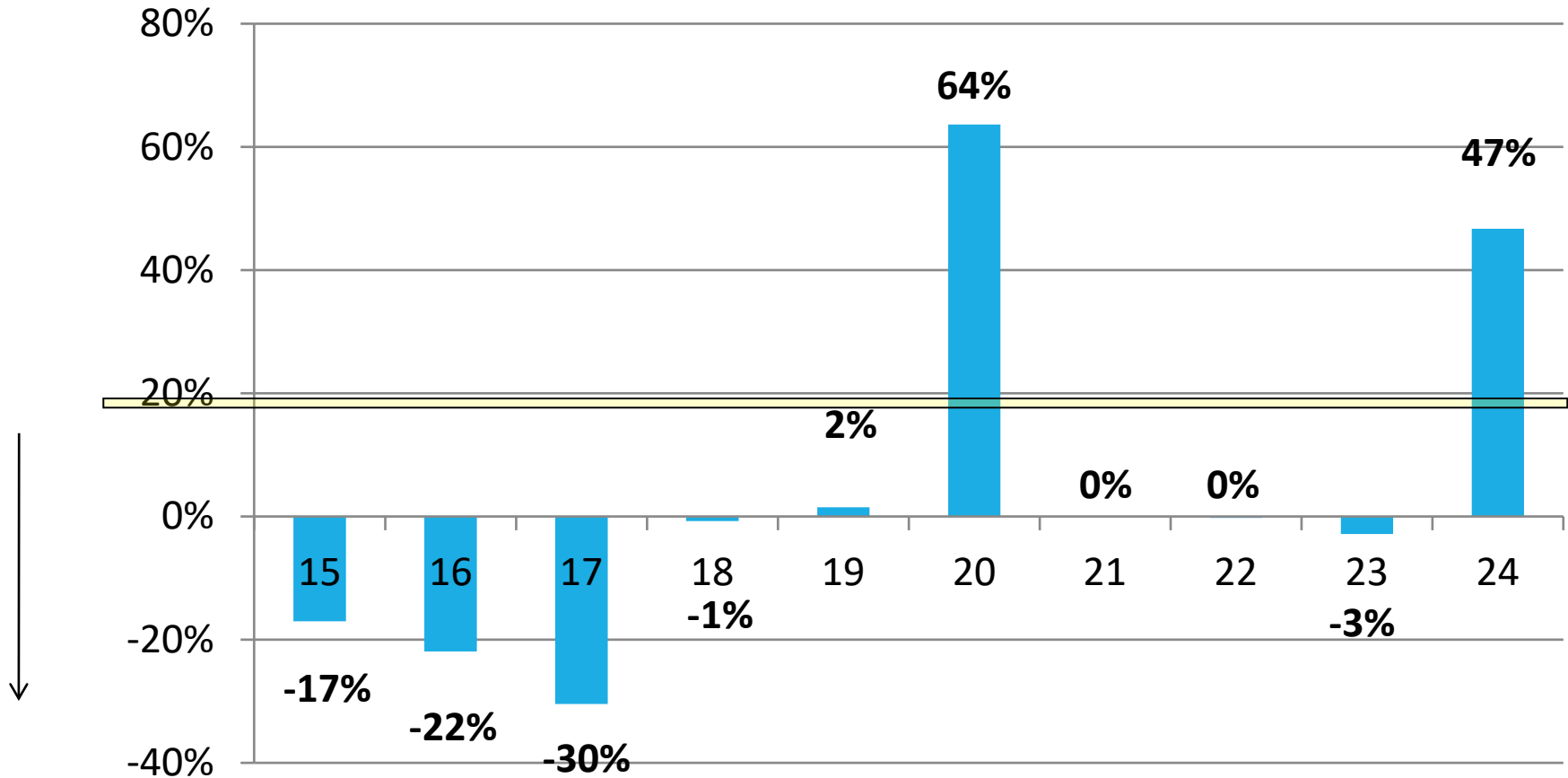
Expected Liabilities to NP – Liability

Benchmark $\leq 1.5:1$



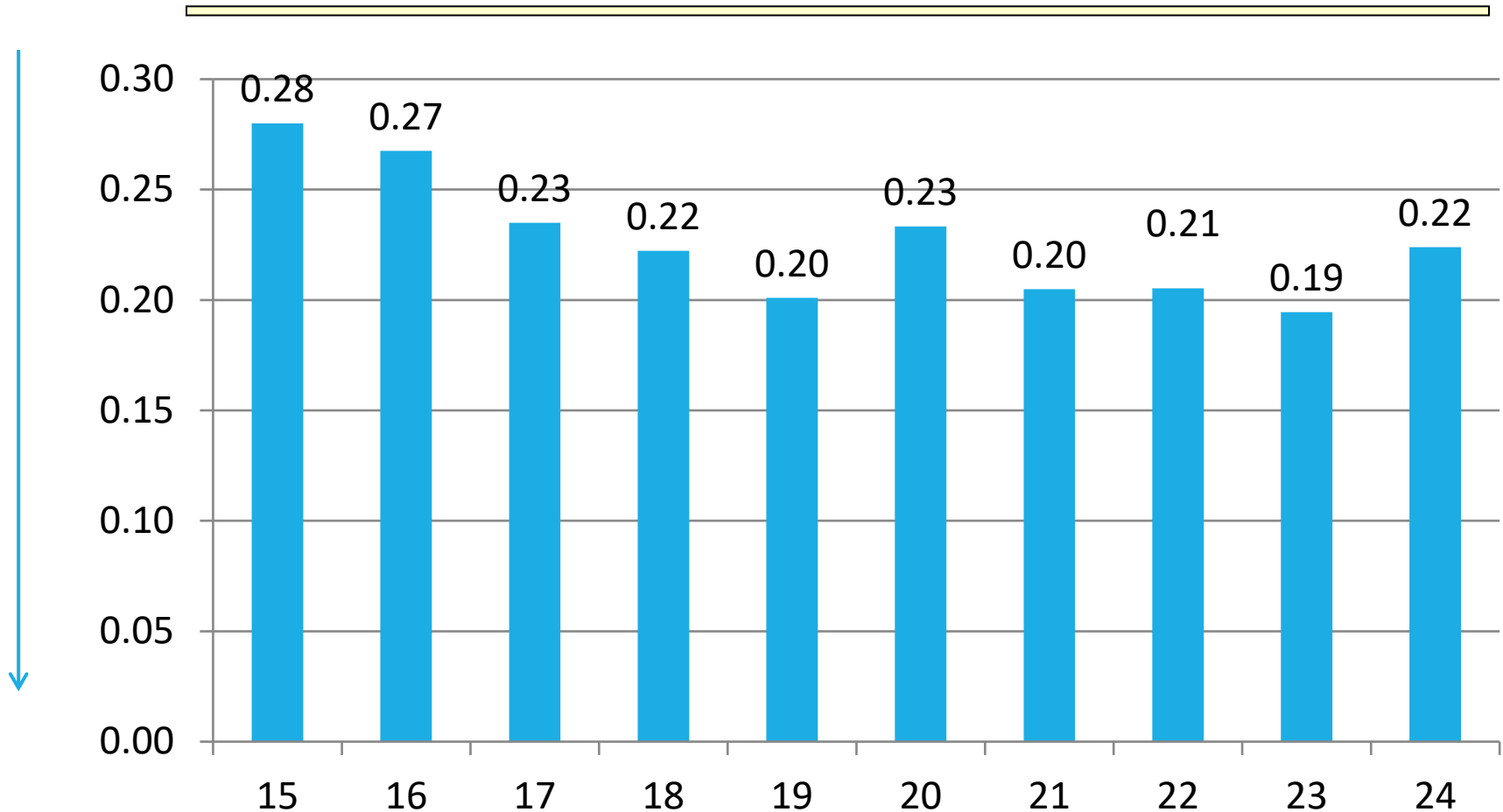
Change in Liabilities – Liability

Benchmark $\leq 20\%$



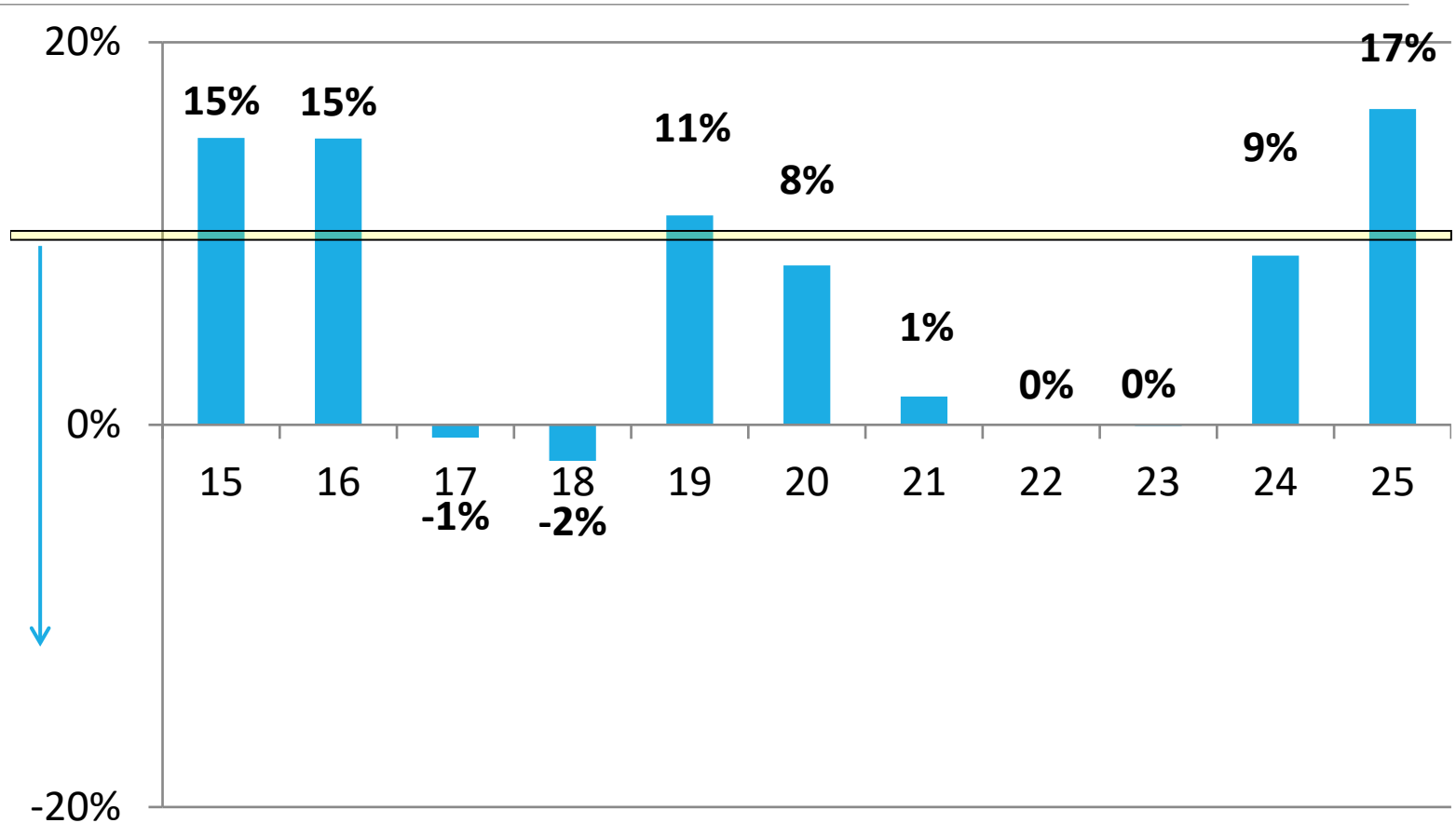
Net Deposit to NP - Liability

Benchmark $\leq 1:1$



Change in Net Deposit – Liability

No Benchmark Set



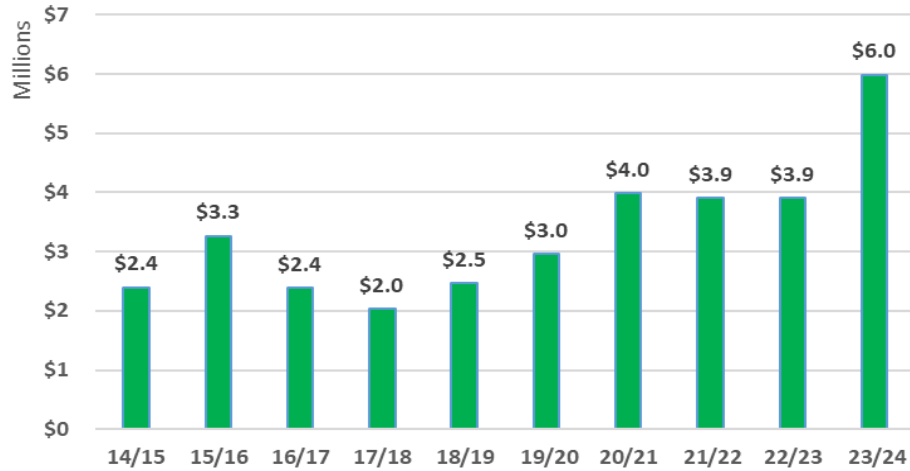
Increase of \$900K in Expected Liabilities contributed to decrease of \$300K in Net position, resulting in decreases in related benchmark results – still within OK ranges.

Able to absorb potential increase in SIR to \$1M and maintain NP:SIR ratio above target at 6.7:1.

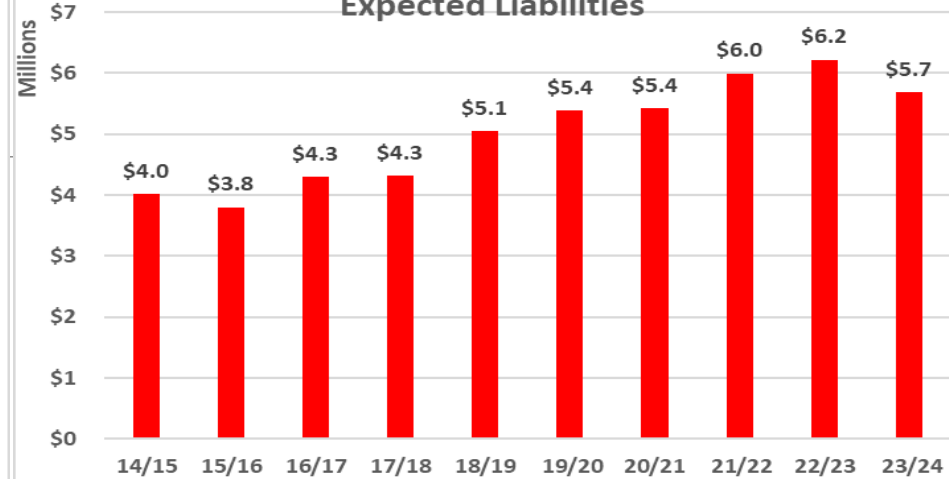
Increased volatility, higher settlement values, and potentially higher SIR are causes to maintain a conservative approach until (if?) the trends change.

Financials For Work Comp Analysis

SCORE Work Comp Program Net Position



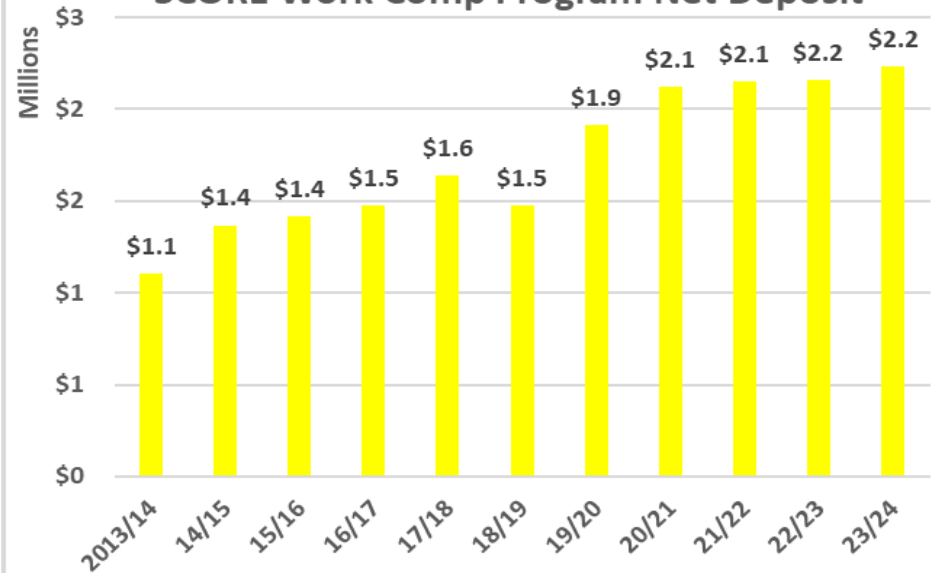
SCORE Work Comp Program Expected Liabilities



SCORE Work Comp Program Total Assets

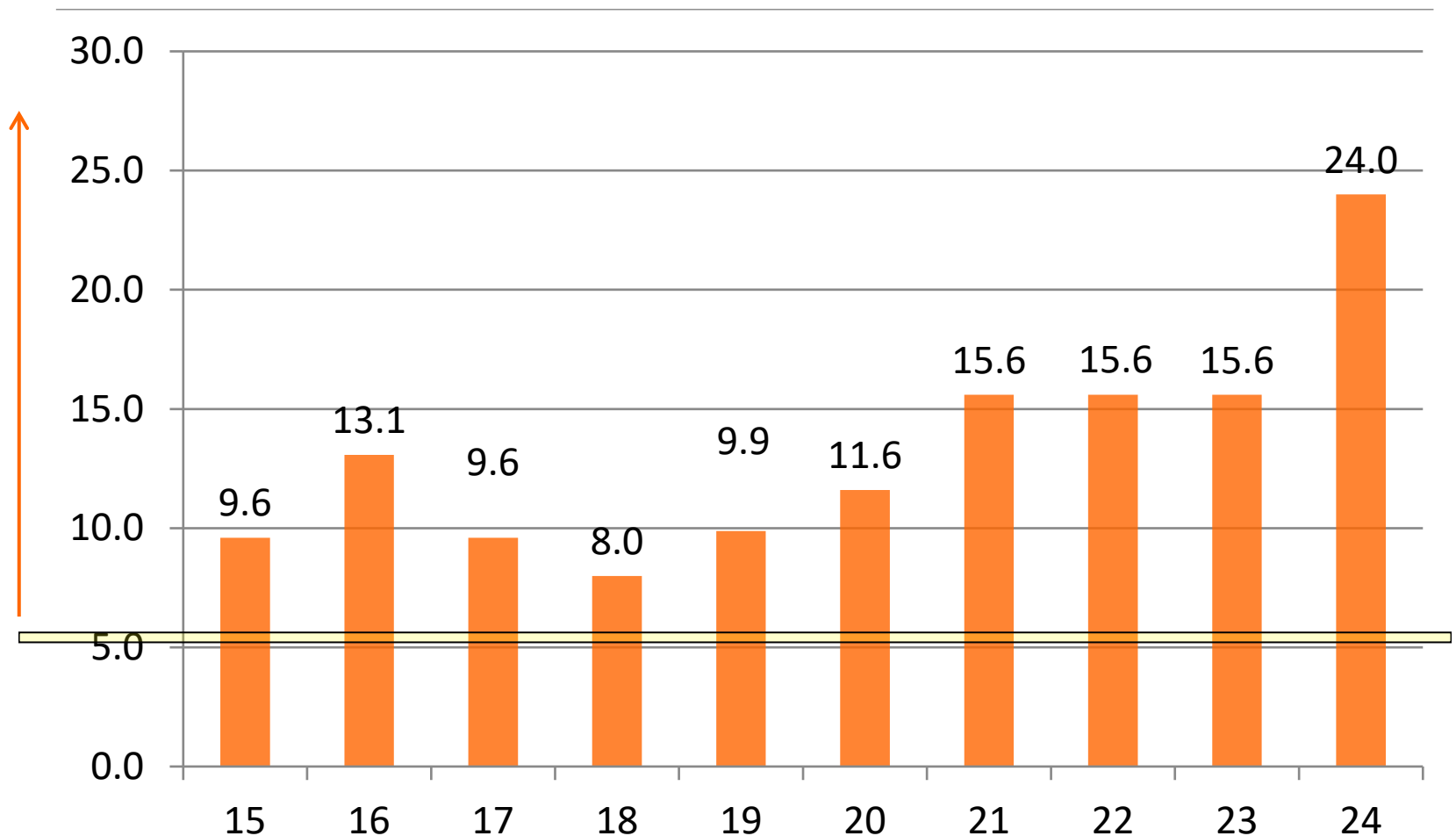


SCORE Work Comp Program Net Deposit

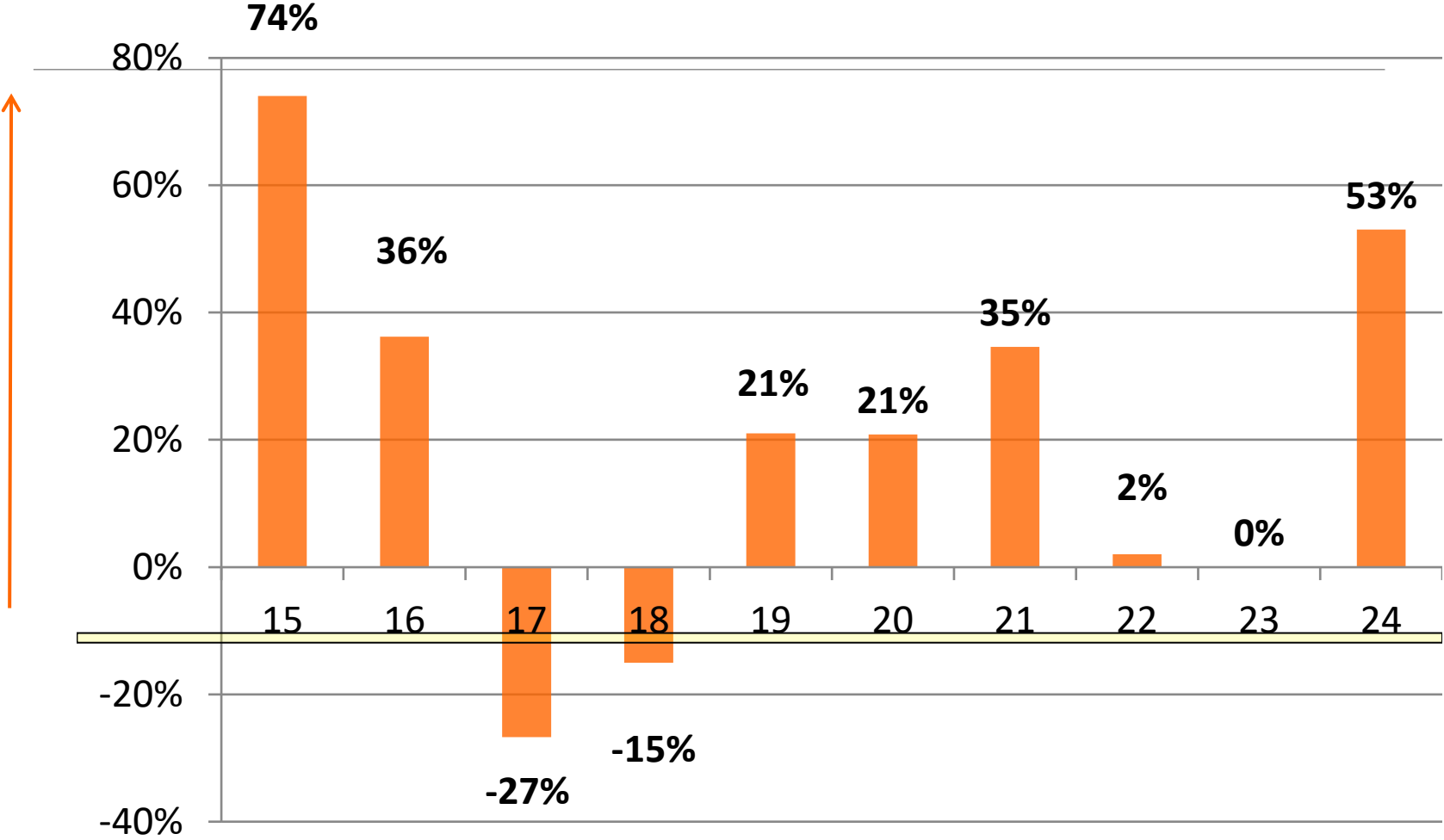


Net Position to SIR – Work Comp

Benchmark $\geq 5:1$ SIR = \$250,000

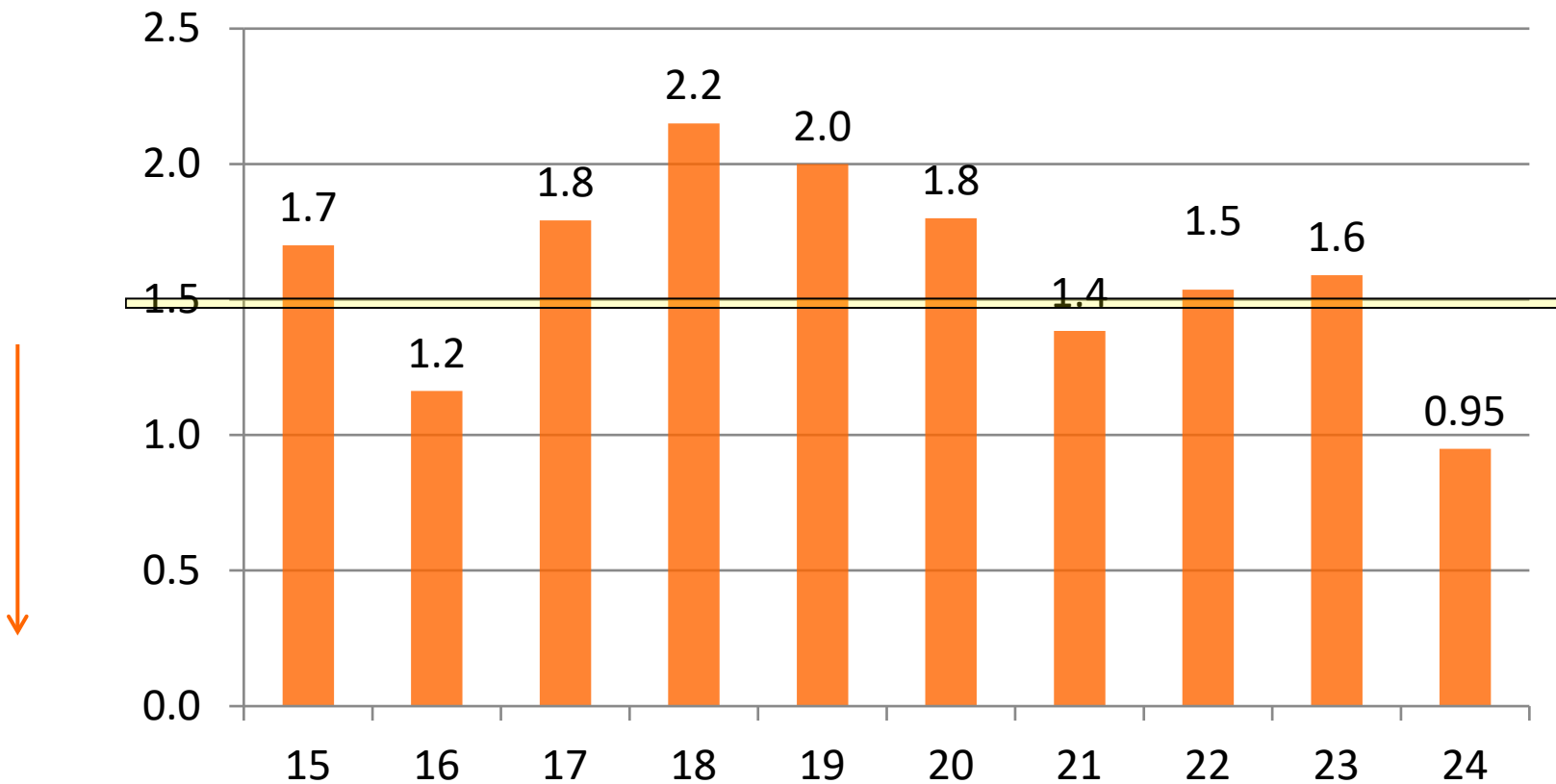


Change in Net Position – Work Comp Benchmark $\geq -10\%$



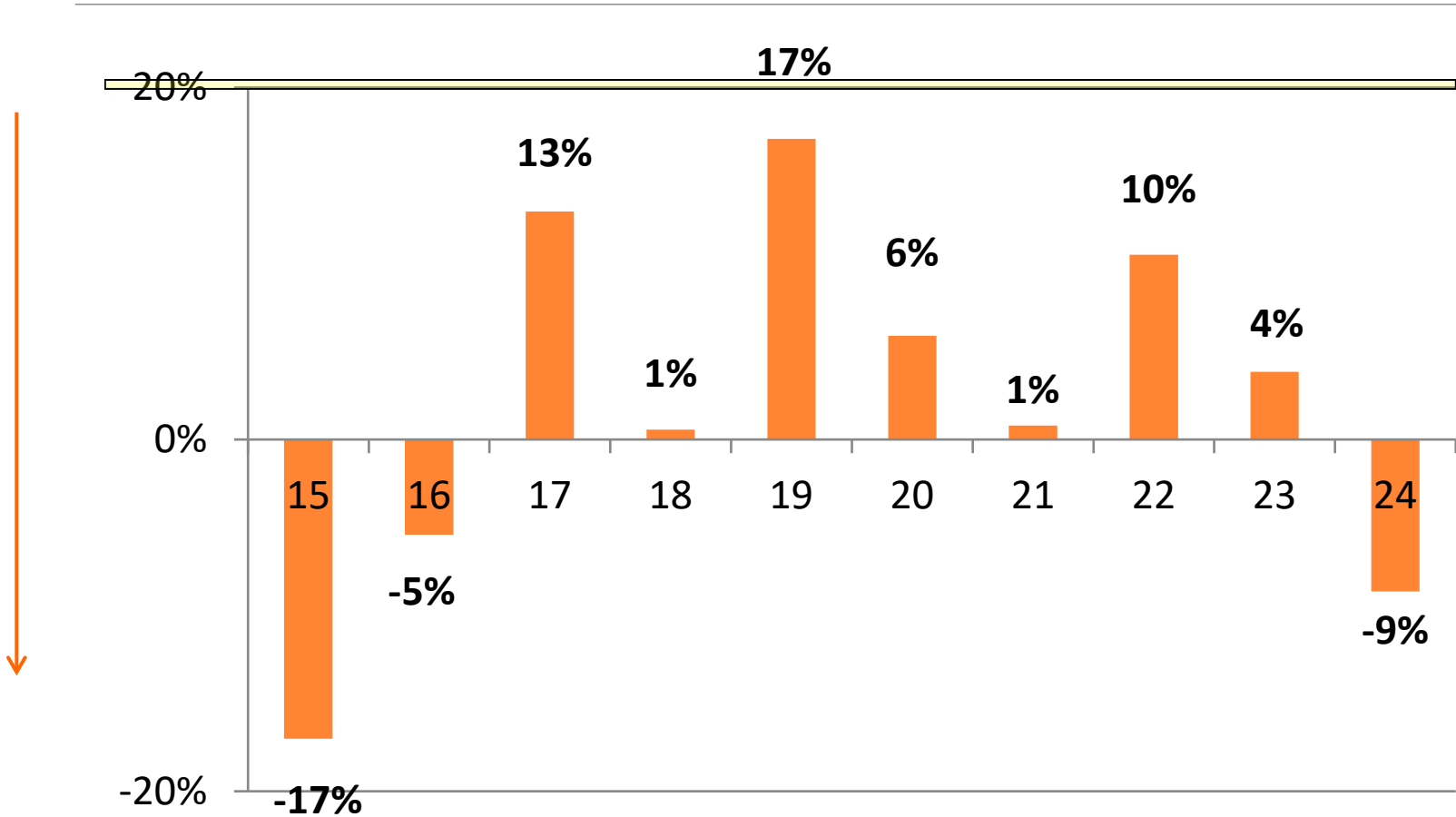
Expected Liabilities to NP – WC

Benchmark $\leq 1.5:1$



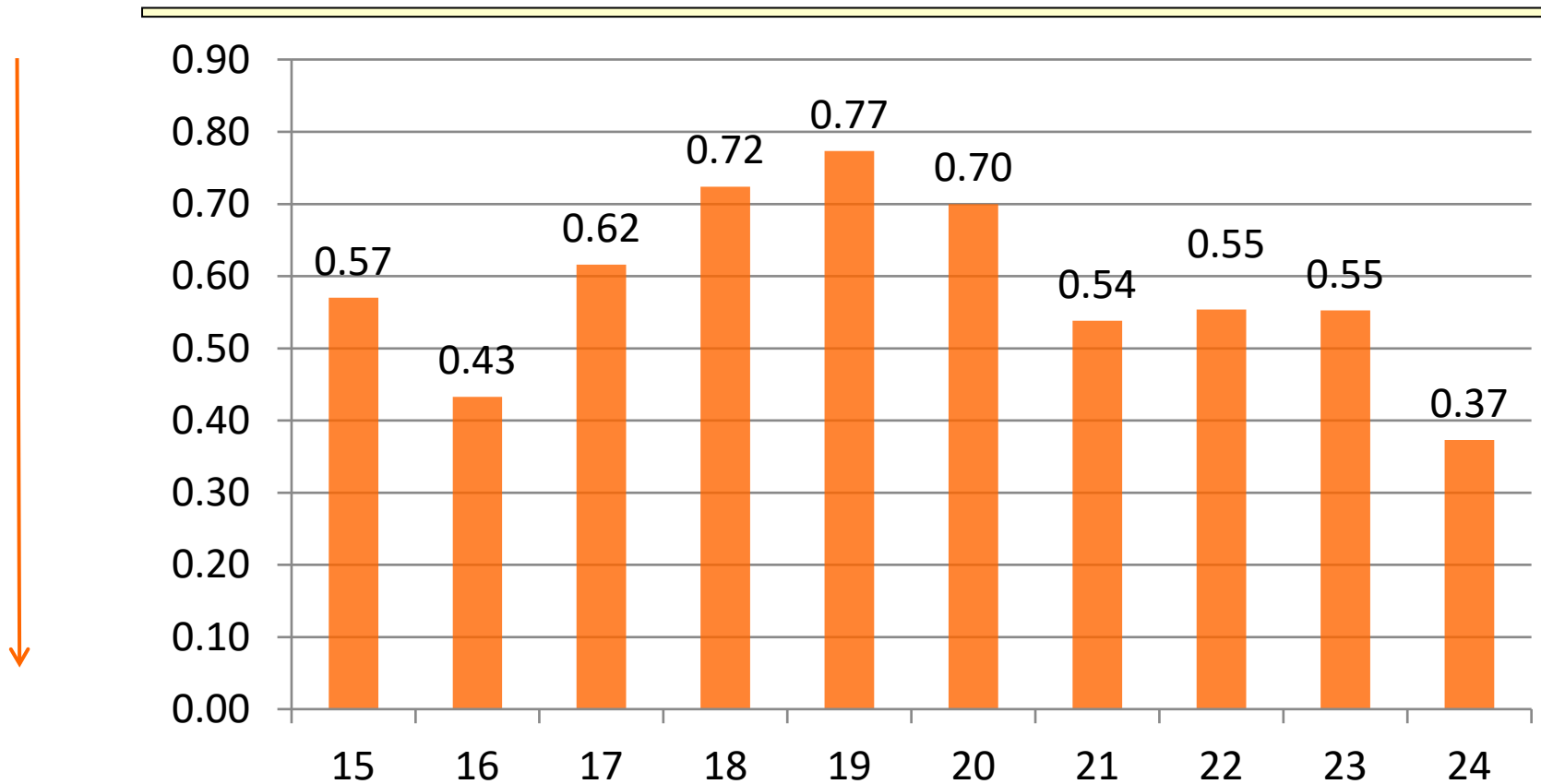
Change in Liabilities – Work Comp

Benchmark $\leq 20\%$

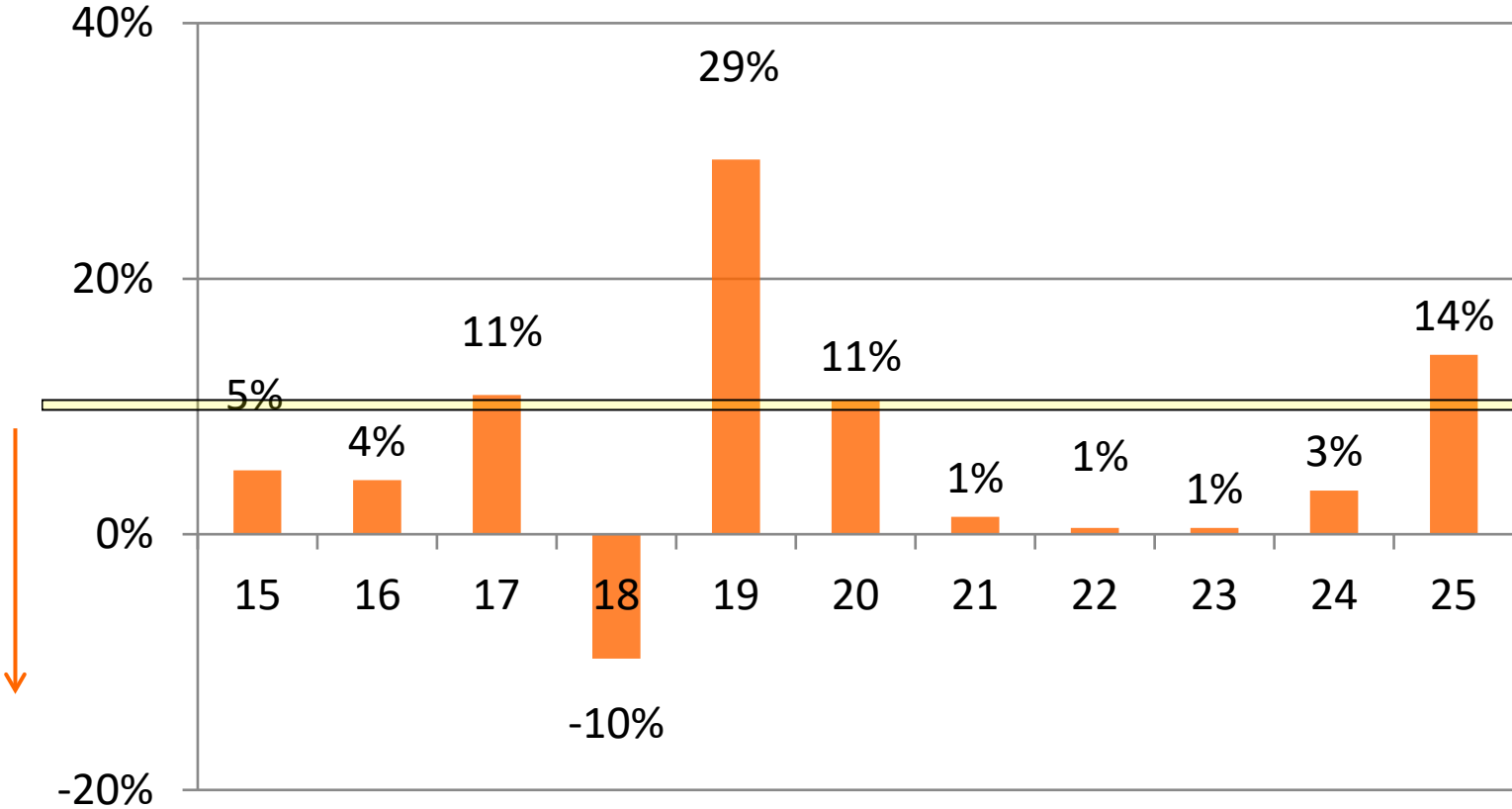


Net Deposit to NP - Work Comp

Benchmark $\leq 1:1$



Change in Net Deposit - Work Comp No Benchmark Set



Decrease of \$500K in Expected Liabilities contributed to increase of \$2.1M in Net position, 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.

Annual Funding Levels

LIABILITY

WORKERS' COMP

Program Year	Funding Confidence
2024-25	75%
2023-24	75%
2022-23	75%
2021-22	75%
2020-21	75%
2019-20	75%
2018-19	70%
2017-18	70%
2016-17	70%
2015-16	70%

Program Year	Funding Confidence
2024-25	80%
2023-24	80%
2022-23	80%
2021-22	80%
2020-21	80%
2019-20	80%
2018-19	75%
2017-18	75%
2016-17	75%
2015-16	70%

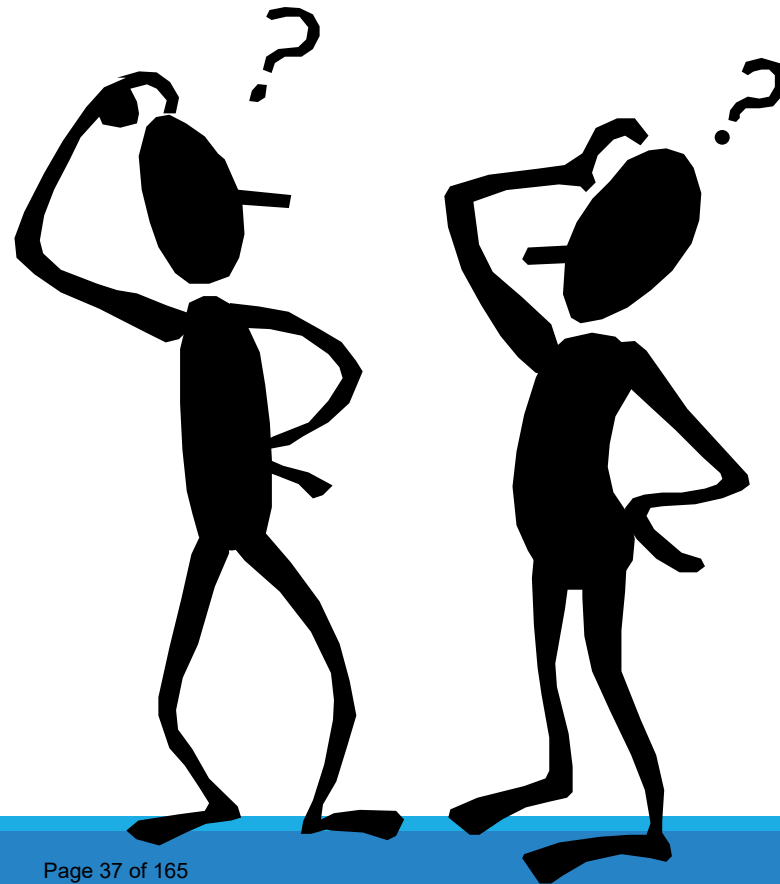
Conclusion

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?





**CHANDLER ASSET MANAGEMENT
FINANCIAL PORTFOLIO REVIEW**

ACTION ITEM

ISSUE: Mr. Karl Meng, CFA, of Chandler Asset Management will be in attendance to provide the Board with a presentation of SCORE's investment portfolio with Chandler Asset Management as well as to provide an overview of how the current economic climate will impact future investment returns.

RECOMMENDATION: Review, accept and file the report provided by Chandler Asset Management. If any recommendations are made to move funds, the board make act or provide direction.

FISCAL IMPACT: The financial impact cannot be determined at this time, the Board may take action to move assets to gain safety, liquidity, or maximum returns.

BACKGROUND: Chandler Asset Management has been serving as SCORE's investment manager since 2006. An Associate attends a Board of Directors meeting annually to provide a report on how the JPA's investment portfolio is performing and a general economic forecast.

ATTACHMENTS: Chandler Asset Management Presentation

INVESTMENT REPORT

Small Cities Organized Risk Effort (SCORE) | As of September 30, 2024

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

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ECONOMIC UPDATE

ACCOUNT PROFILE

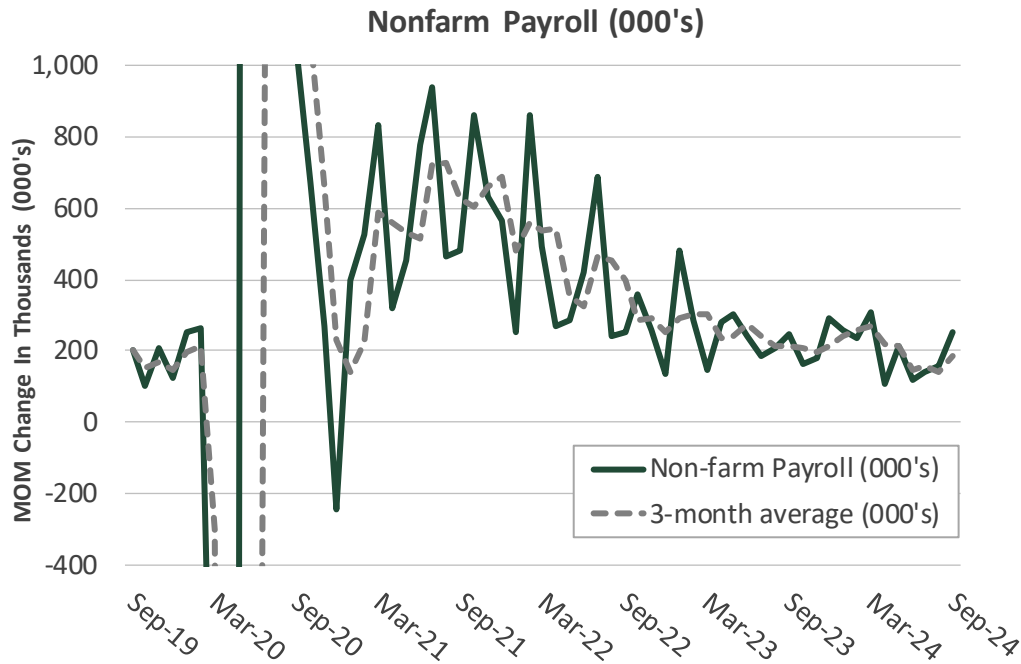
CONSOLIDATED INFORMATION

PORTFOLIO HOLDINGS

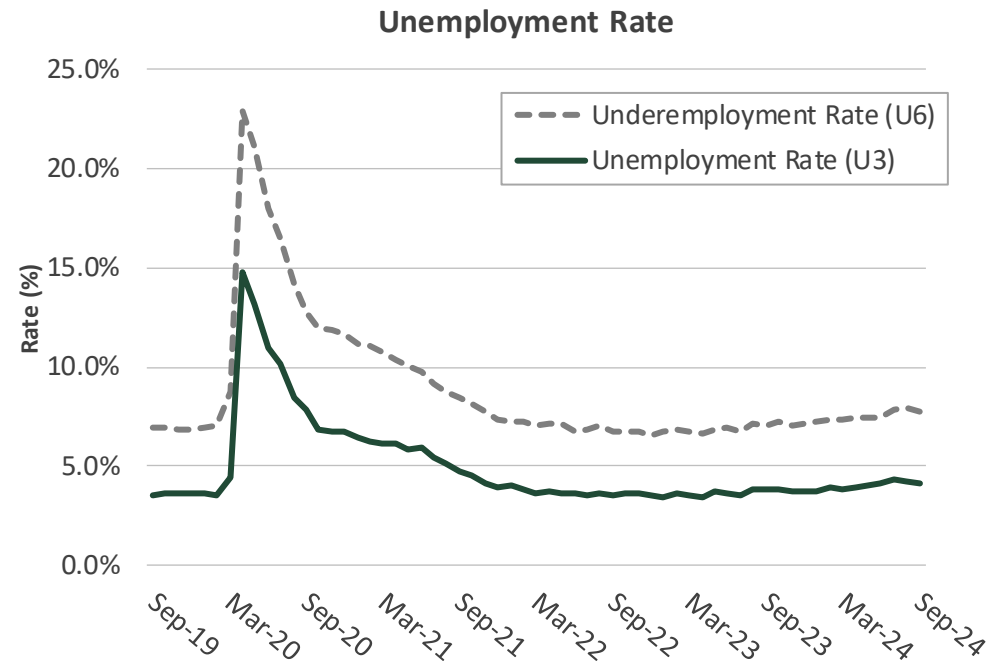
TRANSACTIONS

ECONOMIC UPDATE

- Recent economic data suggests positive but slower growth this year fueled by consumer spending. While the consumer has been resilient, declining savings rates, growing credit card debt, higher delinquencies, and a moderating labor market pose potential headwinds to future economic growth. Inflationary trends are subsiding, but core levels remain above the Fed's target. The labor market is showing signs of cooling, reflecting an improved balance between supply and demand for workers. Given the cumulative effects of restrictive monetary policy and tighter financial conditions, we believe the economy will gradually soften and the Fed will continue to lower rates at a measured pace through this year with the ability to move more aggressively should the employment data warrant.
- The Federal Open Market Committee (FOMC) delivered the first rate cut of the easing cycle with a 50 basis point cut at the September meeting. Although a reduction in the Fed Funds Rate was widely anticipated, the magnitude was somewhat of a surprise, as market participants were split between whether the FOMC would cut by 25 basis points or 50 basis points. Chair Jerome Powell reiterated previous statements acknowledging that monetary policy has shifted into a more balanced approach addressing price stability and full employment in tandem. The Fed released the quarterly Summary of Economic Projections (SEP) which now forecasts a substantially lower median Fed Funds Rate expectation among Fed Governors in 2025 due to lower inflation expectations and a higher projected unemployment rate. We believe the Fed will continue to lower rates at a measured pace through this year with the ability to move more aggressively should the employment data warrant.
- The US Treasury yield curve shifted lower in September following the 50 basis points rate cut by the FOMC mid-month. The 2-year Treasury yield fell 28 basis points to 3.64%, the 5-year Treasury dropped 15 basis points to 3.56%, and the 10-year Treasury yield declined 12 basis points to 3.78%. The 2-year and 10-year Treasury yield points on the curve began to normalize to +14 basis points at September month-end versus -2 basis points at August month-end. The spread between the 2-year Treasury and 10-year Treasury yield one year ago was -47 basis points. The inversion between 3-month and 10-year Treasuries ended the month of September at -85 basis points.



Source: US Department of Labor



Source: US Department of Labor

The U.S. economy added 254,000 jobs in September, well above expectations of 150,000. The three-month moving average and six-month moving average payrolls continued to trend weaker to 186,000 and 167,000 respectively. The unemployment rate declined to 4.1% in September, and the labor participation rate remained at 62.7%, remaining below the pre-pandemic level of 63.3%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons declined to 7.7% from 7.9%. Average hourly earnings rose 4.0% year-over-year in September. U.S. labor market data from September surprised to the upside, with strong job growth and a sharper-than-expected drop in unemployment, suggesting the economy may be more resilient than anticipated. The Federal Reserve’s view is that there has been “substantial” progress towards better balance in the labor market between demand and supply for workers.

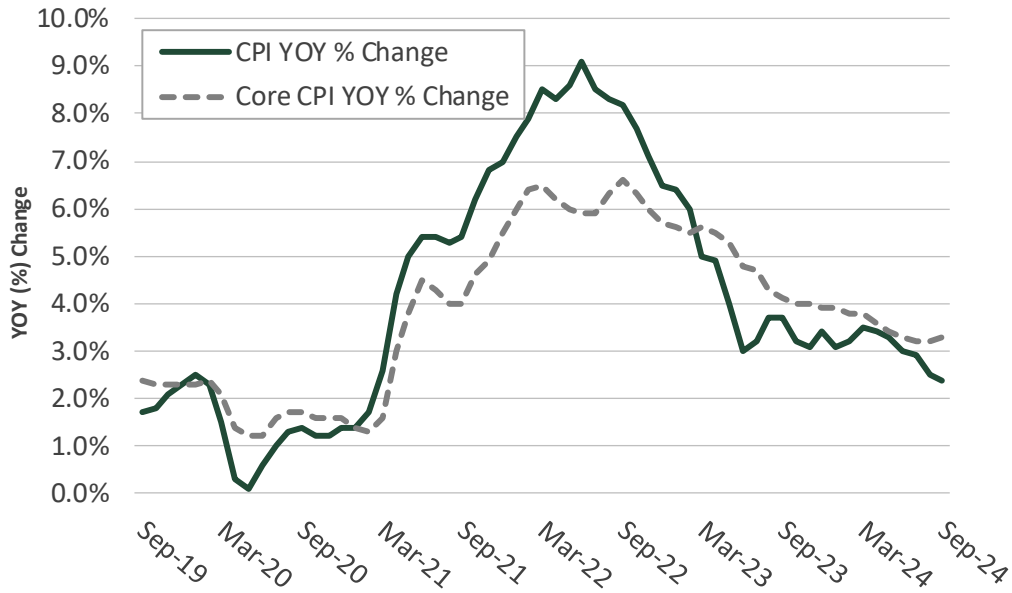
Job Openings



Source: US Department of Labor

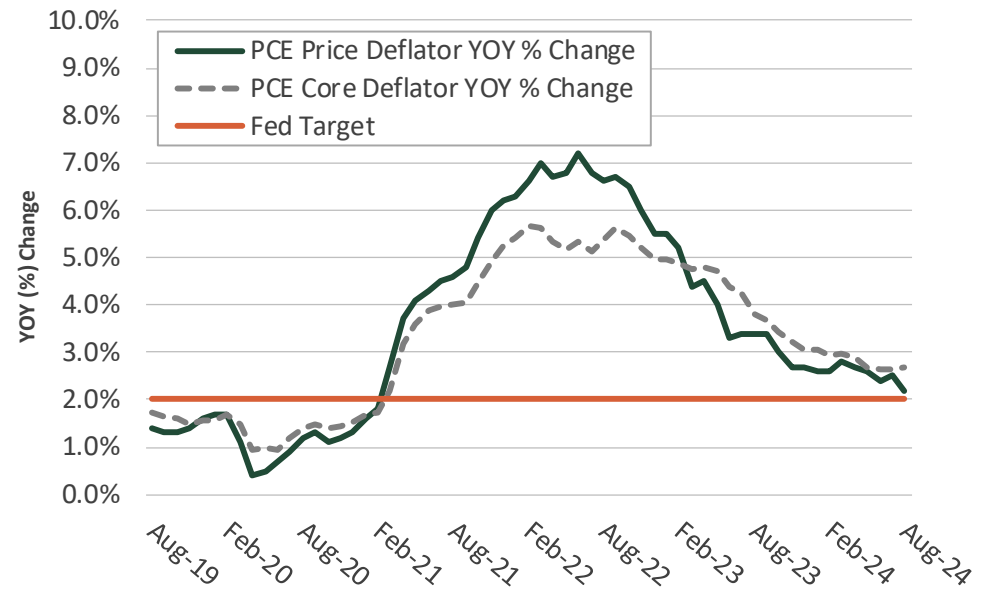
The Labor Department’s Job Openings and Labor Turnover Survey (JOLTS) increased to 8.04 million job openings in August from an upwardly revised 7.71 million in July. Job openings have increased to a ratio of 1.13 jobs for each unemployed individual. The quits rate, an indicator of job availability, declined to 1.9% from downwardly revised 2.0% in July. That is the lowest level since 2020. While the current level of job openings remains elevated from a historical perspective, the trend is decelerating.

Consumer Price Index (CPI)



Source: US Department of Labor

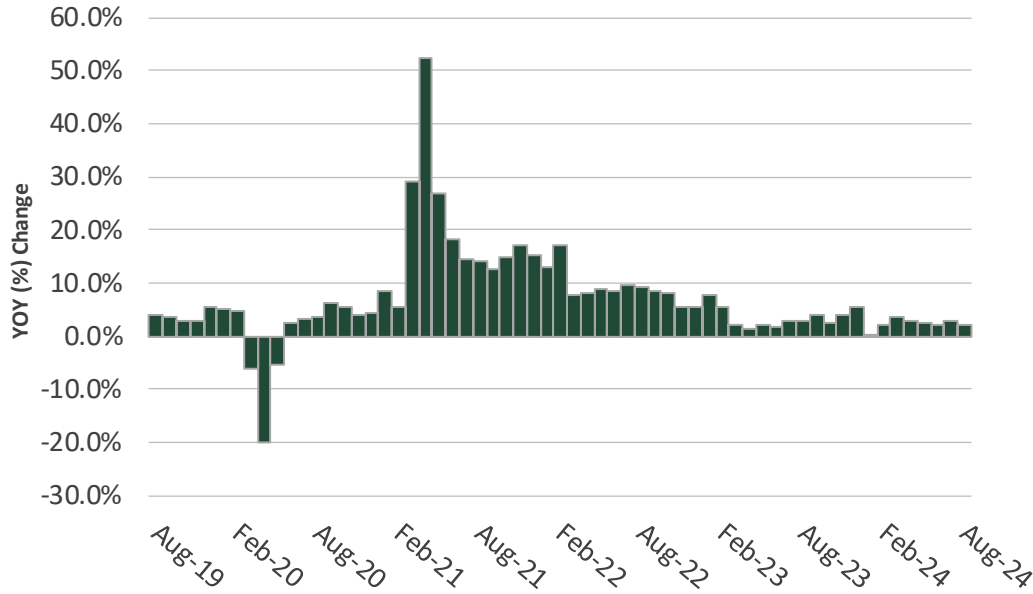
Personal Consumption Expenditures (PCE)



Source: US Department of Commerce

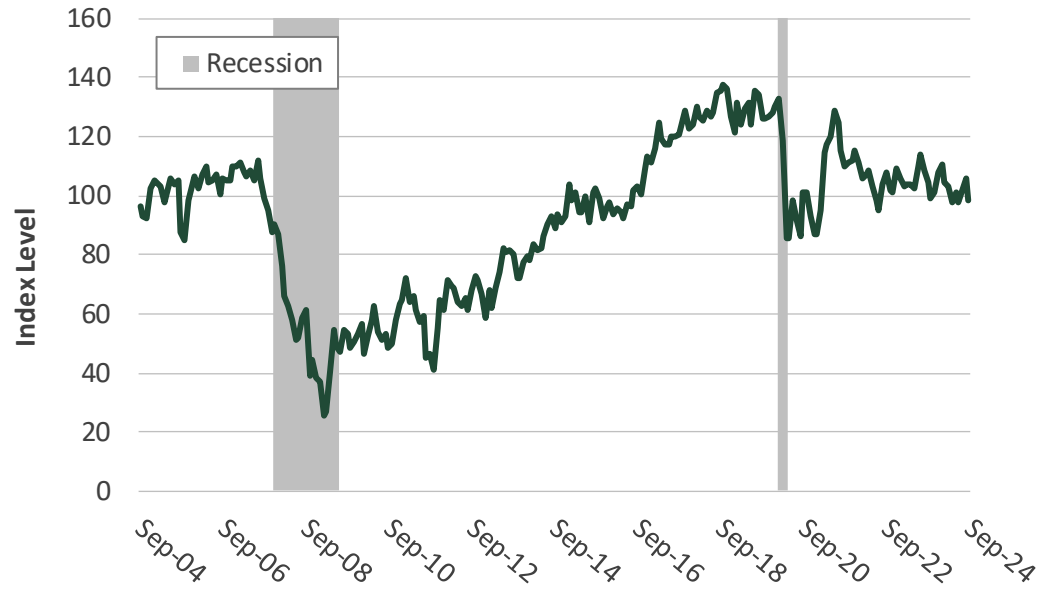
In September, the Consumer Price Index (CPI) rose 0.2% month-over-month and 2.4% year-over-year, down from 2.5% in August, but slightly higher than expected. The Core CPI, which excludes volatile food and energy components, rose by 0.3% month-over-month and 3.3% year-over-year, also exceeding consensus forecasts. The Personal Consumption Expenditures (PCE) Index rose 0.1% from the previous month and 2.2% year-over-year in August. The Core PCE deflator (the Fed’s preferred gauge) increased 0.1% month-over-month and 2.7% over the past year, still above the Fed’s 2% inflation target. Much of the lingering inflation has been driven by shelter costs and demand for services, but recent data provide confirmation that inflation is moderating.

Retail Sales YOY % Change



Source: US Department of Commerce

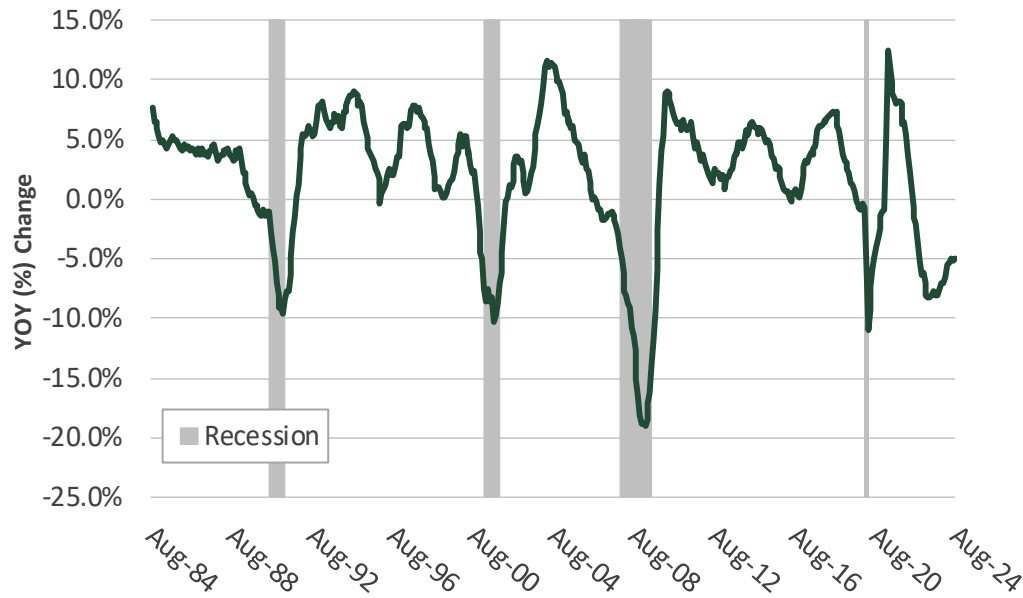
Consumer Confidence



Source: The Conference Board
All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

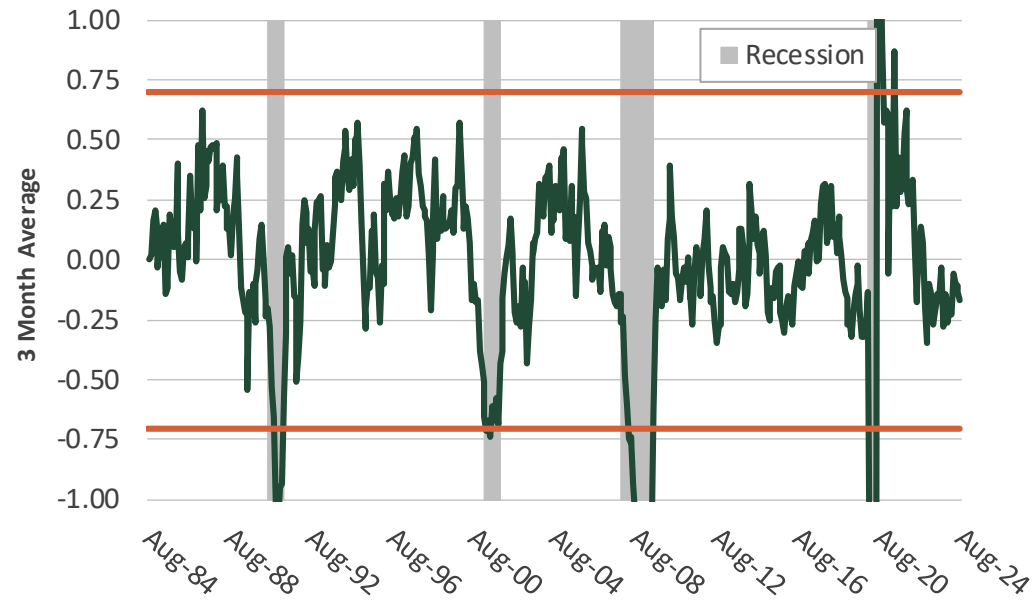
Retail Sales grew more than expected month-over-month in August at 0.1% after growth of 1.1% in July. On a year-over-year basis, Retail Sales grew 2.1% in August versus 2.9% in July. Control-group sales, which are used to calculate gross domestic product, rose 0.3% month-over-month in August after last month’s data was revised higher to an increase of 0.4%. E-commerce contributed the most to the increase. The Conference Board’s Consumer Confidence Index for September came in below expectations, contracting to 98.7 after an upward revision to 105.6 in August. The decline reflects recent softening in labor market conditions, and less optimism about the job market and income growth. While the consumer has been resilient, consumption has begun to moderate in the face of declining savings rates, growing credit card debt, higher delinquencies, and a moderating labor market.

Leading Economic Indicators (LEI)



Source: The Conference Board

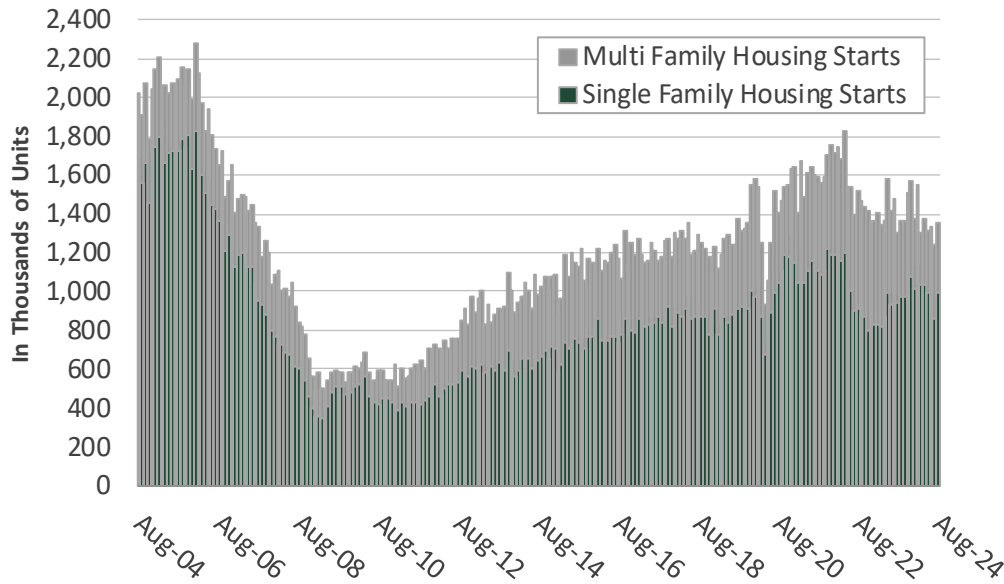
Chicago Fed National Activity Index (CFNAI)



Source: Federal Reserve Bank of Chicago

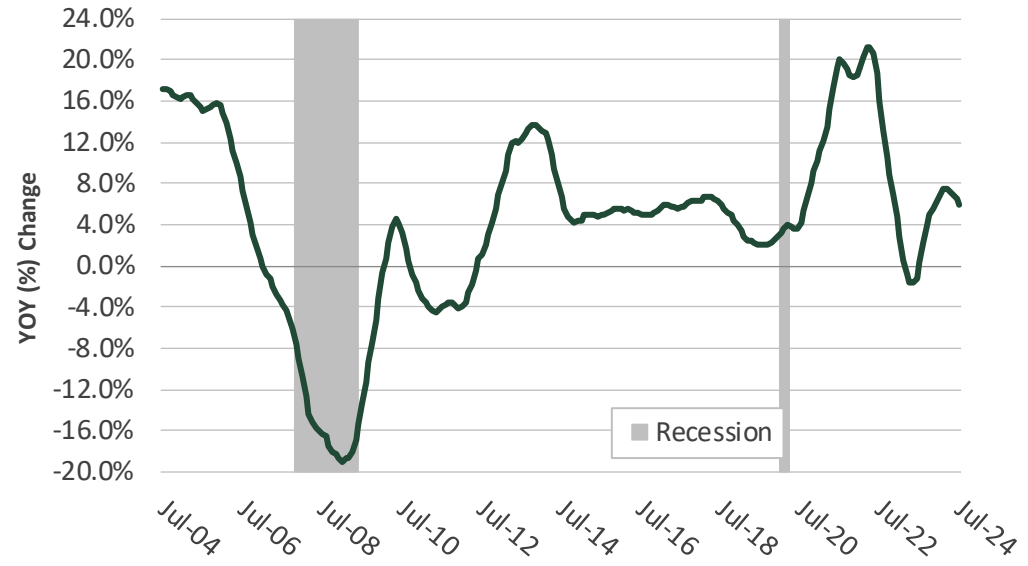
The Conference Board’s Leading Economic Index (LEI) remained in negative territory at -0.2% in August, improving from -0.6% in July. The index dropped 5.0% year-over-year. The improvement can be attributed to a decrease in the yield curve inversion, an increase in building permits, and stock market performance. The Chicago Fed National Activity Index (CFNAI) increased to 0.12 in August from a downwardly revised -0.42 in July, which was above consensus expectations. The three-month moving average fell to -0.17 in August from -0.13 in July, indicating below-trend growth expectations for the economy.

Annualized Housing Starts



Source: US Department of Commerce

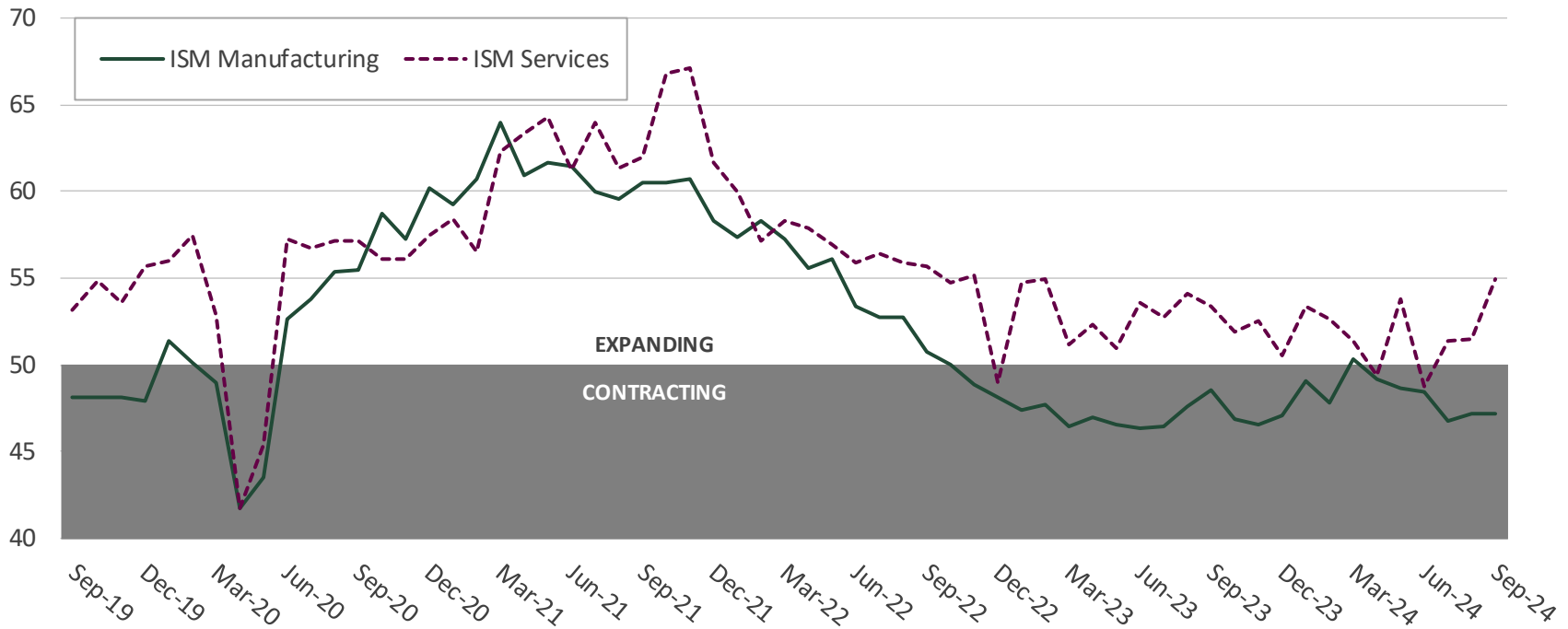
S&P/Case-Shiller 20 City Composite Home Price Index



Source: S&P

Housing starts surprised to the upside on a month-over-month basis in August, increasing 9.6% to 1.356 million units versus the previous decline of 6.9% the prior month. Starts were led by the single-family home sector. Total starts were up 3.9% year-over-year. The Freddie Mac average rate for a 30-year fixed mortgage edged down to 6.35% in August from 6.85% in July. According to the Case-Shiller 20-City Home Price Index, housing prices rose 5.9% year-over-year in July, decelerating from 6.5% reported in the previous month. Although the trend is gradually improving, tight inventories and higher mortgage rates continue to impact affordability.

Institute of Supply Management (ISM) Surveys



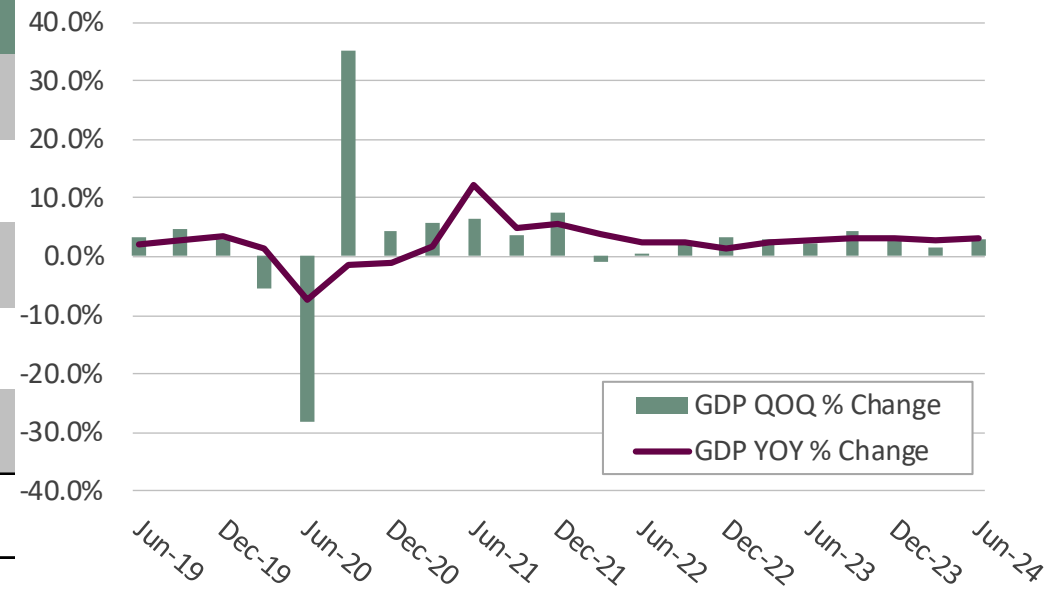
Source: Institute for Supply Management

The Institute for Supply Management (ISM) Manufacturing index contracted at a slower rate of 47.2 in September compared to 47.5 in August. Demand remains subdued and companies are continuing to reduce head counts through layoffs, attrition and hiring freezes. The ISM Services Index increased to 54.9 in September, increasing from 51.7 in August, due stronger production and new orders. A reading over 50 indicates expansion, while a reading under 50 indicates contraction.

Components of GDP	9/23	12/23	3/24	6/24
Personal Consumption Expenditures	1.7%	2.3%	1.3%	1.9%
Gross Private Domestic Investment	1.8%	0.2%	0.6%	1.5%
Net Exports and Imports	-0.1%	0.1%	-0.6%	-0.9%
Federal Government Expenditures	0.3%	0.0%	0.0%	0.3%
State and Local (Consumption and Gross Investment)	0.6%	0.6%	0.3%	0.3%
Total	4.4%	3.2%	1.6%	3.0%

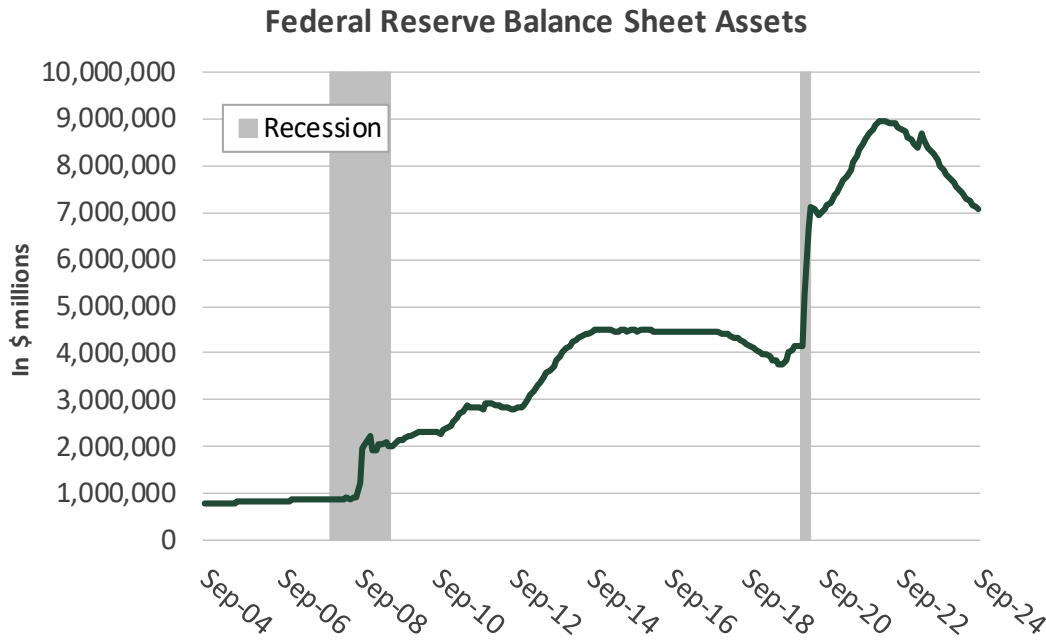
Source: US Department of Commerce

Gross Domestic Product (GDP)

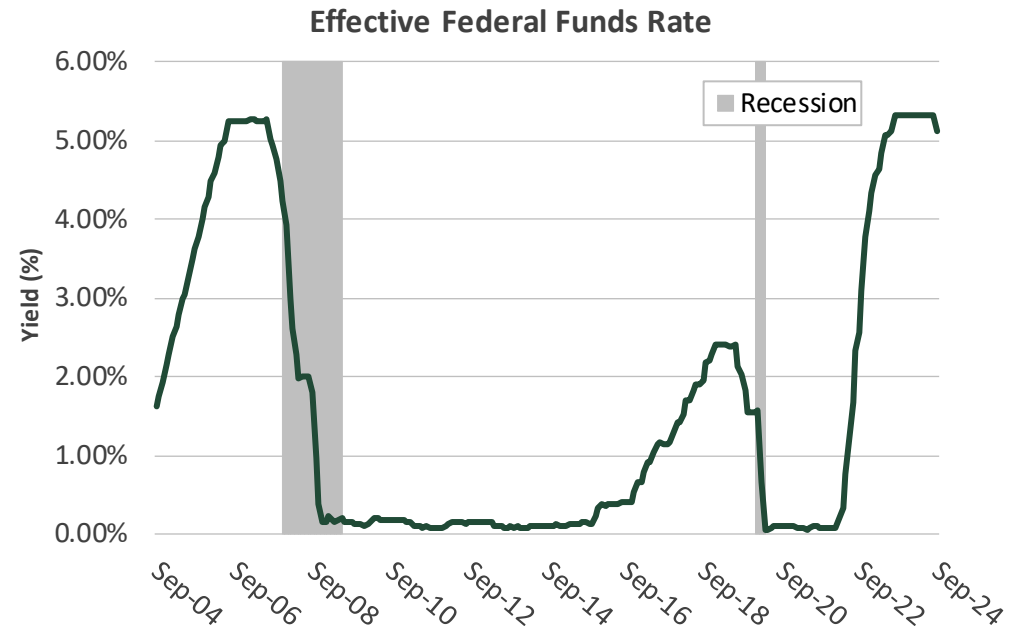


Source: US Department of Commerce

According to the third estimate, second quarter GDP increased at an annualized rate of 3.0%, unchanged from the prior estimate. Growth continues to be powered by personal consumption expenditures. Gross fixed investment, government consumption expenditures, and inventories also had positive contributions, with a negative offset by net exports. The consensus projection calls for 2.0% growth in the third quarter and 2.6% growth for the full year 2024.



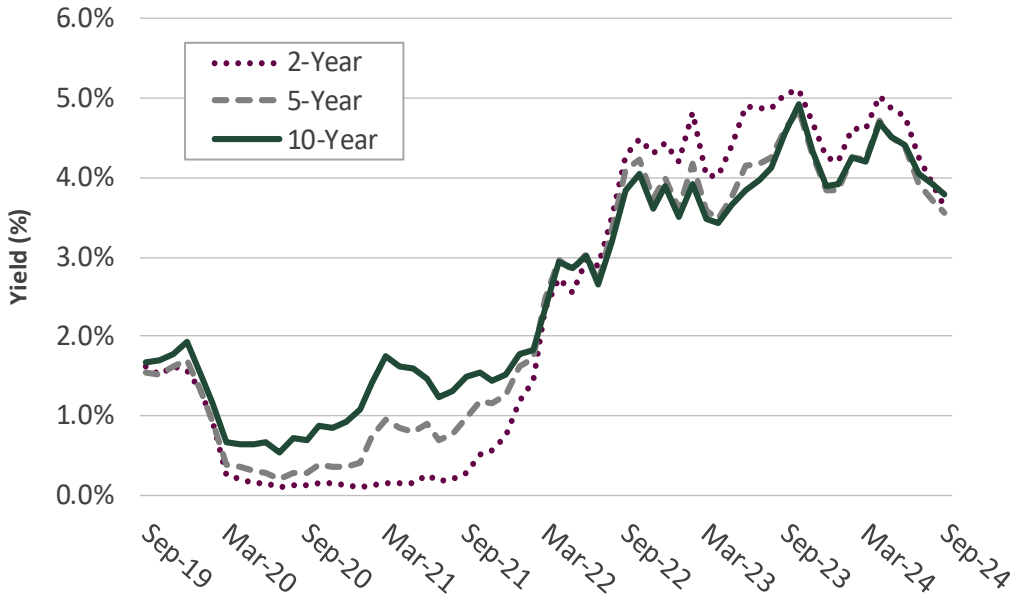
Source: Federal Reserve



Source: Bloomberg

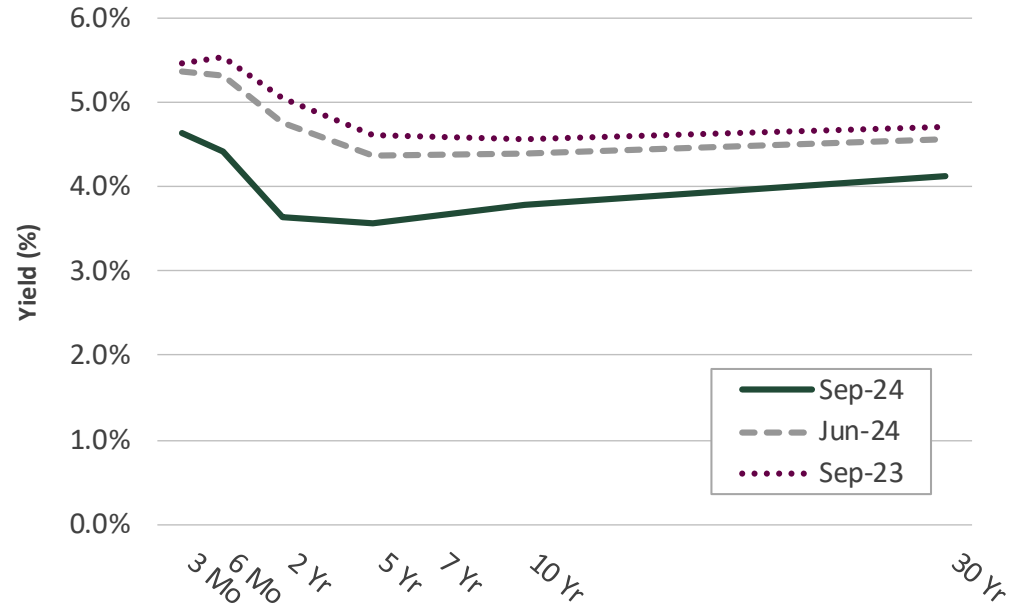
The Federal Open Market Committee (FOMC) delivered the first rate cut of the easing cycle at the September meeting. Although a reduction in the Fed Funds Rate was widely anticipated, the magnitude was somewhat of a surprise, as market participants were split between whether the FOMC would cut by 25 basis points or 50 basis points. Chair Jerome Powell reiterated previous statements acknowledging that monetary policy has shifted into a more balanced approach addressing price stability and full employment in tandem. The Fed released the quarterly Summary of Economic Projections (SEP) which now forecasts a substantially lower median Fed Funds Rate expectation among Fed Governors in 2025 to 3.1 – 3.6%. The Fed continues to reduce its holdings of U.S. Treasury securities and agency mortgage-backed securities as per its predefined schedule of \$25 billion and \$35 billion per month. Since the Fed began its Quantitative Tightening campaign in June 2022, securities holdings have declined by approximately \$1.8T to approximately \$7.1T.

US Treasury Note Yields



Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

At the end of September, the 2-year Treasury yield was 140 basis points lower, and the 10-Year Treasury yield was 79 basis points lower, year-over-year. The 2-year and 10-year Treasury yield points on the curve began to normalize to +14 basis points at September month-end versus -2 basis points at August month-end. The yield curve inversion which began in July 2022 was historically long. The average historical spread (since 2003) is about +110 basis points. The inversion between 3-month and 10-year Treasuries tightened to -85 basis points in September from -121 basis points in August.

ACCOUNT PROFILE

Investment Objectives

The investment objectives of the Small Cities Organized Risk Effort are first, to provide safety of principal to ensure the preservation of capital; second, to provide sufficient liquidity to meet all disbursement requirements; and third, to earn a commensurate rate of return consistent with the constraints imposed by the safety and liquidity objectives.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return over a market cycle that equals or exceeds the market index, the ICE BofA 1-5 Year US Treasury and Agency Index.

Strategy

In order to achieve this objective, the portfolio invests in high-quality money market instruments, US Treasury securities, Agency securities, and high-grade corporate securities with a maximum maturity of five years.

STATEMENT OF COMPLIANCE



Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Rules Name	Limit	Actual	Compliance Status	Notes
AGENCY MORTGAGE SECURITIES (CMOS)				
Max % (MV)	100.0	1.9	Compliant	
Max % Issuer (MV; Agencies & Agency CMOs)	30.0	8.6	Compliant	
Max Maturity (Years)	5.0	3.7	Compliant	
ASSET-BACKED SECURITIES (ABS)				
Max % (MV; Non Agency ABS & MBS)	20.0	4.6	Compliant	
Max % Issuer (MV)	5.0	1.1	Compliant	
Max Maturity (Years)	5	3	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
BANKERS' ACCEPTANCES				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	180	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COMMERCIAL PAPER				
Max % (MV)	25.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	270	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				
Max % (MV)	30.0	26.2	Compliant	
Max % Issuer (MV)	5.0	2.3	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	

STATEMENT OF COMPLIANCE



Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Rules Name	Limit	Actual	Compliance Status	Notes
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	100.0	15.6	Compliant	
Max % Issuer (MV; Agencies & Agency CMOs)	30.0	8.6	Compliant	
Max Callables (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5	3	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max Concentration (MV)	75.0	0.0	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	0.6	Compliant	
Max % Issuer (MV)	20.0	0.6	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
MORTGAGE-BACKED SECURITIES (NON-AGENCY)				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, LOCAL AGENCY)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, OTHER STATES)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	

STATEMENT OF COMPLIANCE



Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Rules Name	Limit	Actual	Compliance Status	Notes
MUTUAL FUNDS				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	10.0	0.0	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1 if > FDIC Limit)	0.0	0.0	Compliant	
REPURCHASE AGREEMENTS				
Max % (MV)	25.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	1.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	30.0	4.7	Compliant	
Max % Issuer (MV)	10.0	2.9	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	46.4	Compliant	
Max Maturity (Years)	5	4	Compliant	

PORTFOLIO CHARACTERISTICS



Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

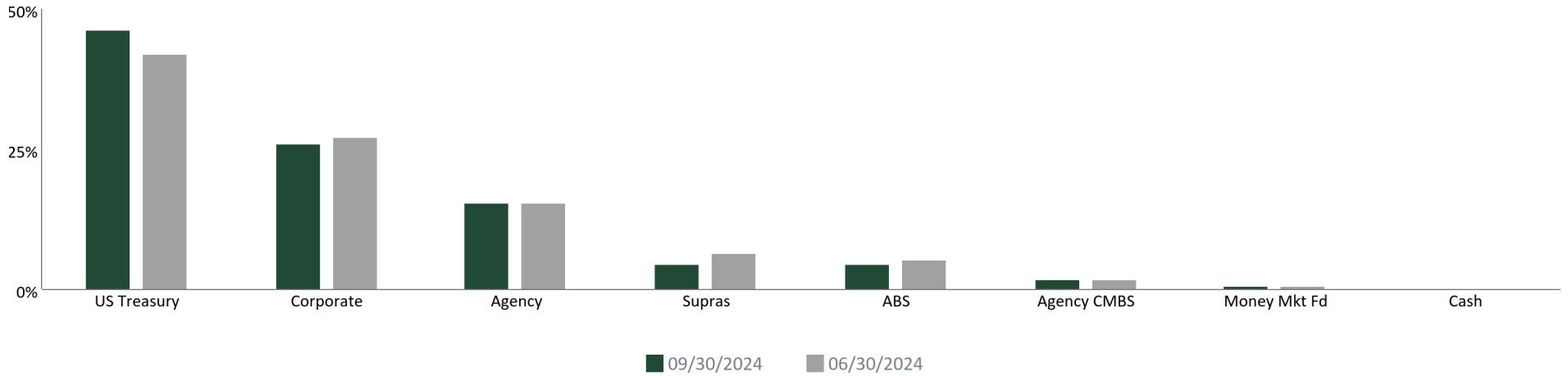
	Benchmark*	9/30/2024 Portfolio	6/30/2024 Portfolio
Average Maturity (yrs)	2.69	2.97	2.93
Average Modified Duration	2.52	2.60	2.56
Average Purchase Yield		3.39%	3.24%
Average Market Yield	3.66%	3.89%	4.82%
Average Quality**	AA+	AA	AA
Total Market Value		15,948,639	15,425,081

*Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index

**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

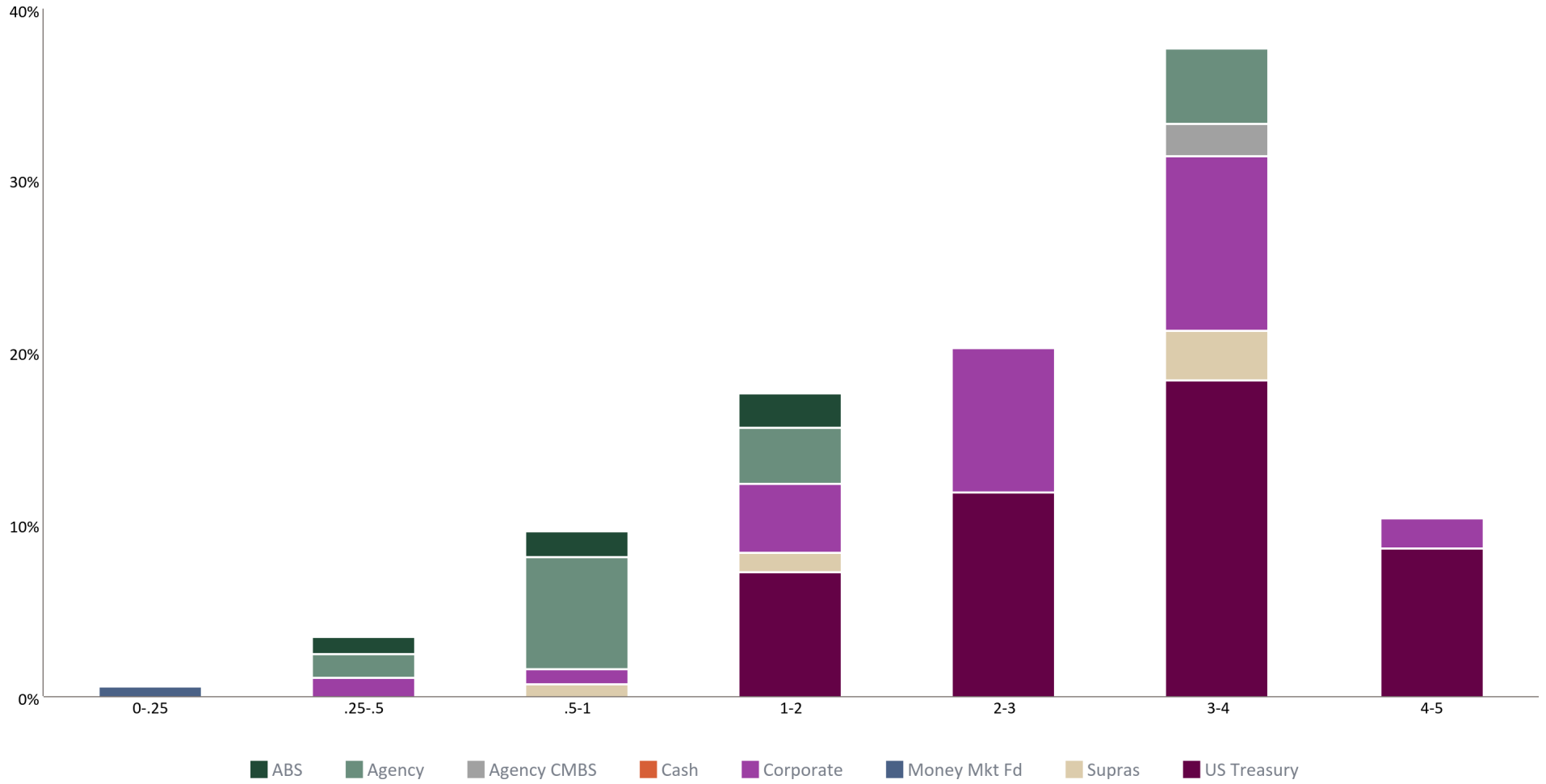


Sector as a Percentage of Market Value

Sector	09/30/2024	06/30/2024
US Treasury	46.37%	42.08%
Corporate	26.20%	27.52%
Agency	15.59%	15.80%
Supras	4.74%	6.56%
ABS	4.64%	5.46%
Agency CMBS	1.85%	1.86%
Money Mkt Fd	0.60%	0.66%
Cash	0.00%	0.07%

DURATION ALLOCATION

Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

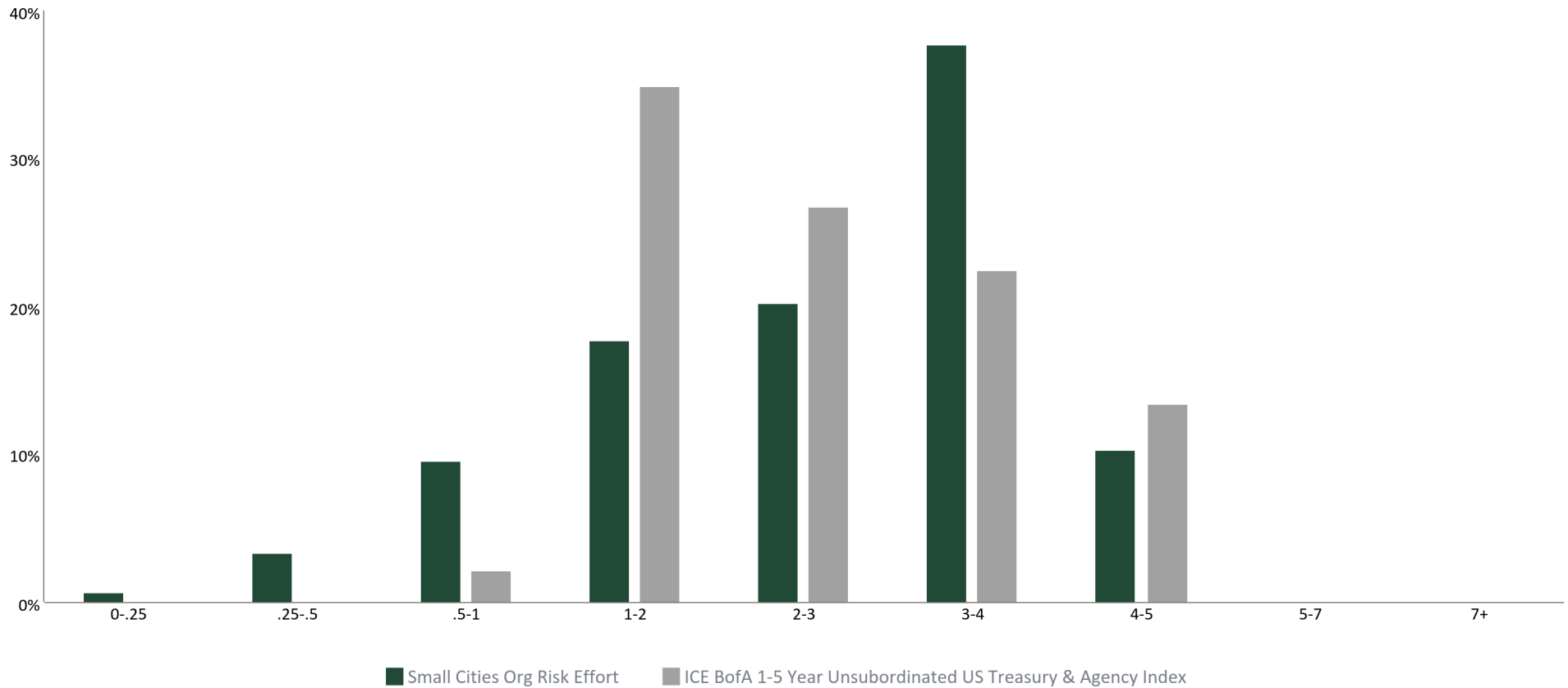


	0-25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
09/30/2024	0.8%	3.5%	9.6%	17.7%	20.3%	37.7%	10.4%	0.0%	0.0%

DURATION DISTRIBUTION

Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Portfolio Compared to the Benchmark



	0-.25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	0.8%	3.5%	9.6%	17.7%	20.3%	37.7%	10.4%	0.0%	0.0%
ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index	0.1%	0.1%	2.2%	34.9%	26.8%	22.5%	13.4%	0.0%	0.0%

ISSUERS

Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Issuer	Investment Type	% Portfolio
United States	US Treasury	46.37%
Federal Home Loan Banks	Agency	8.62%
FNMA	Agency	4.90%
International Bank for Recon and Dev	Supras	2.90%
Honeywell International Inc.	Corporate	2.28%
FHLMC	Agency	2.08%
FHLMC	Agency CMBS	1.85%
Bank of America Corporation	Corporate	1.49%
JPMorgan Chase & Co.	Corporate	1.49%
Inter-American Development Bank	Supras	1.29%
PACCAR Inc	Corporate	1.26%
U.S. Bancorp	Corporate	1.26%
Realty Income Corporation	Corporate	1.25%
BNY Mellon Corp	Corporate	1.25%
Public Service Enterprise Group Inco	Corporate	1.25%
The Toronto-Dominion Bank	Corporate	1.24%
John Deere Owner Trust	ABS	1.23%
Morgan Stanley	Corporate	1.23%
Deere & Company	Corporate	1.22%
BlackRock, Inc.	Corporate	1.18%
Chase Issuance Trust	ABS	1.06%
UnitedHealth Group Incorporated	Corporate	1.06%
Honda Motor Co., Ltd.	Corporate	0.98%
Prologis, Inc.	Corporate	0.96%
The Charles Schwab Corporation	Corporate	0.91%
Exxon Mobil Corporation	Corporate	0.88%
MERCEDES-BENZ AUTO RECEIVABLES TRUST	ABS	0.84%
Toyota Motor Corporation	Corporate	0.78%
Berkshire Hathaway Inc.	Corporate	0.70%
Amazon.com, Inc.	Corporate	0.69%

ISSUERS



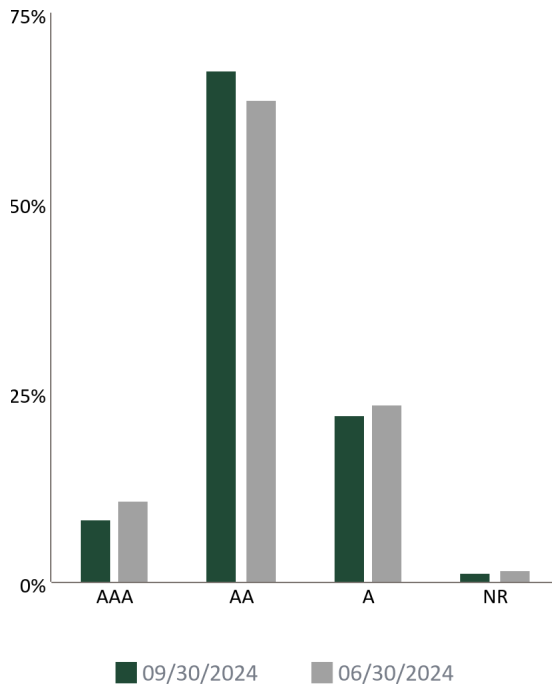
Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Issuer	Investment Type	% Portfolio
Mastercard Incorporated	Corporate	0.62%
First American Govt Oblig fund	Money Mkt Fd	0.60%
Caterpillar Inc.	Corporate	0.60%
International Finance Corporation	Supras	0.55%
Honda Auto Receivables Owner Trust	ABS	0.51%
Walmart Inc.	Corporate	0.50%
The Home Depot, Inc.	Corporate	0.46%
Target Corporation	Corporate	0.42%
BMW Vehicle Owner Trust	ABS	0.31%
GM Financial Securitized Term	ABS	0.27%
State Street Corporation	Corporate	0.25%
Hyundai Auto Receivables Trust	ABS	0.19%
Toyota Auto Receivables Owner Trust	ABS	0.15%
BMW Vehicle Lease Trust	ABS	0.07%
Cash	Cash	0.00%
TOTAL		100.00%

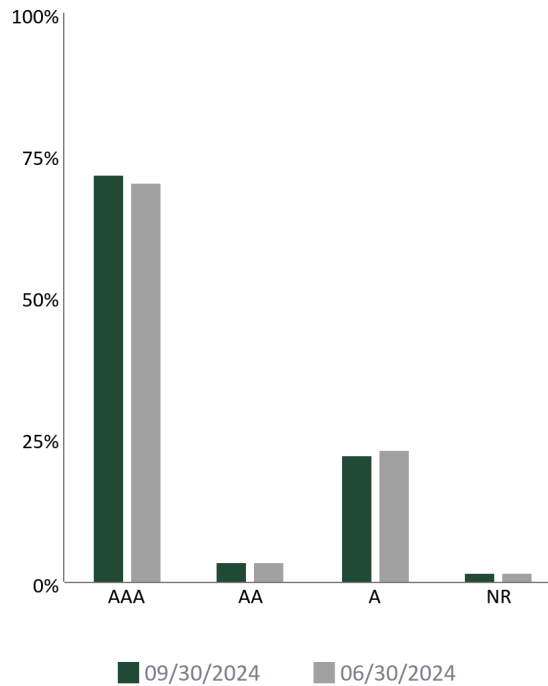
QUALITY DISTRIBUTION

Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

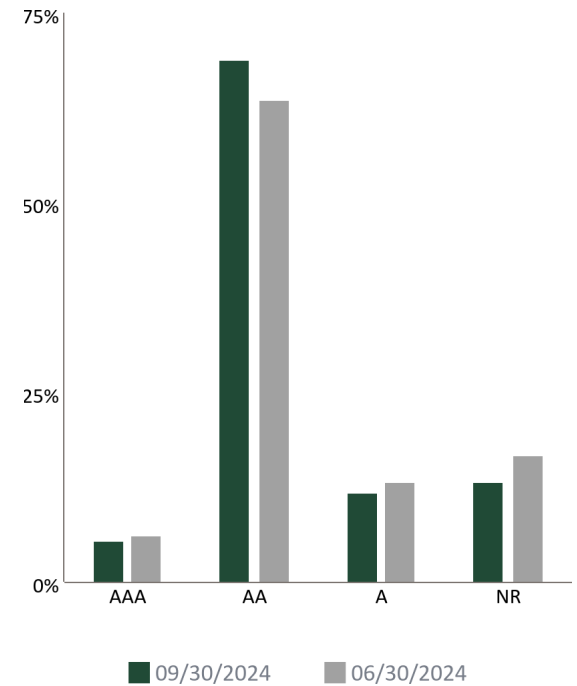
S&P Rating



Moody's Rating



Fitch Rating



Rating	09/30/2024	06/30/2024
AAA	8.4%	11.0%
AA	67.7%	63.7%
A	22.3%	23.6%
NR	1.5%	1.7%

Rating	09/30/2024	06/30/2024
AAA	72.1%	70.5%
AA	3.9%	3.9%
A	22.4%	23.7%
NR	1.7%	1.9%

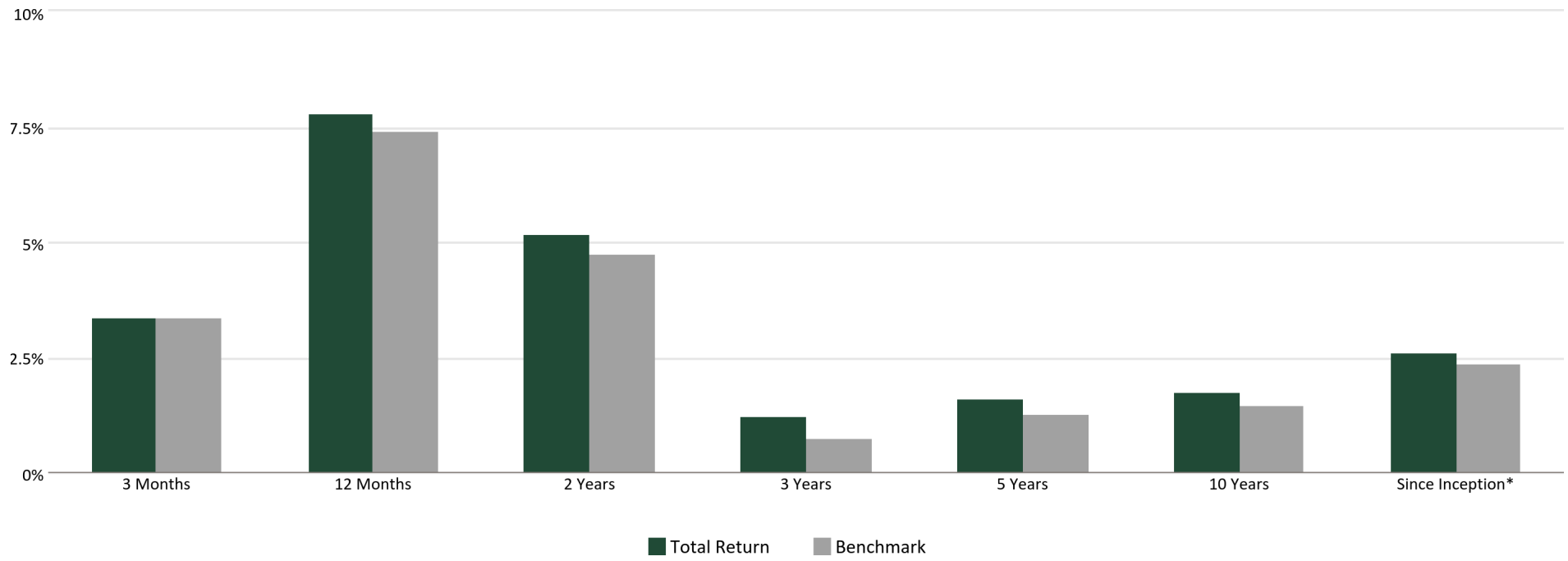
Rating	09/30/2024	06/30/2024
AAA	5.7%	6.2%
AA	68.9%	63.6%
A	11.9%	13.4%
NR	13.5%	16.7%

INVESTMENT PERFORMANCE



Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Total Rate of Return : Inception | 04/01/2006



	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
TOTAL RATE OF RETURN							
Small Cities Org Risk Effort	3.39%	7.83%	5.20%	1.22%	1.63%	1.76%	2.63%
Benchmark	3.37%	7.44%	4.75%	0.76%	1.28%	1.49%	2.36%

*Periods over 1 year are annualized.

Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index

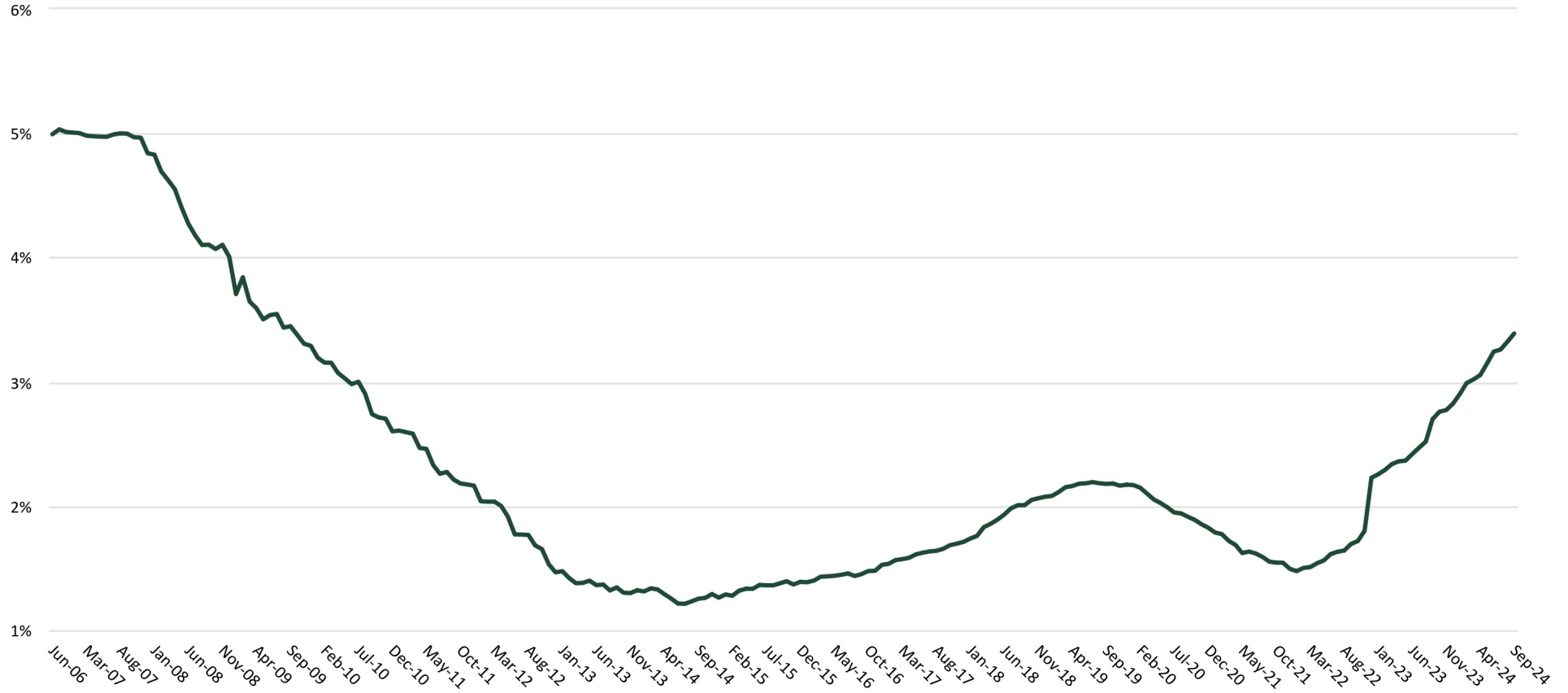
Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

HISTORICAL AVERAGE PURCHASE YIELD



Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Purchase Yield as of 09/30/24 = 3.39%



PORTFOLIO CHARACTERISTICS



SCORE - Enhanced Cash | Account #11063 | As of September 30, 2024

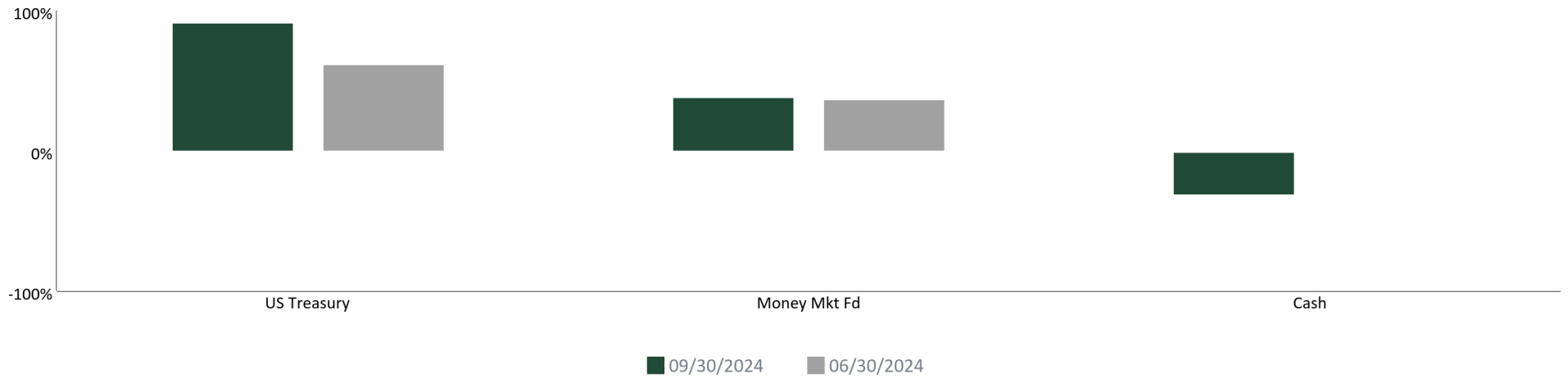
	9/30/2024 Portfolio	6/30/2024 Portfolio
Average Maturity (yrs)	0.14	0.07
Average Modified Duration	0.14	0.07
Average Purchase Yield	6.37%	5.22%
Average Market Yield	6.12%	5.10%
Average Quality**	AAA	AAA
Total Market Value	2,678,076	2,648,252

*Benchmark: NO BENCHMARK REQUIRED

**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

SCORE - Enhanced Cash | Account #11063 | As of September 30, 2024



Sector as a Percentage of Market Value

Sector	09/30/2024	06/30/2024
US Treasury	92.31%	62.30%
Money Mkt Fd	38.29%	37.65%
Cash	-30.60%	0.04%

CONSOLIDATED INFORMATION

PORTFOLIO CHARACTERISTICS



SCORE Cons | Account #11064 | As of September 30, 2024

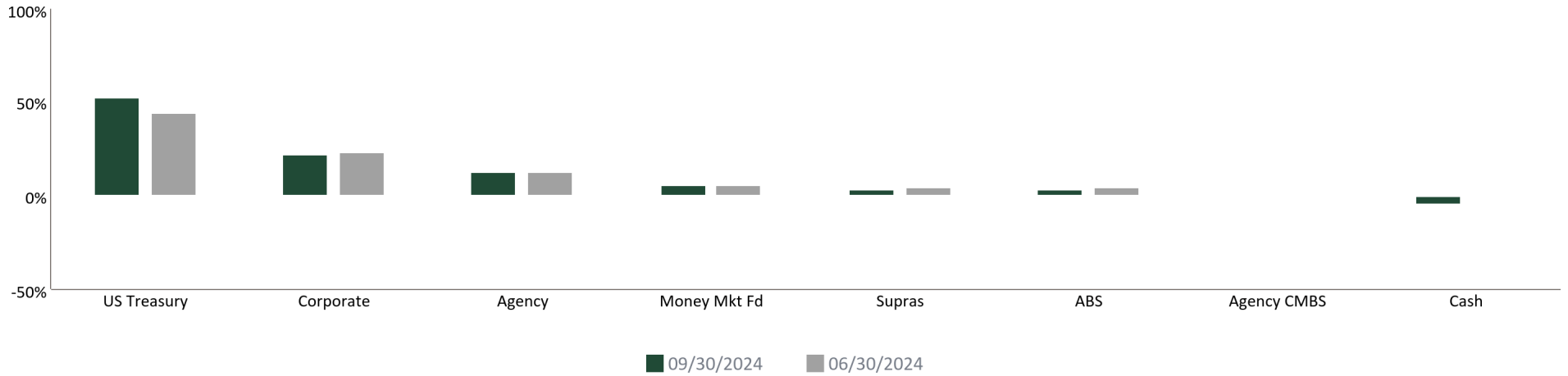
	9/30/2024 Portfolio	6/30/2024 Portfolio
Average Maturity (yrs)	2.56	2.51
Average Modified Duration	2.24	2.20
Average Purchase Yield	3.82%	3.53%
Average Market Yield	4.21%	4.86%
Average Quality**	AA	AA
Total Market Value	18,626,715	18,073,333

*Benchmark: NO BENCHMARK REQUIRED

**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

SCORE Cons | Account #11064 | As of September 30, 2024



Sector as a Percentage of Market Value

Sector	09/30/2024	06/30/2024
US Treasury	53.01%	45.06%
Corporate	22.41%	23.46%
Agency	13.34%	13.47%
Money Mkt Fd	6.05%	6.11%
Supras	4.06%	5.59%
ABS	3.97%	4.65%
Agency CMBS	1.59%	1.58%
Cash	-4.42%	0.06%

ISSUERS



SCORE Cons | Account #11064 | As of September 30, 2024

Issuer	Investment Type	% Portfolio
United States	US Treasury	53.01%
Federal Home Loan Banks	Agency	7.37%
First American Govt Oblig fund	Money Mkt Fd	6.05%
FNMA	Agency	4.19%
International Bank for Recon and Dev	Supras	2.48%
Honeywell International Inc.	Corporate	1.95%
FHLMC	Agency	1.78%
FHLMC	Agency CMBS	1.59%
Bank of America Corporation	Corporate	1.28%
JPMorgan Chase & Co.	Corporate	1.27%
Inter-American Development Bank	Supras	1.10%
PACCAR Inc	Corporate	1.08%
U.S. Bancorp	Corporate	1.07%
Realty Income Corporation	Corporate	1.07%
BNY Mellon Corp	Corporate	1.07%
Public Service Enterprise Group Inco	Corporate	1.07%
The Toronto-Dominion Bank	Corporate	1.06%
John Deere Owner Trust	ABS	1.05%
Morgan Stanley	Corporate	1.05%
Deere & Company	Corporate	1.04%
BlackRock, Inc.	Corporate	1.01%
Chase Issuance Trust	ABS	0.91%
UnitedHealth Group Incorporated	Corporate	0.90%
Honda Motor Co., Ltd.	Corporate	0.84%
Prologis, Inc.	Corporate	0.82%
The Charles Schwab Corporation	Corporate	0.78%
Exxon Mobil Corporation	Corporate	0.75%
MERCEDES-BENZ AUTO RECEIVABLES TRUST	ABS	0.72%
Toyota Motor Corporation	Corporate	0.67%
Berkshire Hathaway Inc.	Corporate	0.60%

ISSUERS



SCORE Cons | Account #11064 | As of September 30, 2024

Issuer	Investment Type	% Portfolio
Amazon.com, Inc.	Corporate	0.59%
Mastercard Incorporated	Corporate	0.53%
Caterpillar Inc.	Corporate	0.51%
International Finance Corporation	Supras	0.47%
Honda Auto Receivables Owner Trust	ABS	0.43%
Walmart Inc.	Corporate	0.43%
The Home Depot, Inc.	Corporate	0.39%
Target Corporation	Corporate	0.36%
BMW Vehicle Owner Trust	ABS	0.26%
GM Financial Securitized Term	ABS	0.23%
State Street Corporation	Corporate	0.21%
Hyundai Auto Receivables Trust	ABS	0.16%
Toyota Auto Receivables Owner Trust	ABS	0.13%
BMW Vehicle Lease Trust	ABS	0.06%
Cash	Cash	-4.42%
TOTAL		100.00%

PORTFOLIO HOLDINGS

HOLDINGS REPORT



Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
47788UAC6	JDOT 2021 A3 0.36 09/15/2025	236.22	03/02/2021 0.37%	236.18 236.21	99.81 5.41%	235.76 0.04	0.00% (0.45)	Aaa/NA AAA	0.96 0.04
05593AAC3	BMWLT 2023-1 A3 5.16 11/25/2025	11,719.28	02/07/2023 5.43%	11,719.00 11,719.16	100.08 4.88%	11,728.95 10.08	0.07% 9.79	Aaa/AAA NA	1.15 0.25
44934KAC8	HART 2021-B A3 0.38 01/15/2026	6,031.22	07/20/2021 0.60%	6,029.88 6,030.91	99.71 5.49%	6,013.68 1.02	0.04% (17.23)	NA/AAA AAA	1.29 0.06
43815GAC3	HAROT 2021-4 A3 0.88 01/21/2026	10,862.73	11/16/2021 0.89%	10,860.44 10,862.08	98.70 5.24%	10,721.29 2.66	0.07% (140.79)	Aaa/NA AAA	1.31 0.30
47789QAC4	JDOT 2021-B A3 0.52 03/16/2026	10,605.39	07/13/2021 0.52%	10,604.44 10,605.21	98.83 4.69%	10,481.15 2.45	0.07% (124.06)	Aaa/NA AAA	1.46 0.28
44935FAD6	HART 2021-C A3 0.74 05/15/2026	7,054.96	11/09/2021 0.75%	7,053.38 7,054.47	99.08 5.23%	6,989.99 2.32	0.04% (64.48)	NA/AAA AAA	1.62 0.20
43815BAC4	HAROT 2022-1 A3 1.88 05/15/2026	29,865.07	02/15/2022 1.89%	29,860.58 29,863.48	98.81 4.89%	29,509.04 24.95	0.19% (354.44)	Aaa/AAA NA	1.62 0.39
05602RAD3	BMWOT 2022-A A3 3.21 08/25/2026	18,698.23	05/10/2022 3.63%	18,697.26 18,697.88	99.33 4.75%	18,572.62 10.00	0.12% (125.26)	Aaa/AAA NA	1.90 0.44
47787JAC2	JDOT 2022 A3 0.36 09/15/2026	21,315.15	03/10/2022 2.34%	21,310.44 21,313.23	98.85 4.69%	21,070.00 21.98	0.13% (243.23)	Aaa/NA AAA	1.96 0.49
89238FAD5	TAOT 2022-B A3 2.93 09/15/2026	24,586.11	04/07/2022 3.09%	24,585.53 24,585.91	99.18 4.65%	24,385.22 32.02	0.15% (200.68)	Aaa/AAA NA	1.96 0.48
362554AC1	GMCAR 2021-4 A3 0.68 09/16/2026	9,781.48	10/13/2021 0.68%	9,781.24 9,781.42	98.52 4.96%	9,636.97 2.77	0.06% (144.45)	Aaa/AAA NA	1.96 0.34
448977AD0	HART 2022-A A3 2.22 10/15/2026	16,509.13	03/09/2022 2.23%	16,508.49 16,508.92	98.90 4.95%	16,327.47 16.29	0.10% (181.44)	NA/AAA AAA	2.04 0.40
380146AC4	GMCAR 2022-1 A3 1.26 11/16/2026	9,986.51	01/11/2022 1.24%	9,985.64 9,986.24	98.64 4.79%	9,850.91 5.24	0.06% (135.33)	NA/AAA AAA	2.13 0.38
362585AC5	GMCAR 2022-2 A3 3.1 02/16/2027	24,066.23	04/05/2022 3.16%	24,061.20 24,064.28	99.15 4.69%	23,862.68 31.09	0.15% (201.60)	Aaa/AAA NA	2.38 0.54
47800AAC4	JDOT 2022-B A3 3.74 02/16/2027	37,406.01	07/12/2022 3.77%	37,402.44 37,404.39	99.44 4.62%	37,197.40 62.18	0.23% (206.99)	Aaa/NA AAA	2.38 0.66
43815JAC7	HAROT 2023-1 A3 5.04 04/21/2027	40,000.00	02/16/2023 5.09%	39,992.57 39,995.44	100.51 4.49%	40,202.25 56.00	0.25% 206.81	Aaa/NA AAA	2.56 0.84

HOLDINGS REPORT



Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
58768PAC8	MBART 2022-1 A3 5.21 08/16/2027	103,076.86	11/15/2022 5.27%	103,056.47 103,064.87	100.50 4.50%	103,593.60 238.68	0.65% 528.73	Aaa/AAA NA	2.88 0.65
58770AAC7	MBART 2023-1 A3 4.51 11/15/2027	29,582.10	01/18/2023 4.56%	29,578.55 29,579.80	100.01 4.54%	29,585.66 59.30	0.19% 5.86	NA/AAA AAA	3.13 0.73
47800CAC0	JDOT 2023 A3 5.01 11/15/2027	75,000.00	02/22/2023 3.39%	74,986.34 74,990.94	100.69 4.46%	75,514.43 167.00	0.48% 523.48	Aaa/NA AAA	3.13 1.14
05592XAD2	BMWOT 2023-A A3 5.47 02/25/2028	30,000.00	07/11/2023 5.47%	29,994.68 29,996.07	101.24 4.43%	30,371.85 27.35	0.19% 375.78	NA/AAA AAA	3.41 1.12
477920AC6	JDOT 2023-B A3 5.18 03/15/2028	50,000.00	06/21/2023 5.51%	49,991.66 49,993.89	101.16 4.41%	50,579.60 115.11	0.32% 585.70	Aaa/NA AAA	3.46 1.40
161571HT4	CHAIT 2023-1 A 5.16 09/15/2028	165,000.00	09/07/2023 5.17%	164,954.26 164,963.82	102.17 4.04%	168,581.23 378.40	1.06% 3,617.40	NR/AAA AAA	3.96 1.82
Total ABS		731,382.67	4.17%	731,250.67 731,298.63	100.51 4.48%	735,011.75 1,266.92	4.64% 3,713.12	Aaa/AAA AAA	2.90 0.99

AGENCY									
3130A4CH3	FEDERAL HOME LOAN BANKS 2.375 03/14/2025	225,000.00	03/19/2020 1.20%	237,998.25 226,171.27	99.04 4.53%	222,842.18 252.34	1.41% (3,329.09)	Aaa/AA+ AA+	0.45 0.44
3130AJHU6	FEDERAL HOME LOAN BANKS 0.5 04/14/2025	150,000.00	06/04/2020 0.53%	149,800.80 149,978.10	97.98 4.36%	146,967.01 347.92	0.93% (3,011.09)	Aaa/AA+ AA+	0.54 0.52
3135G03U5	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.625 04/22/2025	105,000.00	04/22/2020 0.67%	104,783.70 104,975.93	97.98 4.33%	102,877.27 289.84	0.65% (2,098.66)	Aaa/AA+ AA+	0.56 0.54
3135G04Z3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 06/17/2025	260,000.00	06/17/2020 0.54%	259,461.80 259,923.58	97.43 4.20%	253,326.00 375.56	1.60% (6,597.57)	Aaa/AA+ AA+	0.71 0.70
3137EAEU9	FEDERAL HOME LOAN MORTGAGE CORP 0.375 07/21/2025	140,000.00	07/21/2020 0.48%	139,302.80 139,888.01	97.12 4.04%	135,974.77 102.08	0.86% (3,913.24)	Aaa/AA+ AA+	0.80 0.79
3135G05X7	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.375 08/25/2025	220,000.00	08/25/2020 0.47%	218,970.40 219,814.85	96.87 3.95%	213,103.99 82.50	1.34% (6,710.86)	Aaa/AA+ AA+	0.90 0.88
3137EAEX3	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	200,000.00	09/23/2020 0.44%	199,398.00 199,882.18	96.53 4.03%	193,066.77 16.67	1.22% (6,815.41)	Aaa/AA+ AA+	0.98 0.96
3135G06G3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025	215,000.00	11/09/2020 0.57%	214,230.30 214,830.08	96.23 4.04%	206,887.47 430.00	1.31% (7,942.61)	Aaa/AA+ AA+	1.10 1.07

HOLDINGS REPORT



Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3130ATUC9	FEDERAL HOME LOAN BANKS 4.5 12/12/2025	300,000.00	02/08/2023 4.21%	302,262.00 300,953.22	100.73 3.86%	302,197.37 4,087.50	1.91% 1,244.14	Aaa/AA+ AA+	1.20 1.14
3130ATS57	FEDERAL HOME LOAN BANKS 4.5 03/10/2028	275,000.00	03/20/2023 3.84%	283,109.75 280,608.95	102.91 3.59%	283,009.25 721.88	1.79% 2,400.31	Aaa/AA+ AA+	3.44 3.17
3130AWMN7	FEDERAL HOME LOAN BANKS 4.375 06/09/2028	200,000.00	07/26/2023 4.27%	200,900.00 200,681.45	102.57 3.62%	205,136.29 2,722.22	1.29% 4,454.84	Aaa/AA+ AA+	3.69 3.35
3130AWTR1	FEDERAL HOME LOAN BANKS 4.375 09/08/2028	200,000.00	10/23/2023 4.98%	194,780.00 195,785.31	102.73 3.62%	205,469.49 559.03	1.30% 9,684.18	Aaa/AA+ AA+	3.94 3.59
Total Agency		2,490,000.00	2.10%	2,504,997.80 2,493,492.93	99.29 3.98%	2,470,857.86 9,987.53	15.59% (22,635.07)	Aaa/AA+ AA+	1.64 1.53
AGENCY CMBS									
3137FG6X8	FHMS K-077 A2 3.85 05/25/2028	295,000.00	05/24/2023 4.24%	289,583.98 291,059.98	99.59 3.93%	293,776.13 946.46	1.85% 2,716.15	Aaa/AA+ AAA	3.65 3.28
Total Agency CMBS		295,000.00	4.24%	289,583.98 291,059.98	99.59 3.93%	293,776.13 946.46	1.85% 2,716.15	Aaa/AA+ AAA	3.65 3.28
CASH									
CCYUSD	Receivable	640.79	-- 0.00%	640.79 640.79	1.00 0.00%	640.79 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		640.79	0.00%	640.79 640.79	1.00 0.00%	640.79 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
CORPORATE									
30231GBH4	EXXON MOBIL CORP 2.992 03/19/2025	140,000.00	01/20/2021 0.74%	152,733.00 141,205.74	99.24 4.65%	138,938.14 139.63	0.88% (2,267.60)	Aa2/AA- NA	0.47 0.46
857477BR3	STATE STREET CORP 1.746 02/06/2026	40,000.00	02/02/2022 1.75%	40,000.00 40,000.00	98.82 5.27%	39,528.53 106.70	0.25% (471.47)	A1/A AA-	1.35 0.34
46647PBK1	JPMORGAN CHASE & CO 2.083 04/22/2026	50,000.00	09/16/2021 1.18%	51,594.50 50,247.09	98.40 6.11%	49,202.18 460.00	0.31% (1,044.90)	A1/A- AA-	1.56 0.54
91324PEC2	UNITEDHEALTH GROUP INC 1.15 05/15/2026	175,000.00	-- 1.41%	173,020.70 174,270.10	95.60 3.97%	167,307.51 760.28	1.06% (6,962.58)	A2/A+ A	1.62 1.57

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Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
89236TJK2	TOYOTA MOTOR CREDIT CORP 1.125 06/18/2026	130,000.00	06/15/2021 1.13%	129,942.80 129,980.42	95.34 3.96%	123,941.39 418.44	0.78% (6,039.03)	A1/A+ A+	1.71 1.66
06051GJD2	BANK OF AMERICA CORP 1.319 06/19/2026	80,000.00	-- 2.81%	77,319.60 79,214.47	97.54 5.53%	78,029.32 298.97	0.49% (1,185.15)	A1/A- AA-	1.72 0.70
931142ERO	WALMART INC 1.05 09/17/2026	30,000.00	09/08/2021 1.09%	29,943.30 29,977.77	94.97 3.74%	28,489.73 12.25	0.18% (1,488.04)	Aa2/AA AA	1.96 1.91
438516BL9	HONEYWELL INTERNATIONAL INC 2.5 11/01/2026	180,000.00	12/15/2022 4.35%	168,229.80 173,660.92	97.41 3.81%	175,332.73 1,875.00	1.11% 1,671.81	A2/A A	2.09 1.98
87612EBM7	TARGET CORP 1.95 01/15/2027	70,000.00	01/19/2022 1.99%	69,881.00 69,945.25	96.06 3.76%	67,241.67 288.17	0.42% (2,703.58)	A2/A A	2.29 2.20
808513BY0	CHARLES SCHWAB CORP 2.45 03/03/2027	150,000.00	-- 2.78%	147,699.00 148,878.91	96.04 4.19%	144,057.21 285.83	0.91% (4,821.70)	A2/A- A	2.42 2.31
084664CZ2	BERKSHIRE HATHAWAY FINANCE CORP 2.3 03/15/2027	115,000.00	03/07/2022 2.30%	114,978.15 114,989.29	96.79 3.68%	111,309.26 117.56	0.70% (3,680.03)	Aa2/AA A+	2.45 2.35
09247XAN1	BLACKROCK INC 3.2 03/15/2027	190,000.00	01/19/2023 4.08%	183,705.30 186,273.97	98.55 3.82%	187,253.27 270.22	1.18% 979.30	Aa3/AA- NA	2.45 2.33
023135CF1	AMAZON.COM INC 3.3 04/13/2027	110,000.00	-- 3.63%	108,548.65 109,158.99	98.72 3.83%	108,595.14 1,694.00	0.69% (563.84)	A1/AA AA-	2.53 2.37
74340XBN0	PROLOGIS LP 2.125 04/15/2027	160,000.00	11/09/2022 5.15%	141,006.40 149,096.05	95.35 4.07%	152,558.04 1,567.78	0.96% 3,461.99	A3/A WR	2.54 2.41
61772BAB9	MORGAN STANLEY 1.593 05/04/2027	150,000.00	-- 4.71%	133,989.30 143,188.66	95.69 4.93%	143,533.18 975.71	0.91% 344.52	A1/A- A+	2.59 1.53
14913R3A3	CATERPILLAR FINANCIAL SERVICES CORP 3.6 08/12/2027	95,000.00	08/22/2022 3.81%	94,090.85 94,476.26	99.38 3.83%	94,407.37 465.50	0.60% (68.89)	A2/A A+	2.87 2.68
756109BG8	REALTY INCOME CORP 3.95 08/15/2027	200,000.00	01/05/2023 4.88%	192,410.00 195,262.47	99.39 4.18%	198,776.13 1,009.44	1.25% 3,513.67	A3/A- NA	2.87 2.67
931142EX7	WALMART INC 3.95 09/09/2027	50,000.00	-- 3.98%	49,921.10 49,953.76	100.69 3.70%	50,344.98 120.69	0.32% 391.22	Aa2/AA AA	2.94 2.67
06051GGF0	BANK OF AMERICA CORP 3.824 01/20/2028	100,000.00	04/24/2023 5.17%	95,493.00 97,223.16	98.92 4.94%	98,918.03 754.18	0.62% 1,694.87	A1/A- AA-	3.31 2.16
438516CJ3	HONEYWELL INTERNATIONAL INC 4.95 02/15/2028	180,000.00	02/13/2023 4.44%	184,037.40 182,701.35	103.50 3.83%	186,307.94 1,138.50	1.18% 3,606.59	A2/A A	3.38 3.00
57636QAW4	MASTERCARD INC 4.875 03/09/2028	95,000.00	03/06/2023 4.90%	94,907.85 94,936.70	103.30 3.84%	98,137.29 283.02	0.62% 3,200.59	Aa3/A+ NA	3.44 3.07

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
74456QBU9	PUBLIC SERVICE ELECTRIC AND GAS CO 3.7 05/01/2028	200,000.00	09/06/2023 5.10%	188,558.00 191,180.83	98.71 4.09%	197,421.53 3,083.33	1.25% 6,240.70	A1/A WR	3.59 3.27
02665WEM9	AMERICAN HONDA FINANCE CORP 5.125 07/07/2028	150,000.00	08/17/2023 5.33%	148,678.50 148,980.32	103.32 4.16%	154,973.71 1,793.75	0.98% 5,993.38	A3/A- A	3.77 3.37
46647PDG8	JPMORGAN CHASE & CO 4.851 07/25/2028	110,000.00	08/04/2023 5.27%	108,359.90 108,835.95	101.74 4.84%	111,918.22 978.29	0.71% 3,082.28	A1/A- AA-	3.82 2.59
24422EXH7	JOHN DEERE CAPITAL CORP 4.5 01/16/2029	190,000.00	05/28/2024 5.00%	186,112.60 186,399.62	101.84 4.03%	193,488.89 1,781.25	1.22% 7,089.27	A1/A A+	4.30 3.84
69371RS80	PACCAR FINANCIAL CORP 4.6 01/31/2029	195,000.00	01/24/2024 4.64%	194,682.15 194,724.60	102.54 3.95%	199,956.11 1,519.92	1.26% 5,231.51	A1/A+ NA	4.34 3.88
89115A2Y7	TORONTO-DOMINION BANK 4.994 04/05/2029	190,000.00	05/15/2024 5.00%	189,976.50 189,978.30	103.04 4.25%	195,783.54 4,638.87	1.24% 5,805.24	A1/A AA-	4.51 3.92
61747YFD2	MORGAN STANLEY 5.164 04/20/2029	50,000.00	08/26/2024 4.53%	51,043.50 51,016.08	102.79 4.74%	51,393.04 1,154.73	0.32% 376.96	A1/A- A+	4.55 3.16
06406RBD8	BANK OF NEW YORK MELLON CORP 3.85 04/26/2029	200,000.00	09/10/2024 3.95%	199,138.00 199,148.21	99.21 4.04%	198,423.46 3,315.28	1.25% (724.75)	A1/A AA-	4.57 4.08
91159HJM3	US BANCORP 5.775 06/12/2029	190,000.00	06/20/2024 5.26%	193,439.00 193,197.42	104.80 4.84%	199,126.62 3,322.23	1.26% 5,929.20	A3/A A	4.70 3.27
437076DC3	HOME DEPOT INC 4.75 06/25/2029	70,000.00	06/17/2024 4.90%	69,548.50 69,572.73	103.07 4.03%	72,149.87 886.67	0.46% 2,577.14	A2/A A	4.73 4.10
06051GHM4	BANK OF AMERICA CORP 4.271 07/23/2029	60,000.00	08/22/2024 4.61%	59,274.60 59,294.38	99.74 4.70%	59,841.90 484.05	0.38% 547.52	A1/A- AA-	4.81 3.45
46647PAV8	JPMORGAN CHASE & CO 4.203 07/23/2029	75,000.00	08/26/2024 4.49%	74,241.75 74,260.36	99.63 4.66%	74,720.94 595.43	0.47% 460.58	A1/A- AA-	4.81 3.46
Total Corporate		4,170,000.00	4.02%	4,096,504.70 4,121,230.12	99.64 4.22%	4,151,406.89 36,595.65	26.20% 30,176.77	A1/A A+	3.17 2.69
MONEY MARKET FUND									
31846V203	FIRST AMER:GVT OBLG Y	95,333.87	-- 4.54%	95,333.87 95,333.87	1.00 4.54%	95,333.87 0.00	0.60% 0.00	Aaa/AAAm AAA	0.00 0.00
Total Money Market Fund		95,333.87	4.54%	95,333.87 95,333.87	1.00 4.54%	95,333.87 0.00	0.60% 0.00	Aaa/AAAm AAA	0.00 0.00

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
SUPRANATIONAL									
459058JB0	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.625 04/22/2025	130,000.00	04/15/2020 0.70%	129,496.90 129,944.07	97.95 4.38%	127,337.75 359.43	0.80% (2,606.32)	Aaa/AAA NA	0.56 0.54
459058JL8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.5 10/28/2025	180,000.00	10/21/2020 0.52%	179,796.60 179,956.34	96.30 4.06%	173,332.30 382.50	1.09% (6,624.03)	Aaa/AAA NA	1.08 1.05
459058KT9	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.5 07/12/2028	160,000.00	11/28/2023 4.55%	153,088.00 154,342.49	99.62 3.61%	159,389.73 1,228.89	1.01% 5,047.24	Aaa/AAA NA	3.78 3.48
45950KDD9	INTERNATIONAL FINANCE CORP 4.5 07/13/2028	85,000.00	07/06/2023 4.53%	84,905.65 84,928.68	103.31 3.56%	87,815.22 828.75	0.55% 2,886.54	Aaa/AAA NA	3.79 3.43
4581X0EN4	INTER-AMERICAN DEVELOPMENT BANK 4.125 02/15/2029	200,000.00	02/15/2024 4.31%	198,356.00 198,558.12	101.98 3.63%	203,952.40 1,054.17	1.29% 5,394.29	Aaa/AAA NA	4.38 3.96
Total Supranational		755,000.00	2.90%	745,643.15 747,729.70	99.64 3.84%	751,827.41 3,853.73	4.74% 4,097.71	Aaa/AAA NA	2.77 2.55
US TREASURY									
91282CAZ4	UNITED STATES TREASURY 0.375 11/30/2025	300,000.00	12/29/2020 0.37%	300,093.75 300,022.18	96.05 3.88%	288,152.34 378.07	1.82% (11,869.84)	Aaa/AA+ AA+	1.17 1.14
91282CBT7	UNITED STATES TREASURY 0.75 03/31/2026	300,000.00	03/30/2021 0.91%	297,597.66 299,281.67	95.64 3.77%	286,910.16 6.18	1.81% (12,371.51)	Aaa/AA+ AA+	1.50 1.46
91282CBW0	UNITED STATES TREASURY 0.75 04/30/2026	150,000.00	04/29/2021 0.88%	149,009.77 149,687.64	95.44 3.75%	143,156.25 470.79	0.90% (6,531.39)	Aaa/AA+ AA+	1.58 1.54
91282CCP4	UNITED STATES TREASURY 0.625 07/31/2026	125,000.00	08/10/2021 0.82%	123,813.48 124,563.31	94.63 3.68%	118,286.13 131.62	0.75% (6,277.17)	Aaa/AA+ AA+	1.83 1.79
91282CCW9	UNITED STATES TREASURY 0.75 08/31/2026	350,000.00	-- 0.97%	346,279.30 348,530.37	94.65 3.67%	331,283.20 224.79	2.09% (17,247.17)	Aaa/AA+ AA+	1.92 1.87
91282CDG3	UNITED STATES TREASURY 1.125 10/31/2026	325,000.00	-- 1.26%	322,884.77 324,101.85	94.98 3.65%	308,686.52 1,530.06	1.95% (15,415.32)	Aaa/AA+ AA+	2.08 2.02
912828V98	UNITED STATES TREASURY 2.25 02/15/2027	200,000.00	02/06/2023 3.92%	187,695.31 192,737.80	96.91 3.62%	193,828.12 574.73	1.22% 1,090.32	Aaa/AA+ AA+	2.38 2.28

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91282CEF4	UNITED STATES TREASURY 2.5 03/31/2027	200,000.00	09/27/2022 4.25%	185,734.38 192,099.71	97.43 3.59%	194,859.38 13.74	1.23% 2,759.67	Aaa/AA+ AA+	2.50 2.39
91282CEN7	UNITED STATES TREASURY 2.75 04/30/2027	340,000.00	-- 3.26%	332,193.75 335,878.99	97.94 3.59%	333,000.78 3,912.77	2.10% (2,878.21)	Aaa/AA+ AA+	2.58 2.44
91282CEW7	UNITED STATES TREASURY 3.25 06/30/2027	175,000.00	08/03/2022 2.94%	177,460.94 176,376.81	99.16 3.57%	173,523.44 1,437.33	1.10% (2,853.37)	Aaa/AA+ AA+	2.75 2.58
91282CFH9	UNITED STATES TREASURY 3.125 08/31/2027	120,000.00	09/08/2022 3.36%	118,692.19 119,234.17	98.76 3.58%	118,514.06 321.13	0.75% (720.11)	Aaa/AA+ AA+	2.92 2.75
91282CFM8	UNITED STATES TREASURY 4.125 09/30/2027	150,000.00	10/28/2022 4.19%	149,531.25 149,714.31	101.61 3.56%	152,408.20 17.00	0.96% 2,693.89	Aaa/AA+ AA+	3.00 2.80
91282CFU0	UNITED STATES TREASURY 4.125 10/31/2027	220,000.00	12/15/2022 3.68%	224,357.03 222,753.74	101.58 3.58%	223,480.47 3,797.69	1.41% 726.72	Aaa/AA+ AA+	3.08 2.83
9128283F5	UNITED STATES TREASURY 2.25 11/15/2027	200,000.00	01/05/2023 3.98%	184,875.00 190,280.44	96.10 3.58%	192,195.31 1,699.73	1.21% 1,914.87	Aaa/AA+ AA+	3.13 2.95
91282CGC9	UNITED STATES TREASURY 3.875 12/31/2027	180,000.00	01/19/2023 3.48%	183,171.09 182,082.45	100.95 3.56%	181,715.63 1,762.70	1.15% (366.83)	Aaa/AA+ AA+	3.25 3.00
91282CGH8	UNITED STATES TREASURY 3.5 01/31/2028	220,000.00	02/27/2023 4.21%	213,125.00 215,346.57	99.77 3.57%	219,501.56 1,297.28	1.39% 4,155.00	Aaa/AA+ AA+	3.34 3.10
9128283W8	UNITED STATES TREASURY 2.75 02/15/2028	230,000.00	03/08/2023 4.37%	213,639.45 218,826.94	97.38 3.58%	223,962.50 807.81	1.41% 5,135.56	Aaa/AA+ AA+	3.38 3.17
91282CGT2	UNITED STATES TREASURY 3.625 03/31/2028	200,000.00	06/28/2023 4.05%	196,343.75 197,312.01	100.20 3.56%	200,406.25 19.92	1.26% 3,094.24	Aaa/AA+ AA+	3.50 3.26
91282CHA2	UNITED STATES TREASURY 3.5 04/30/2028	220,000.00	05/15/2023 3.47%	220,275.00 220,198.47	99.75 3.57%	219,458.59 3,222.28	1.38% (739.87)	Aaa/AA+ AA+	3.58 3.29
91282CHE4	UNITED STATES TREASURY 3.625 05/31/2028	180,000.00	06/15/2023 3.95%	177,370.31 178,057.14	100.16 3.58%	180,281.25 2,192.83	1.14% 2,224.11	Aaa/AA+ AA+	3.67 3.36
91282CHQ7	UNITED STATES TREASURY 4.125 07/31/2028	220,000.00	09/25/2023 4.62%	215,342.19 216,318.49	101.94 3.58%	224,271.09 1,528.94	1.42% 7,952.61	Aaa/AA+ AA+	3.84 3.50
91282CHX2	UNITED STATES TREASURY 4.375 08/31/2028	150,000.00	09/28/2023 4.66%	148,160.16 148,536.72	102.89 3.58%	154,330.08 561.98	0.97% 5,793.36	Aaa/AA+ AA+	3.92 3.57
91282CCV1	UNITED STATES TREASURY 1.125 08/31/2028	250,000.00	09/21/2023 4.66%	211,376.95 219,401.13	91.10 3.58%	227,744.14 240.85	1.44% 8,343.01	Aaa/AA+ AA+	3.92 3.76
91282CJF9	UNITED STATES TREASURY 4.875 10/31/2028	200,000.00	02/26/2024 4.34%	204,445.31 203,880.54	104.88 3.58%	209,765.62 4,080.16	1.32% 5,885.09	Aaa/AA+ AA+	4.08 3.62

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91282CJN2	UNITED STATES TREASURY 4.375 11/30/2028	275,000.00	12/21/2023 3.82%	281,756.84 280,693.71	103.06 3.58%	283,421.88 4,043.29	1.79% 2,728.16	Aaa/AA+ AA+	4.17 3.74
91282CJR3	UNITED STATES TREASURY 3.75 12/31/2028	200,000.00	01/17/2024 4.02%	197,554.69 197,902.09	100.67 3.58%	201,343.75 1,895.38	1.27% 3,441.66	Aaa/AA+ AA+	4.25 3.86
91282CJW2	UNITED STATES TREASURY 4.0 01/31/2029	180,000.00	02/08/2024 4.10%	179,184.38 179,289.81	101.69 3.58%	183,037.50 1,213.04	1.16% 3,747.69	Aaa/AA+ AA+	4.34 3.93
91282CKD2	UNITED STATES TREASURY 4.25 02/28/2029	200,000.00	02/28/2024 4.29%	199,609.38 199,655.37	102.78 3.56%	205,554.69 727.90	1.30% 5,899.31	Aaa/AA+ AA+	4.41 3.99
91282CKG5	UNITED STATES TREASURY 4.125 03/31/2029	220,000.00	04/10/2024 4.60%	215,359.38 215,801.71	102.27 3.57%	224,992.97 24.93	1.42% 9,191.26	Aaa/AA+ AA+	4.50 4.08
91282CKP5	UNITED STATES TREASURY 4.625 04/30/2029	225,000.00	-- 4.65%	224,735.35 224,758.95	104.42 3.57%	234,949.22 4,354.79	1.48% 10,190.26	Aaa/AA+ AA+	4.58 4.04
91282CKT7	UNITED STATES TREASURY 4.5 05/31/2029	200,000.00	06/26/2024 4.33%	201,468.75 201,390.37	104.00 3.56%	208,000.00 3,024.59	1.31% 6,609.63	Aaa/AA+ AA+	4.67 4.13
91282CKX8	UNITED STATES TREASURY 4.25 06/30/2029	250,000.00	-- 4.01%	252,595.70 252,518.91	102.92 3.57%	257,304.69 2,685.12	1.62% 4,785.78	Aaa/AA+ AA+	4.75 4.24
91282CLC3	UNITED STATES TREASURY 4.0 07/31/2029	200,000.00	08/21/2024 3.66%	203,023.44 202,956.40	101.90 3.57%	203,796.88 1,347.83	1.29% 840.47	Aaa/AA+ AA+	4.83 4.34
91282CFJ5	UNITED STATES TREASURY 3.125 08/31/2029	250,000.00	09/27/2024 3.55%	245,244.14 245,246.79	97.92 3.59%	244,794.92 669.03	1.54% (451.87)	Aaa/AA+ AA+	4.92 4.50
Total US Treasury		7,405,000.00	3.38%	7,283,999.84 7,325,437.56	99.33 3.61%	7,346,917.58 50,216.30	46.37% 21,480.02	Aaa/AA+ AA+	3.34 3.08
Total Portfolio		15,942,357.33	3.39%	15,747,954.80 15,806,223.58	98.88 3.89%	15,845,772.29 102,866.59	100.00% 39,548.71	Aa2/AA- AA	2.97 2.60
Total Market Value + Accrued						15,948,638.87			

HOLDINGS REPORT



SCORE - Enhanced Cash | Account #11063 | As of September 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
CASH									
CCYUSD	Payable	(821,062.63)	-- 0.00%	(821,062.63) (821,062.63)	1.00 0.00%	(821,062.63) 0.00	(30.66%) 0.00	Aaa/AAA AAA	0.00 0.00
CCYUSD	Receivable	1,484.11	-- 0.00%	1,484.11 1,484.11	1.00 0.00%	1,484.11 0.00	0.06% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		(819,578.52)	0.00%	(819,578.52)	1.00 0.00%	(819,578.52)	(30.60%) 0.00	Aaa/AAA AAA	0.00 0.00
MONEY MARKET FUND									
31846V203	FIRST AMER:GVT OBLG Y	1,025,472.68	-- 4.54%	1,025,472.68 1,025,472.68	1.00 4.54%	1,025,472.68 0.00	38.29% 0.00	Aaa/AAAm AAA	0.00 0.00
Total Money Market Fund		1,025,472.68	4.54%	1,025,472.68	1.00 4.54%	1,025,472.68	38.29% 0.00	Aaa/AAAm AAA	0.00 0.00
US TREASURY									
912797KV8	UNITED STATES TREASURY 10/24/2024	830,000.00	07/29/2024 5.29%	819,783.74 827,267.74	99.70 4.80%	827,495.77 0.00	30.90% 228.02	P-1/A-1+ F1+	0.07 0.06
912797HP5	UNITED STATES TREASURY 11/29/2024	830,000.00	08/29/2024 5.11%	819,577.91 823,242.82	99.23 4.81%	823,618.59 0.00	30.75% 375.77	P-1/A-1+ F1+	0.16 0.16
912796ZV4	UNITED STATES TREASURY 12/26/2024	830,000.00	09/30/2024 4.63%	821,062.63 821,062.63	98.92 4.63%	821,067.59 0.00	30.66% 4.96	P-1/A-1+ F1+	0.24 0.23
Total US Treasury		2,490,000.00	5.01%	2,460,424.28 2,471,573.20	99.29 4.75%	2,472,181.95	92.31% 608.75	P-1/A-1+ F1+	0.16 0.15
Total Portfolio		2,695,894.16	6.37%	2,666,318.44 2,677,467.36	91.73 6.12%	2,678,076.11	100.00% 608.75	Aaa/AAA AAA	0.14 0.14
Total Market Value + Accrued						2,678,076.11			

TRANSACTIONS

TRANSACTION LEDGER



Small Cities Organized Risk Effort (SCORE) | Account #590 | 07/01/2024 Through 09/30/2024 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	07/29/2024	91282CKX8	200,000.00	UNITED STATES TREASURY 4.25 06/30/2029	100.723	4.09%	(201,445.31)	(669.84)	(202,115.15)	0.00
Purchase	08/22/2024	91282CLC3	200,000.00	UNITED STATES TREASURY 4.0 07/31/2029	101.512	3.66%	(203,023.44)	(478.26)	(203,501.70)	0.00
Purchase	08/23/2024	06051GHM4	60,000.00	BANK OF AMERICA CORP 4.271 07/23/2029	98.791	4.55%	(59,274.60)	(213.55)	(59,488.15)	0.00
Purchase	08/23/2024	91282CKX8	50,000.00	UNITED STATES TREASURY 4.25 06/30/2029	102.301	3.73%	(51,150.39)	(311.82)	(51,462.21)	0.00
Purchase	08/27/2024	46647PAV8	75,000.00	JPMORGAN CHASE & CO 4.203 07/23/2029	98.989	0.00%	(74,241.75)	(297.71)	(74,539.46)	0.00
Purchase	08/27/2024	61747YFD2	50,000.00	MORGAN STANLEY 5.164 04/20/2029	102.087	4.53%	(51,043.50)	(910.87)	(51,954.37)	0.00
Purchase	08/27/2024	61747YFD2	(50,000.00)	MORGAN STANLEY 5.164 04/20/2029	102.087	4.53%	51,043.50	910.87	51,954.37	0.00
Purchase	08/27/2024	61747YFD2	50,000.00	MORGAN STANLEY 5.164 04/20/2029	102.087	4.53%	(51,043.50)	(910.87)	(51,954.37)	0.00
Purchase	09/11/2024	06406RBD8	200,000.00	BANK OF NEW YORK MELLON CORP 3.85 04/26/2029	99.569	3.95%	(199,138.00)	(2,887.50)	(202,025.50)	0.00
Purchase	09/30/2024	91282CFJ5	250,000.00	UNITED STATES TREASURY 3.125 08/31/2029	98.098	3.55%	(245,244.14)	(647.44)	(245,891.58)	0.00
Total Purchase			1,085,000.00				(1,084,561.13)	(6,416.99)	(1,090,978.12)	0.00
TOTAL ACQUISITIONS			1,085,000.00				(1,084,561.13)	(6,416.99)	(1,090,978.12)	0.00
DISPOSITIONS										
Maturity	07/01/2024	4581X0EE4	(85,000.00)	INTER-AMERICAN DEVELOPMENT BANK 3.25 07/01/2024	100.000	3.25%	85,000.00	0.00	85,000.00	0.00
Maturity	09/23/2024	4581X0DZ8	(190,000.00)	INTER-AMERICAN DEVELOPMENT BANK 0.5 09/23/2024	100.000	0.50%	190,000.00	0.00	190,000.00	0.00
Total Maturity			(275,000.00)				275,000.00	0.00	275,000.00	0.00

TRANSACTION LEDGER



Small Cities Organized Risk Effort (SCORE) | Account #590 | 07/01/2024 Through 09/30/2024 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	08/22/2024	63743HFE7	(85,000.00)	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 3.45 06/15/2025	98.772	3.61%	83,956.20	545.77	84,501.97	(978.64)
Sale	08/23/2024	00440EAS6	(140,000.00)	CHUBB INA HOLDINGS LLC 3.15 03/15/2025	98.920	0.85%	138,488.00	1,935.50	140,423.50	(3,292.46)
Sale	08/23/2024	14913R2V8	(55,000.00)	CATERPILLAR FINANCIAL SERVICES CORP 3.4 05/13/2025	98.961	3.44%	54,428.55	519.44	54,947.99	(554.69)
Sale	08/27/2024	78015K7H1	(150,000.00)	ROYAL BANK OF CANADA 1.15 06/10/2025	97.134	1.43%	145,701.00	368.96	146,069.96	(3,978.09)
Sale	09/11/2024	747525AF0	(140,000.00)	QUALCOMM INC 3.45 05/20/2025	99.220	0.91%	138,908.00	1,489.25	140,397.25	(2,650.28)
Total Sale			(570,000.00)				561,481.75	4,858.92	566,340.67	(11,454.16)
TOTAL DISPOSITIONS			(845,000.00)				836,481.75	4,858.92	841,340.67	(11,454.16)

TRANSACTION LEDGER



SCORE - Enhanced Cash | Account #11063 | 07/01/2024 Through 09/30/2024 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	07/05/2024	912797LJ4	830,000.00	UNITED STATES TREASURY 09/24/2024	98.834	5.31%	(820,324.48)	0.00	(820,324.48)	0.00
Purchase	07/30/2024	912797KV8	830,000.00	UNITED STATES TREASURY 10/24/2024	98.769	5.29%	(819,783.74)	0.00	(819,783.74)	0.00
Purchase	08/30/2024	912797HP5	830,000.00	UNITED STATES TREASURY 11/29/2024	98.744	5.11%	(819,577.91)	0.00	(819,577.91)	0.00
Purchase	10/01/2024	912796ZV4	830,000.00	UNITED STATES TREASURY 12/26/2024	98.923	4.63%	(821,062.63)	0.00	(821,062.63)	0.00
Total Purchase			3,320,000.00				(3,280,748.76)	0.00	(3,280,748.76)	0.00
TOTAL ACQUISITIONS			3,320,000.00				(3,280,748.76)	0.00	(3,280,748.76)	0.00
DISPOSITIONS										
Maturity	07/25/2024	912797JT5	(830,000.00)	UNITED STATES TREASURY 07/25/2024	100.000	0.00%	830,000.00	0.00	830,000.00	0.00
Maturity	08/29/2024	912797KD8	(830,000.00)	UNITED STATES TREASURY 08/29/2024	100.000	0.00%	830,000.00	0.00	830,000.00	0.00
Maturity	09/24/2024	912797LJ4	(830,000.00)	UNITED STATES TREASURY 09/24/2024	100.000	0.00%	830,000.00	0.00	830,000.00	0.00
Total Maturity			(2,490,000.00)				2,490,000.00	0.00	2,490,000.00	0.00
TOTAL DISPOSITIONS			(2,490,000.00)				2,490,000.00	0.00	2,490,000.00	0.00

IMPORTANT DISCLOSURES



Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

2024 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc (“IDS”), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client’s Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody’s, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities (“MBS”) reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody’s and Fitch respectively.

BENCHMARK DISCLOSURES



Small Cities Organized Risk Effort (SCORE) | Account #590 | As of September 30, 2024

Benchmark	Disclosure
ICE BofA 1-5 Yr US Treasury & Agency Index	The ICE BofA 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.
ICE BofA 1-5 Year AAA-A Corp/Govt	The ICE BofA US Issuers 1-5 Year AAA-A US Corporate & Government Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasury, US agency, foreign government, supranational, and corporate securities. Qualifying securities must be issued from US issuers and be rated AAA through A3 (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to final maturity at point of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for US Treasuries and \$250 million for all other securities.



SCORE INVESTMENT POLICY

ACTION ITEM

ISSUE: The Board annually reviews and approves any recommended changes to the Investment Policy, or they reaffirm the Policy with no changes. Attached is a red-line version of the Investment Policy with changes as suggested by Chandler Asset Management.

RECOMMENDATION: Review, discuss, and approve the recommended changes as presented or modified or provide direction.

FISCAL IMPACT: The financial impact cannot be determined at this time.

BACKGROUND: Each year, staff requests an Investment Policy review from the Investment Manager as well as the JPA Financial Accounting Services provider to determine if any changes should be made to the Investment Policy. *The Investment Policy must be reviewed and approved annually, even if there are no changes.*

ATTACHMENTS:

1. Chandler Investment Management – Recommended Changes Memo Dated 10-16-24
2. SCORE Investment Policy – Redline Mark Up

October 16, 2024

Marcus Beverly, CPCU, AIC, ARM-P
First Vice President
Alliant Insurance Services, Inc.

RE: Annual Investment Policy Review for Small Cities Organized Risk Effort (SCORE)

Dear Marcus,

We have completed our annual review of Small Cities Organized Risk Effort (SCORE) investment policy for compliance with the statutes of California Government Code (CGC) that govern the investment of public funds, as well as for inclusion of current best practices. SCORE's investment policy continues to be well-written and effective for the management of the Authority's funds. Chandler Asset Management is recommending some modifications. Please find a brief summary of the changes below:

- **VIII. Reporting:** Senate Bill 1489 addressed the timing of delivery of quarterly reports to allow for an entity to have 45 days following the quarter end to submit a quarterly report to the legislative body of the agency, if quarterly reports are mentioned in the investment policy. The reporting of monthly transactions was included per CGC 53607.
- **IX. Investment Instruments and Maturities:** Minor edits throughout the section:
 - Incorporated "minimum credit requirements" apply at the time a security is purchased.
 - Included "total" when stating applicable limits for the Authority's portfolio.
- **XVII. Performance Evaluation:** Attached language regarding the possibility that benchmarks may change due to market conditions of cash flow requirements.
- **Appendix A: Glossary:** Removed and inserted terms to refine glossary.

Please do not hesitate to contact me with any questions you may have, or if further review is needed.

Sincerely,

Kara Hooks, CTP
Portfolio Strategist
Chandler Asset Management

**SMALL CITIES ORGANIZED RISK EFFORT
JOINT POWERS AUTHORITY (SCORE)
Reviewed October 2024³**

**INVESTMENT POLICY
ADOPTED 10-26-23**

I. POLICY STATEMENT

The Policy of the Small Cities Organized Risk Effort Joint Powers Authority (the “Authority”) shall be to invest all funds under the Authority’s control in a manner that complies with all laws of the State of California; all applicable Government Code Sections including but not limited to Government Code Section 53601, and the policies of the Authority.

II. SCOPE OF POLICY

This policy sets forth guidance for all funds and investment activities under the direction and control of the Authority, as set forth in the State Government Code, Sections 53600 *et seq.*

III. AUTHORITY

The Board of Directors hereby delegates its authority to invest funds of the Authority for a one-year period to the Treasurer who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires. Subject to review, the Board of Directors may renew the delegation of authority each year. The authorized officer may delegate the day-to-day placement of investments to an investment advisor (who is registered under the Investment Advisers Act of 1940), via written agreement with the Authority. The investment advisor shall make all investment decisions and transactions in strict accordance with state law and this investment policy. External managers may be granted discretion to purchase and sell investment securities in accordance with this investment policy. The authorized officer shall establish a system of written internal controls to regulate the Authority’s investment activities, including the activities of any subordinate officials acting on behalf of the Authority.

The delegated investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

IV. OBJECTIVES

The Authority’s overall investment program shall be designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return.

A. Safety: The primary objective of this policy is to protect, preserve, and maintain cash and investments of the Authority. Preservation of capital is the primary objective of the Authority. Every investment transaction shall strive to avoid capital losses arising from securities default and/or broker/dealer default. To attain this objective, the Authority will diversify its investments by investing funds among a variety of securities with independent returns.

B. Liquidity: An adequate percentage of the portfolio will be maintained in liquid short-term securities which can be converted to cash as necessary to meet disbursement requirements. The liquidity

requirements will be determined from time to time from projected cash flow reports. Investments will be made in securities with active secondary or resale markets. Securities with low market risk will be emphasized.

- C. Return: Within the constraints of safety and liquidity, the highest and best yield will be sought. The maximization of return will not transcend the objective of capital preservation. The Authority's portfolio shall be structured to achieve a market- average rate of return through various economic cycles. The benchmark for "market-average rate" shall be the rate of return of a market-based index which has the same type of sector and maturity requirements as the Authority's portfolio. This benchmark shall be determined by the Board.

V. DIVERSIFICATION

The portfolio will be diversified to avoid incurring unreasonable and avoidable risk regarding specific security types or individual financial institutions.

VI. PRUDENCE

Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the Authority will be considered trustees and therefore fiduciaries subject to the *Prudent Investor Standard*:

"...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The Treasurer and other authorized persons responsible for managing Authority funds acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided that the Treasurer or other authorized persons acted in good faith. Deviations from expectations of a security's credit or market risk should be reported to the governing body in a timely fashion and appropriate action should be taken to control adverse developments.

VII. PUBLIC TRUST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. In a diversified portfolio, it must be recognized that occasional measured losses are inevitable and must be considered within the context of the overall investment portfolio's return and the cash flow requirements of the Authority.

VIII. REPORTING

The Authority's Treasurer shall render a monthly list of investment transactions to the Board of Directors per California Government Code 53607 and shall submit a quarterly investment report within 45 days after the end of the quarter to the Board of Directors that is in compliance with California Government Code Section 536~~4607~~.

Additionally, the reports shall include the following information for each individual investment:

- Type of investment instrument (i.e., Treasury Bill, medium-term note)
- Issuer name
- Yield to maturity at cost
- Purchase date (trade and settlement date)
- Maturity date
- Purchase price
- Par value
- Coupon rate
- Credit rating of each security
- Amortized cost
- Current market value for securities with maturity greater than 12 months
- Overall portfolio yield based on cost
- List of investment transactions

IX. INVESTMENT INSTRUMENTS AND MATURITIES

The Authority's investments are governed by California Government Code, Sections 53600 *et seq.* Within the investments permitted by the Code, the Authority seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Code, the more restrictive parameters will take precedence. Percentage holding limits and minimum credit requirements listed in this section apply at the time the security is purchased.

Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and institution-issuer to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers.

A. The following sections define in detail the parameters of each approved investment type.

1. U.S. Treasury and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest.

There are no limits on the dollar amount or percentage that the Authority may invest in U.S. Treasuries. The maximum maturity is five (5) years.

2. Federal agency or United States Government-Sponsored Enterprise obligations (GSE), participations, or other instruments, including those issued by or fully guaranteed as to

principal and interest by federal agencies or United States government-sponsored enterprises.

There are no limits on the dollar amount or percentage that the Authority may invest in Federal Agency obligations or GSEs, provided that no more than 30% of the total portfolio may be invested in any single Agency/GSE issuer and the maximum percent of agency callable agency securities in the total portfolio will be 20%. The maximum maturity does not exceed five (5) years.

3. Supranationals provided that they are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank. The securities must be rated in the rating category of "AA" or its equivalent or better by a Nationally Recognized Statistical Rating Organization (NRSRO). Purchases of Supranationals must not exceed 30% of the Authority's total portfolio and no individual issuer shall exceed 10% of the Authority's total portfolio. The maximum maturity does not exceed five (5) years.
4. Municipal Securities include obligations issued by the State of California, any local agency within the state, which are rated in the rating category of "A" or its equivalent or better by at least one NRSRO. Purchases of Municipal securities may not exceed five (5) years in maturity or 30% of the Authority's total portfolio. No more than 5% of the total portfolio may be invested in any individual issuer.
5. Municipal Securities (Registered Treasury Notes or Bonds) of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California, which are rated in the rating category of "A" or its equivalent or better by at least one NRSRO. Purchases of this category may not exceed five (5) years in maturity or 30% of the Authority's total portfolio. No more than 5% of the total portfolio may be invested in any individual issuer.
6. Negotiable Certificates of Deposit (NCDs) or deposit notes with a remaining term to maturity of five years or less, issued by a nationally or state-chartered bank, a state or federal savings and loan association, a state or federal credit union, or by federally-licensed or state-licensed branch of a foreign bank. Any amount above the FDIC insured limit must be issued by institutions which have short-term debt obligations rated "A-1" or its equivalent or better by at least one NRSRO; or long-term obligations rated in a rating category of "A" or its equivalent or better by at least one NRSRO.

Purchases of negotiable certificates of deposit may not exceed 30% of the Authority's total investment portfolio. No more than 5% of the total portfolio may be invested in any one individual issuer.

7. Banker's Acceptances issued by institutions which have short-term debt obligations rated "A-1" or its equivalent or better by at least one NRSRO; or long-term obligations rated in a rating category of "A" or its equivalent or better by at least one NRSRO.

Purchases of Banker's Acceptances may not exceed 180 days maturity or 40% of the Authority's investment-total portfolio. No more than 5% of the Authority's investment-total portfolio may be invested in the Banker's Acceptances of any one commercial bank.

8. Commercial Paper provided that the securities are issued by an entity that meets all of the following conditions in either paragraph (a) or (b) and other requirements specified below:
 - a. **Securities** issued by corporations:
 - i. A corporation organized and operating in the United States with assets more than \$500 million.
 - ii. The securities are rated "A-1" or its equivalent or better by at least one NRSRO.
 - iii. If the issuer has other debt obligations, they must be rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
 - b. **Securities** issued by other entities:
 - i. The issuer is organized within the United States as a special purpose corporation, trust, or limited liability company.
 - ii. The securities must have program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.
 - iii. The securities are rated "A-1" or its equivalent or better by at least one NRSRO.

Purchases of eligible commercial paper may not exceed 270 days maturity and may not exceed 25% of the Authority's investment-total portfolio. No more than 5% of the total portfolio may be invested in any one issuer. Purchases shall not exceed 10% of the outstanding commercial paper of any single issuer.

9. Repurchase Agreements are subject to the following collateral restrictions: Only U.S. Treasury securities or Federal Agency securities, as described in VI. C. 1 and 2 will be acceptable collateral. All securities underlying repurchase agreements must be delivered to the Authority's custodian bank versus payment or be handled under a tri- party repurchase agreement. The Authority or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to repurchase agreement. The market value of securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities, and the value shall be reviewed on a regular basis and adjusted no less than weekly. Market value of underlying collateral must be reviewed regularly or each time there is a substitution of collateral.

The Authority may enter into repurchase agreements only with primary dealers in U.S. Government securities who are eligible to transact business with, and who report to, the Federal Reserve Bank of New York. The Authority will have specific written agreements with each firm with which it enters into repurchase agreements. Reverse repurchase agreements are not allowed.

- Purchases or repurchase agreements may not exceed one (1) year. in maturity, and may not exceed 25% of the Authority's investment-total portfolio. No more than 5% may be invested in any one issuer.
10. Corporate Medium Term Notes (MTNs) defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less issued only by corporations organized and operating within the United States or by depository institutions

licensed by the U.S. or any state and operating within the U.S. shall be permitted. Medium-term corporate notes shall be rated in a rating category of "A" or its equivalent or better by at least one NRSRO.

Purchases or medium-term corporate notes may not exceed five (5) years in maturity or 30% of the Authority's investment total portfolio. No more than 5% of the total portfolio may be invested in any one issuer.

11. State of California Local Agency Investment Fund (LAIF) - There are no limits on the dollar amount or percentage that the Authority may invest in LAIF, subject to statutory limits imposed by LAIF.

Credit criteria listed in this section refers to the credit of the issuing organization at the time the security is purchased.

12. Mutual Funds and Money Market Mutual Fund that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940 provided that:

- a. Mutual Funds that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (q) inclusive and that meet either of the following criteria in paragraphs (i) or (ii):

- i. Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
- ii. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.
- iii. No more than 10% of the total portfolio may be invested in shares of any one mutual fund.

- b. Money Market Mutual Funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria in paragraphs (i) or (ii):

- i. Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
- ii. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500 million.
- iii. No more than 20% of the investment total portfolio may be held in Money Market Mutual Funds.

- c. No more than 20% of the total portfolio may be invested in these securities.

13. Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, and Collateralized Mortgage Obligations from issuers not defined in Sections 1 and 2 of the Investment Instruments and Maturities Section provided that:

Such securities shall have a maximum legal final maturity that does not exceed five (5) years and shall be rated in a rating category of “AA” or its equivalent or better by at least one NRSRO. No more than 20% of the total portfolio may be invested in these securities and no more than 5% of the total portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer.

14. Federally Insured Time Deposits (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, credit unions, provided that the amount per institution is limited to the maximum covered under federal insurance. No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits, and must have a maximum maturity not exceeding five (5) years.
15. Collateralized Time Deposits (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions in excess of insured amount which are fully collateralized with securities in accordance with California law provided that no more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits with a maximum maturity not exceeding five (5) years.
16. Collateralized Bank Deposits with no limits on the dollar amount or percentage that the Authority may invest in collateralized bank deposits. The Authority’s deposits with financial institutions will be collateralized with pledged securities per California Government Code, Section 53651.

B. Prohibited Investments: The following investments or investment practices are not permitted under this Statement of Investment Policy:

1. Purchase or sale of securities on margin is prohibited.
2. Reverse Repurchase Agreements, securities lending, or any other form of borrowing or leverage.
3. Financial Futures and financial options are prohibited.
4. In accordance with Government Code, Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
5. Investment in any security that could result in a zero interest accrual if held to maturity is prohibited. Under a provision sunseting on January 1, 2026, securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity are permitted.
6. Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
7. Purchase of foreign currency denominated securities is prohibited.
8. Agencies that are not Qualified Institutional Buyers (QIB) as defined by the Securities and Exchange Commission are prohibited from purchasing Private Placement Securities. The SEC defines a QIB as having at least \$100,000,000 in securities owned and invested.
9. No investments are allowed in financial instruments of SCORE cities.
10. The purchase of a security with a forward settlement date exceeding 45 days from the time of investment is prohibited.

Any security type or structure not specifically approved by this policy is hereby specifically prohibited.

X. INVESTMENT POOLS/MUTUAL FUNDS

The Authority shall conduct a thorough investigation of any pool or mutual fund prior to making an investment, and on a continual basis thereafter. The Treasurer shall develop a questionnaire which will answer the following general questions:

- A. A description of eligible investment securities, and a written statement of investment policy objectives.
- B. A description of interest calculations and how it is distributed, and how gains and losses are treated.
- C. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- D. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
- E. A schedule for receiving statements and portfolio listings.
- F. Are reserve, retained earnings, etc. utilized by the pool/fund?
- G. A fee schedule, and when and how it is assessed.
- H. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

XI. COLLATERALIZATION

CERTIFICATES OF DEPOSIT (CDS). The Authority shall require any commercial bank or savings and loan association to deposit eligible securities with an agency of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

COLLATERALIZATION OF BANK DEPOSITS. This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The Authority shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

REPURCHASE AGREEMENTS. The Authority requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- The Authority shall receive monthly statements of collateral.

XII. INTERNAL CONTROLS

The system of internal control shall be established and maintained in written form, in a separate document. The controls are designed to prevent losses of public funds arising from fraud, error, misrepresentations of third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the Authority. The most important controls are: control of collusion; separation of duties; separation of transaction authority from accounting and bookkeeping; custodial safekeeping; delegation of authority; limitations regarding securities losses and remedial action; written

confirmation of telephone transactions; minimizing the number of authorized investment officials; documentation of transactions and strategies; and annual review of controls by the Treasurer.

XIII. TRANSFER OF FUNDS

The Treasurer shall have authority to transfer to and from the investment accounts in the ordinary course of operations and shall notify the President prior to any transfer of funds in excess of \$1,000,000.

XIV. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

To the extent practicable, the Treasurer shall endeavor to complete investment transactions using a competitive bid process whenever possible. The Authority's Treasurer will determine which financial institutions are authorized to provide investment services to the Authority. It shall be the Authority's policy to purchase securities only from authorized institutions and firms.

The Treasurer shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence as determined by the Authority. Due inquiry shall determine whether such authorized broker/dealers, and the individuals covering the Authority are reputable and trustworthy, knowledgeable and experienced in Public Agency investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

In accordance with Section 53601.5, institutions eligible to transact investment business with the Authority include:

- Institutions licensed by the state as a broker-dealer.
- Institutions that are members of a federally regulated securities exchange.
- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.
- Nationally or state-chartered banks.
- The Federal Reserve Bank.
- Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the Authority, except where the Authority utilizes an external investment adviser in which case the Authority may rely on the adviser for selection.

All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Treasurer with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 *et seq.* and the Authority's investment policy. The Treasurer will conduct an annual review of the financial condition and registrations of such qualified bidders.

Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

Selection of broker/dealers used by an external investment adviser retained by the Authority will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

XV. INVESTMENT RISKS

Mitigating Credit Risk in the Portfolio

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The Authority shall mitigate credit risk by adopting the following strategies:

1. The diversification requirements included in Section VI are designed to mitigate credit risk in the portfolio;
2. No more than 5% of the total portfolio may be invested in securities of any single issuer, unless otherwise specified;
3. The Authority may elect to sell a security prior to its maturity and record a capital gain or loss in order to improve the quality, liquidity or yield of the portfolio in response to market conditions or the Authority's risk preferences; and
4. If securities owned by the Authority are downgraded below the quality required by this Investment Policy, it shall be the Authority's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
 - a. If a security is downgraded two grades below the level required by the Authority, the security shall be sold immediately.
 - b. If a security is downgraded one grade below the level required by this policy, making the security ineligible for additional purchases, the following steps will be taken:
 - i. Any actions taken related to the downgrade by the investment manager will be communicated to the Treasurer in a timely manner.
 - ii. If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the Authority's Board.

Mitigating Market Risk in the Portfolio

Market risk is the risk that the portfolio will decline in value (or will not optimize its value) due to changes in the general level of interest rates. The Authority recognizes that, over time, longer-term portfolios achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The Authority shall mitigate market risk by providing adequate liquidity for short-term cash needs, and by making some longer-term investments only with funds that are not needed for current cash flow purposes. The authority further recognizes that certain types of securities, including variable rate securities, securities with principal pay downs prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The Authority, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

1. The maximum stated final maturity of individual securities in the portfolio shall be five years, except as otherwise stated in this policy (term unless expressly authorized by the Board of Directors and within the prescribed time frame for the approval—Government Code §53601):
2. The Authority shall maintain a minimum of three months of budgeted operating expenditures in short term investments; and
3. The duration of the portfolio typically will be equal to the duration of an index of US Treasury and Federal Agency Securities with maturities which meet the Authority's needs for cash flow and level of risk tolerance (the Benchmark Index) plus or minus 10%.

XIV. DELIVERY, SAFEKEEPING AND CUSTODY

All investment transactions shall be conducted on a delivery-versus-payment basis (DVP).

Securities purchased from broker/dealers will be held in a third-party custodian/safekeeping account in the Authority's name except the collateral for time deposits in banks and savings and loans institutions. Collateral for time deposits of thrifts is held by the Federal Home Loan Bank or an approved Agent of Depository. Collateral for time deposits in banks shall be handled as required by the California Government Code.

XV. REVIEW OF INVESTMENT POLICY

The Board of Directors will review the objectives and the performance of the portfolio and changes to the Investment Policy on an annual basis.

XVI. REVIEW OF INVESTMENT PORTFOLIO

The Treasurer shall periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish protocols for reporting major and critical incidences of noncompliance to the Board of Directors.

XVII. PERFORMANCE EVALUATION

The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the Authority's risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restrict investments.

The Treasurer shall monitor and evaluate the portfolio's performance relative to the chosen market benchmark(s), which will be included in the Treasurer's quarterly report. The Treasurer shall select an appropriate, readily available index to use as a market benchmark. Benchmarks may change over time based on changes in market conditions or cash flow requirements.

XVIII. MAXIMUM MATURITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The Authority will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the Board of Directors has a resolution granted authority to make such an investment.

XIX. ETHICS AND CONFLICT OF INTEREST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the President any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the Authority.

Appendix A: Glossary

AGENCIES. Shorthand market terminology for any obligation issued by a government-sponsored entity (GSE), or a federally related institution. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “FreddieMac” issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “FannieMae,” issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as “GinnieMae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

AVERAGE LIFE. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

BANKER’S ACCEPTANCE. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline, the issuer will likely call its current securities and reissue them at a lower rate of interest.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS). A private placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED BANK DEPOSIT. A bank deposit that is collateralized at least 100% (principal plus interest to maturity). The deposit is collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COLLATERALIZED TIME DEPOSIT. Time deposits that are collateralized at least 100% (principal plus interest to maturity). These instruments are collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

COMMERCIAL PAPER. The short-term unsecured debt of corporations.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

~~**DEBENTURE.** A bond secured only by the general credit of the issuer.~~

DELIVERY VS. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

~~**DERIVATIVE.** Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.~~

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a security to changes interest rates.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC). The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. The FDIC was created in 1933 to maintain public confidence and encourage stability in the financial system through the promotion of sound banking practices.

FEDERALLY INSURED TIME DEPOSIT. A time deposit is an interest-bearing bank deposit account that has a specified date of maturity, such as a certificate of deposit (CD). These deposits are limited to funds insured in accordance with FDIC insurance deposit limits.

FIDUCIARY. A person or organization that acts on behalf of another person(s) or organization that puts their clients' interest ahead of their own as they are bound both legally and ethically to act in the other's best interests.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MAKE WHOLE CALL. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MATURITY. The final date upon which the principal of a security becomes due and payable. The investment's term or remaining maturity is measured from the settlement date to final maturity.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION. The percent change in price for a 100-basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MONEY MARKET MUTUAL FUND. A mutual fund that invests exclusively in short-term securities. Examples of investments in money market funds are certificates of deposit and U.S. Treasury securities. Money market funds attempt to keep their net asset values at \$1 per share.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO). A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

NEGOTIABLE CERTIFICATE OF DEPOSIT (CD). A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

PAYDOWN. A reduction in the principal amount owed on a bond, loan, or other debt.

PRIMARY DEALER. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

PRUDENT ~~PERSON~~ (PRUDENT INVESTOR (PRUDENT PERSON) RULE. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

SECURITIES AND EXCHANGE COMMISSION (SEC). The U.S. Securities and Exchange Commission (SEC) is an independent federal government agency responsible for protecting investors, maintaining fair and orderly functioning of securities markets and facilitating capital formation. It was created by Congress in 1934 as the first federal regulator of securities markets. The SEC promotes full public disclosure, protects investors against fraudulent and manipulative practices in the market, and monitors corporate takeover actions in the United States.

SECURITIES AND EXCHANGE COMMISSION SEC) RULE 15C3-1. An SEC rule setting capital requirements for brokers and dealers. Under Rule 15c3-1, a broker or dealer must have sufficient liquidity in order to cover the most pressing obligations. This is defined as having a certain amount of liquidity as a percentage of the

broker/dealer's total obligations. If the percentage falls below a certain point, the broker or dealer may not be allowed to take on new clients and may have restrictions placed on dealings with current client.

STRUCTURED NOTE. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

TOTAL RATE OF RETURN. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

TREASURY BILLS. All securities issued with initial maturities of one year or less are issued as discounted instruments and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

TREASURY NOTES. All securities issued with initial maturities of two to ten years are called Treasury notes and pay interest semi-annually.

TREASURY BONDS. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.



BACK TO AGENDA

**Small Cities Organized Risk Effort
Long Range Planning
October 24, 2024**

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 24, 2024

intercare

IN PARTNERSHIP WITH



STEWARDSHIP REVIEW

OCTOBER 24, 2024

*Presented by:
Connie Hampson, Account Manager*

EXTRAORDINARY
PEOPLE

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EXTRAORDINARY
RESULTS

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 down 44% 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 4 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 up 3 percentage point in comparison to the prior program year. The litigation rate for total open claims as of 6/30/24 was 30%.
- ❑ **Total Paid (First Year Claims):** The total paid on first year claims is down 68% in comparison to the prior program year.
- ❑ **Total Paid (All Claims):** The total paid for all claims is down 37% in comparison to the prior program year.
- ❑ **Utilization Review and IMR:** 3% of total RFA received in the program year were modified and another 14% were denied by Peer Review, achieving an estimated savings of \$141,315. There were no modifications/denials submitted to IMR for reconsideration.

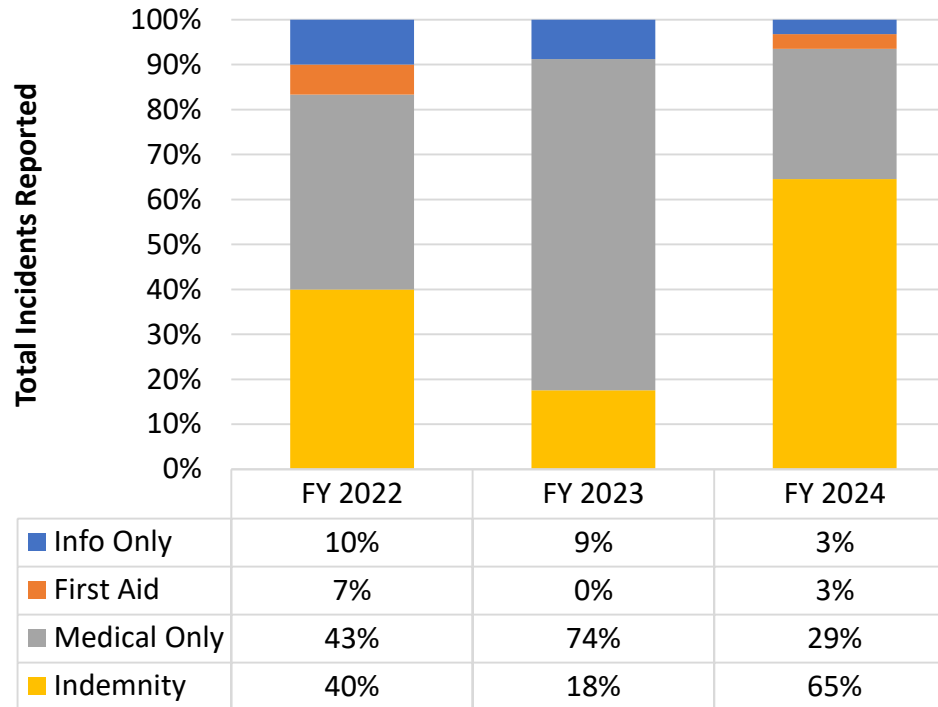
Intercare has made every effort to ensure the accuracy of information included in this report. Opinions on financial or legal matters are those of Intercare staff and professional counsel should be consulted before any action or decision based on the material provided.

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



For the purpose of this report, all frequency and severity calculations are based on the number of medical only and indemnity claims only, 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.

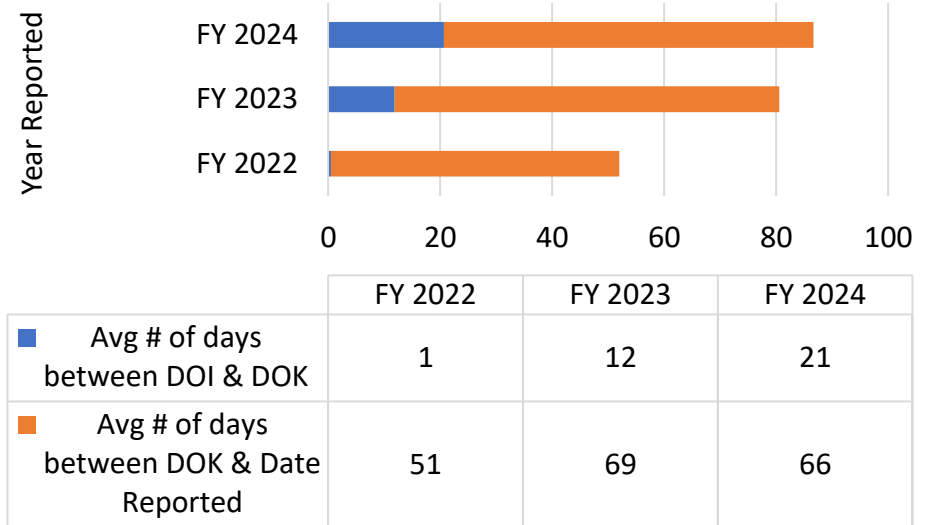
Frequency: Reportable claim frequency is down 44% in comparison to the previous program year.

Severity: The number of new indemnity claims reported during the program year is up 100% in comparison to the previous program year.

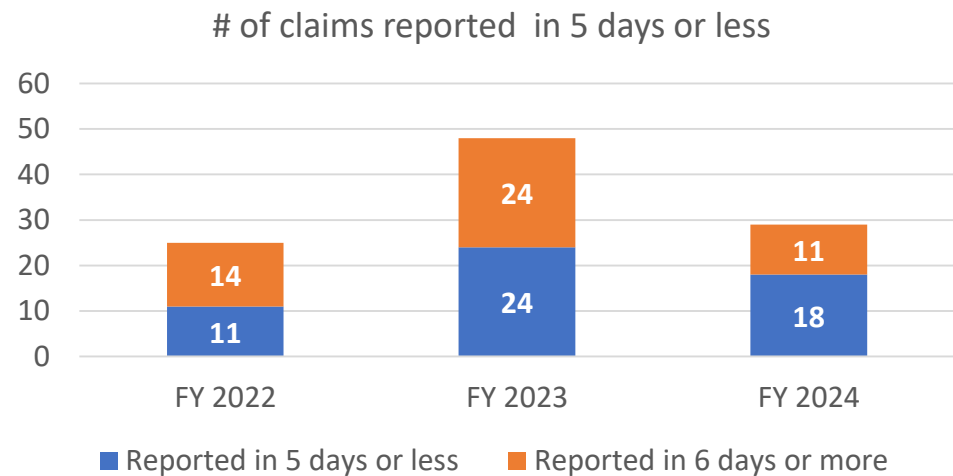
	FY 2022	FY 2023	FY 2024
Information Only	3	5	1
First Aid	2	0	1
Medical Only	13	42	9
Indemnity	12	10	20
Total incidents reported in period	30	57	31
Total reportable claims in period (MO + IND)	25	52	29
New Claim Severity (MO:IND Ratio)	52%:48%	81%:19%	31%:69%

LAG TIME SUMMARY

Average Days		FY 2022	FY 2023	FY 2024
All Reportable Claims	DOI and DOK	1	12	21
	DOK and TPA	51	69	66
	DOI and TPA	52	81	87
Excluding CT Claims	DOI and DOK	1	13	19
	DOK and TPA	52	10	49
	DOI and TPA	52	23	68



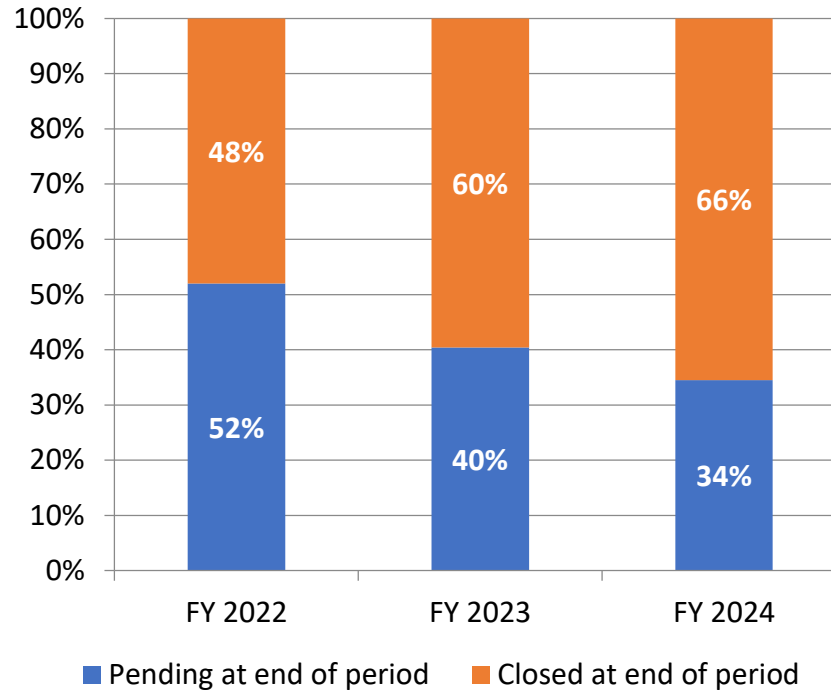
# of Claims Reported		FY 2022	FY 2023	FY 2024
All Reportable Claims	5 days or less	11	24	18
	6 days or more	14	24	11
	Total reportable claims in period	25	48	29



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



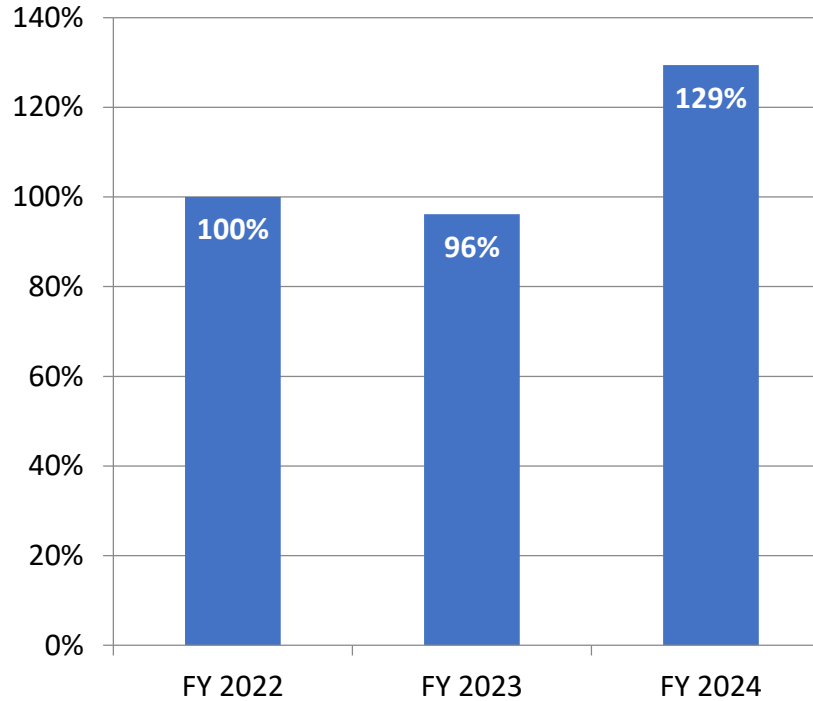
	FY 2022	FY 2023	FY 2024
Total reportable claims in period	25	52	29
# Open at end of period	13	21	10
# Closed at end of period	12	31	19
Closing %	48%	60%	66%
Average duration of all claims opened and closed in the same program year	116 days	73 days	60 days

Of total claims reported in the period 66% were closed at the end of the period.

The average duration of claims opened and closed in the period was 60 days.

CLOSING ANALYSIS

All Claims



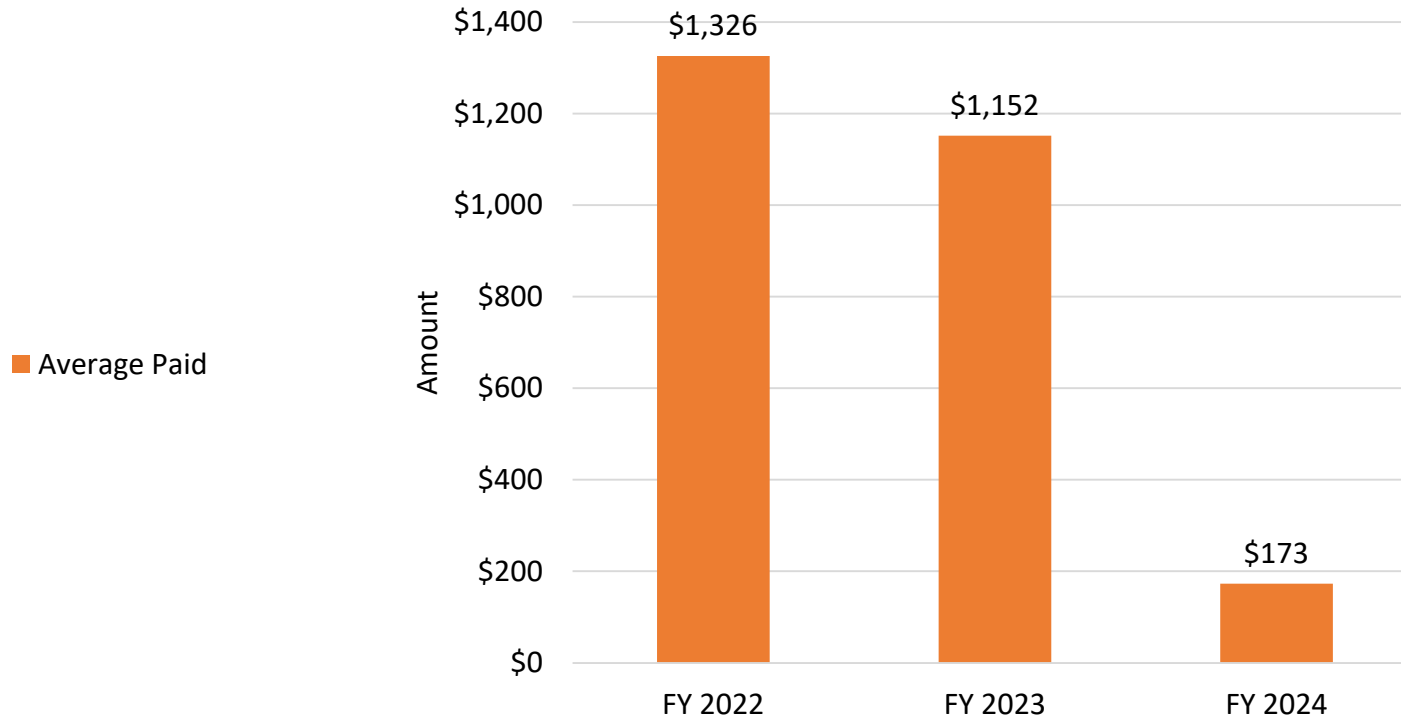
	FY 2022	FY 2023	FY 2024
Begin Pending	61	61	63
# Claims reported in period	25	52	29
# Claims reopened in period	0	0	5
# Claims Closed in period	25	50	44
Ending Pending	61	63	44
Closing Rate	100%	96%	129%

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



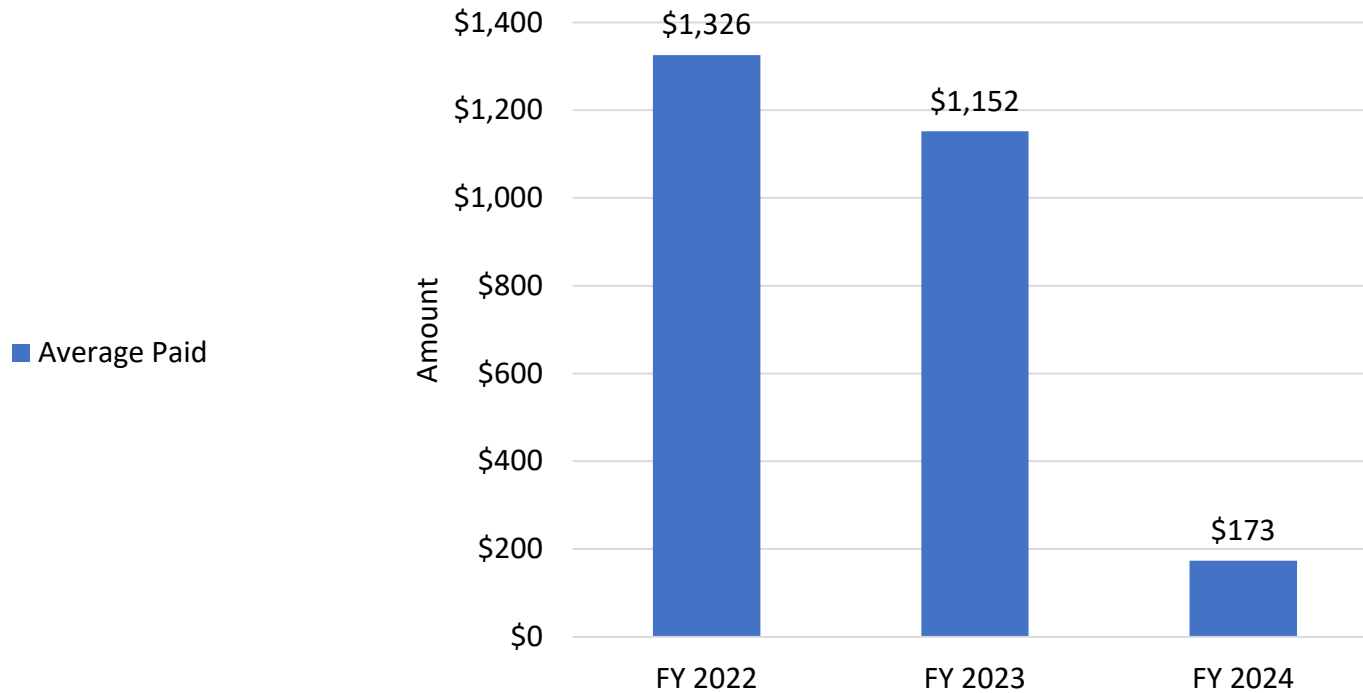
	FY 2022	FY 2023	FY 2024
# of Medical Only Claims Reported	13	42	9
Total Paid	\$17,233	\$48,366	\$1,557
Average Paid/Claim	\$1,326	\$1,152	\$173

Frequency: The number of medical only claims reported is down 79% in comparison to the previous program year.

Average Paid: The average paid per medical only claim is down 85% in comparison to the previous program year.

INDEMNITY CLAIMS

First Year Claims



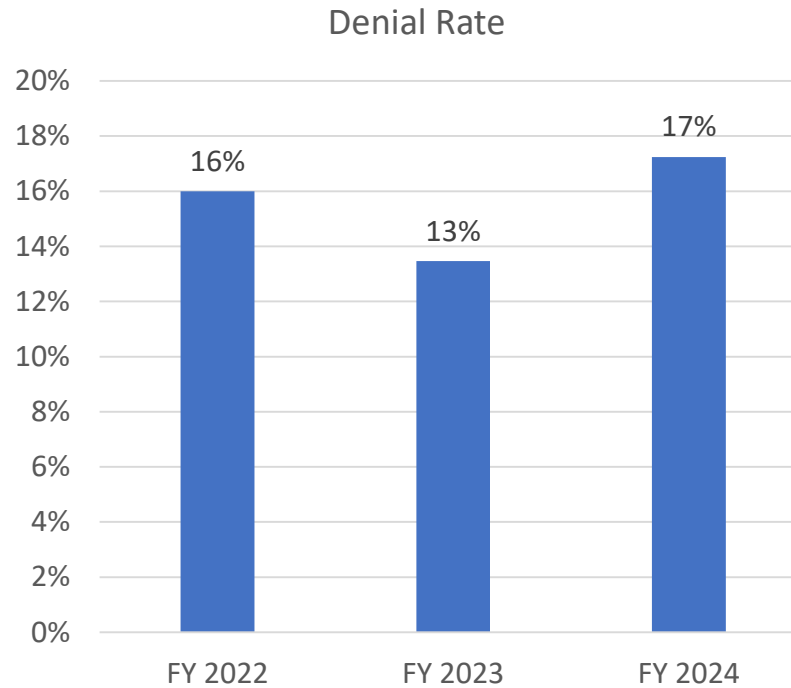
	FY 2022	FY 2023	FY 2024
# of Indemnity Claims Reported	12	10	20
Total Paid	\$224,489	\$147,522	\$61,097
Average Paid/Claim	\$18,707	\$14,752	\$3,055

Frequency: The number of indemnity claims reported is up 100% in comparison to the previous program year.

Average Paid: The average paid per indemnity claim is down 79% in comparison to the previous program year.

DENIED CLAIMS

First Year Claims



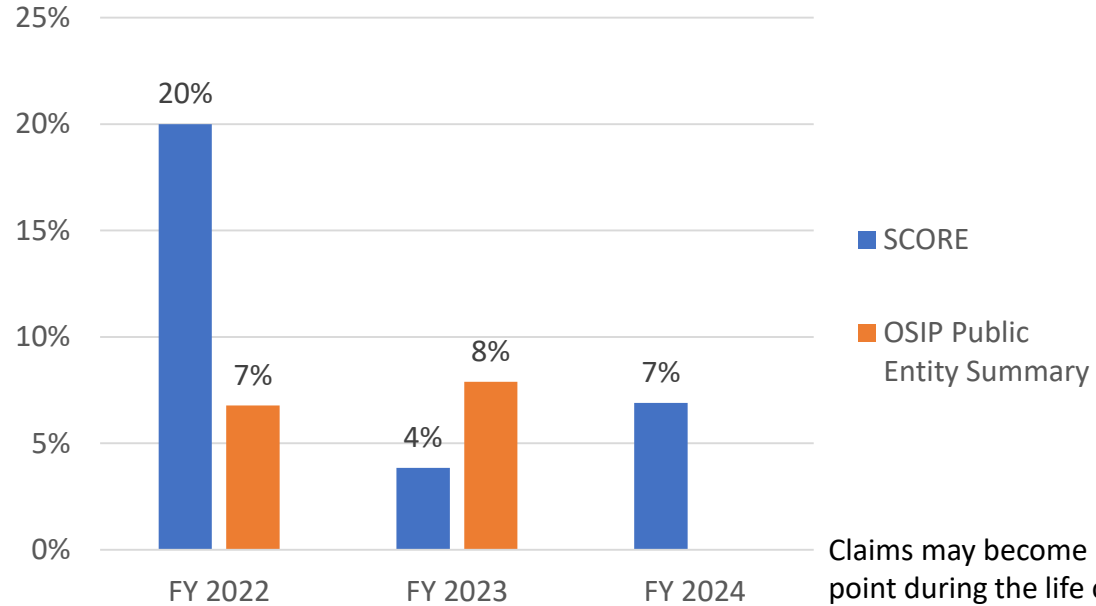
	FY 2022	FY 2023	FY 2024
Total Reportable Claims in Period	25	52	29
# of Denied Claims	4	7	5
Denial Rate	16%	13%	17%

The denial rate is up 4 percentage points in comparison to the prior program year.

LITIGATED CLAIMS

First Year Claims

First Year Litigation Rate



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

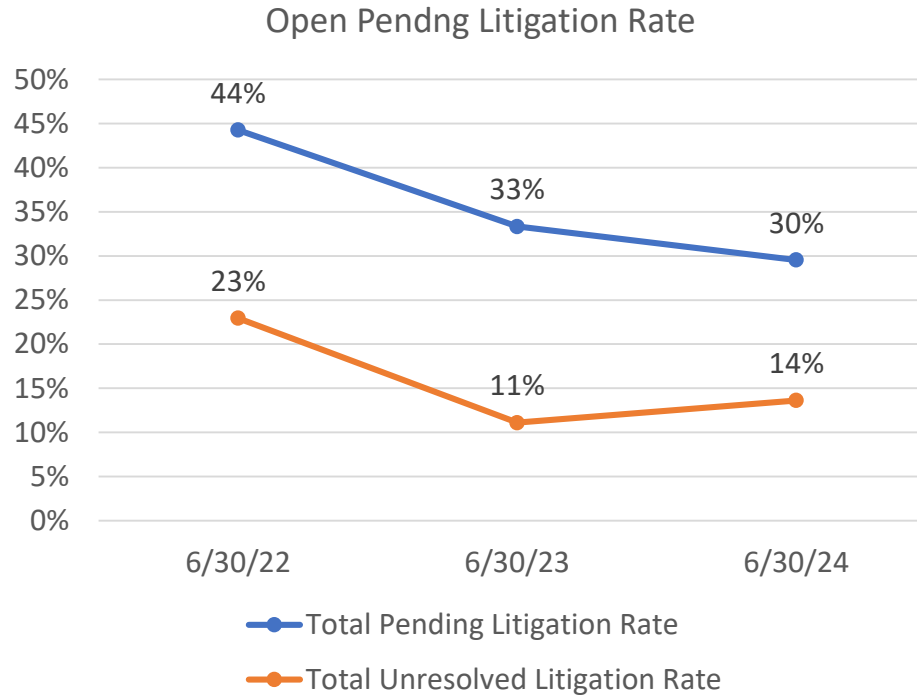
This summary looks at the number of claims reported in the period only, and the litigation status of those claims at the end of the same period.

The California public entity first year litigation rate was calculated based of the FY 21/22 and FY 22/23 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 2024 is not yet available.

	FY 2022	FY 2023	FY 2024
Total reportable claims in period	25	52	29
# of litigated claims	5	2	2
First Year Litigation Rate	20%	4%	7%
# of Litigated claims that were also denied	3	1	1
CA OSIP Public Self-Insured First Year Litigation Rate	7%	8%	<i>Data not yet available</i>

LITIGATED CLAIMS

All Open Claims



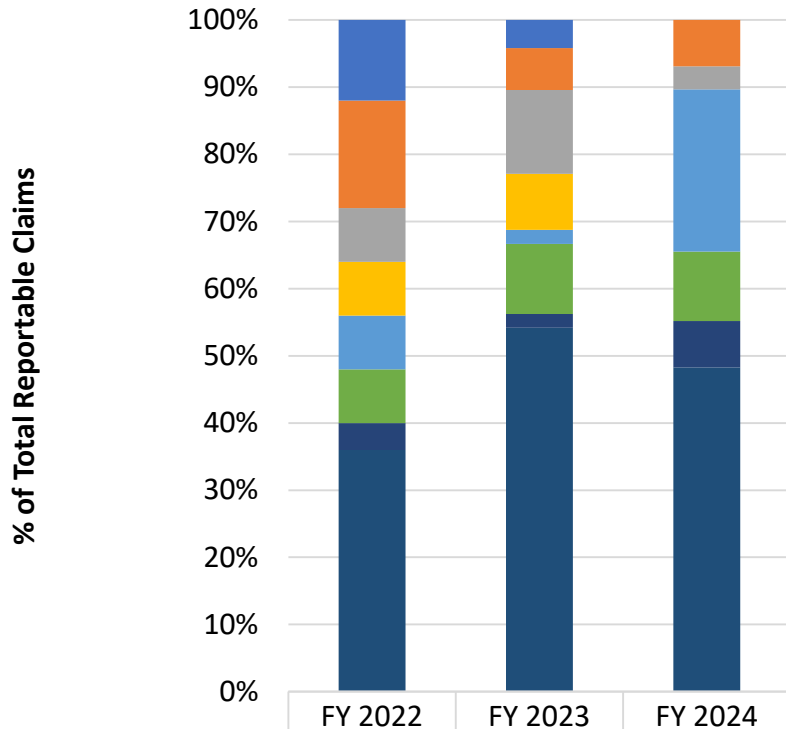
	FY 2022	FY 2023	FY 2024
# of open claims at end of period	61	63	44
# of non-litigated claims	34	42	31
# of litigated claims	27	21	13
Total open litigation rate	44%	33%	30%
# of settled litigated claims	13	14	7
# of unresolved litigated claims	14	7	6
Open and unresolved litigation rate	23%	11%	14%

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

As of 06/30/24, the total open litigation rate was 30%. Of the 44 total open claims at end of the period, there were 6 unresolved litigated claims, which equals an unresolved litigation rate of 14%.

CLAIMS BY BODY PART

Frequency



	FY 2022	FY 2023	FY 2024
■ Body System(s)	12%	4%	0%
■ Finger(s)	16%	6%	7%
■ Hand(s) / Wrist(s)	8%	13%	3%
■ Knee	8%	8%	0%
■ Lower Back Area	8%	2%	24%
■ Multiple Body Parts	8%	10%	10%
■ Shoulders	4%	2%	7%
■ Sum of all other codes	36%	54%	48%

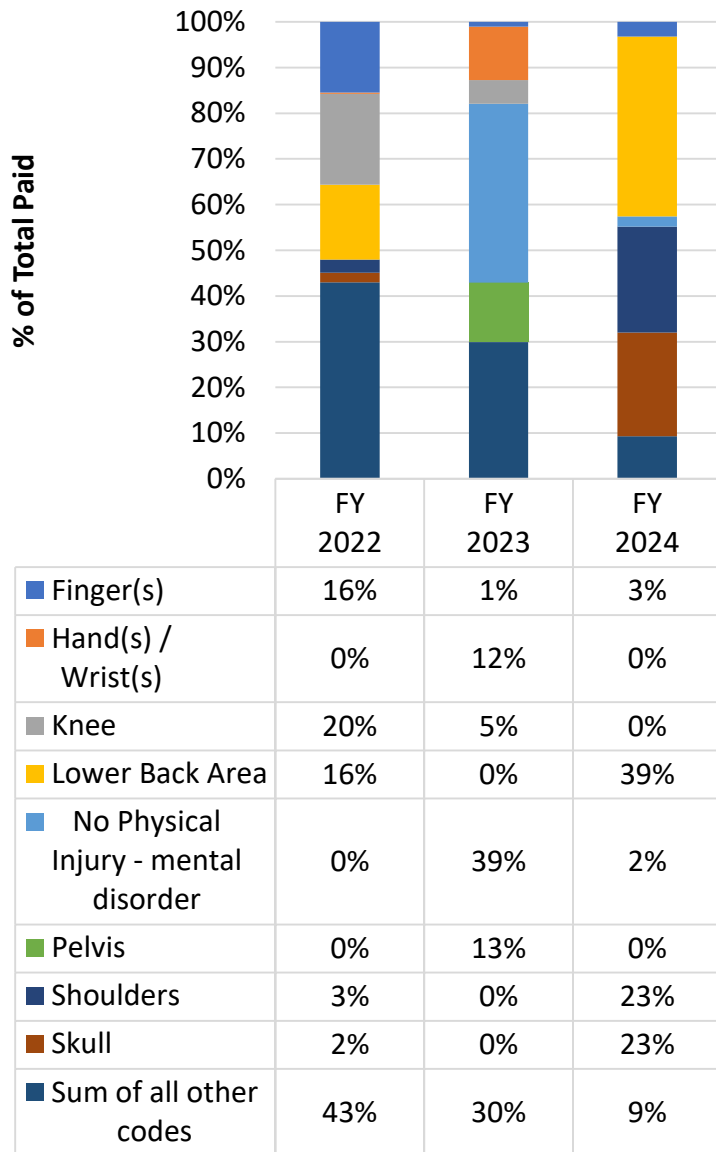
	FY 2022	FY 2023	FY 2024
Body System(s)	3	2	0
Finger(s)	4	3	2
Hand(s) / Wrist(s)	2	6	1
Knee	2	4	0
Lower Back Area	2	1	7
Multiple Body Parts	2	5	3
Shoulders	1	1	2
Sum of all other codes	9	30	14
Total claims	25	52	29

Low back injuries were the most frequent reported body part in the program year, followed by multiple body part injuries and injuries with shoulders and fingers.

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

CLAIMS BY BODY PART

Severity



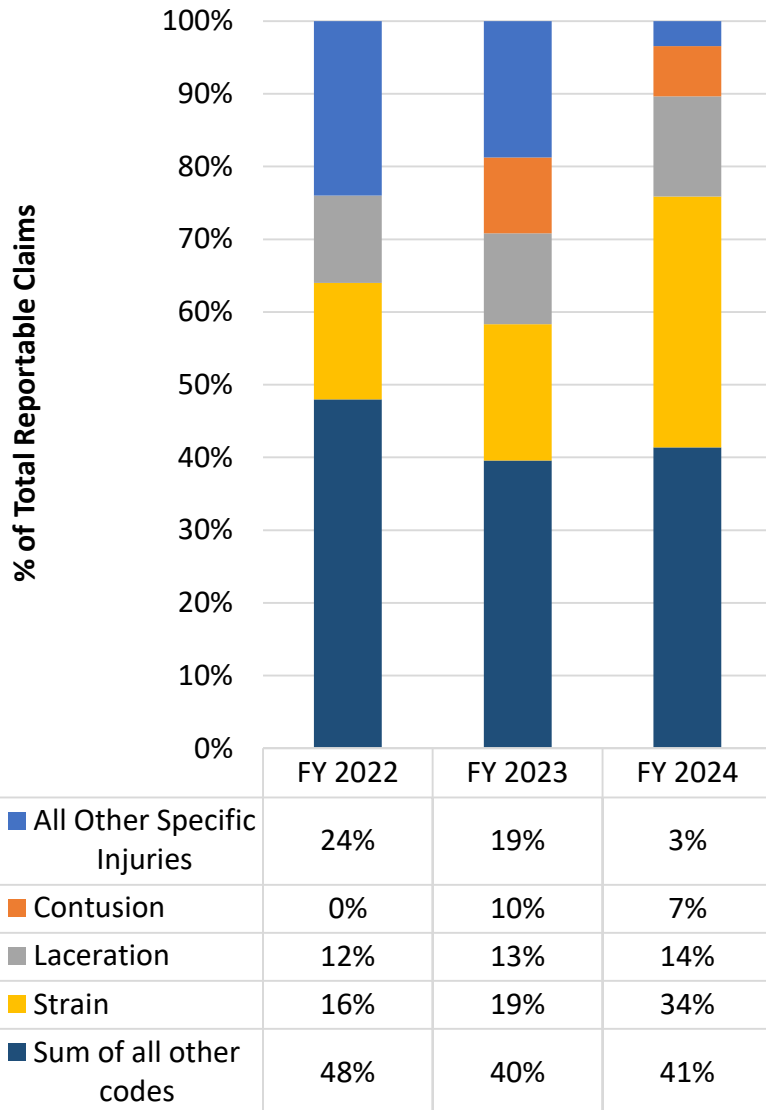
	FY 2022	FY 2023	FY 2024
Finger(s)	\$37,471	\$2,050	\$2,030
Hand(s) / Wrist(s)	\$679	\$22,913	\$0
Knee	\$47,997	\$10,111	\$0
Lower Back Area	\$39,624	\$0	\$24,628
No Physical Injury - mental disorder	\$0	\$76,772	\$1,421
Pelvis	\$0	\$25,508	\$0
Sum of all other codes	\$103,924	\$58,523	\$5,821
Total Paid	\$241,722	\$195,888	\$62,654

The most severe body part classification in the program year was shoulder injuries, followed by low back injuries and then injuries with skull.

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

CLAIMS BY NATURE

Frequency



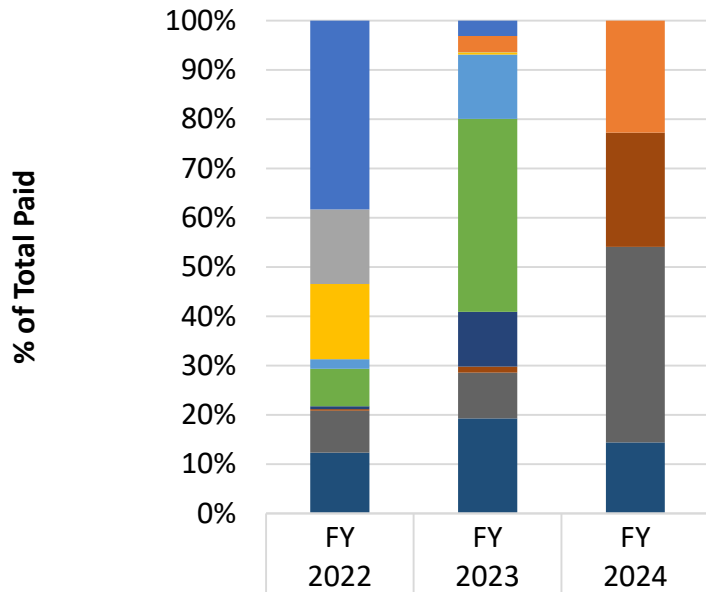
	FY 2022	FY 2023	FY 2024
All Other Specific Injuries	6	9	1
Contusion	0	5	2
Laceration	3	6	4
Strain	4	9	10
Sum of all other codes	12	23	12
Total claims	25	52	29

Strains were the most frequent reported nature of injury in the program year, followed by laceration, and then contusion.

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

CLAIMS BY NATURE

Severity



	FY 2022	FY 2023	FY 2024
All Other Specific Injuries	38%	3%	0%
Contusion	0%	3%	23%
Crushing	15%	0%	0%
Fracture	15%	0%	0%
Hernia	2%	13%	0%
No Physical Injury	8%	39%	0%
Other Cumul Inj	1%	11%	0%
Sprain	0%	1%	23%
Strain	9%	9%	40%
Sum of all other codes	12%	19%	14%

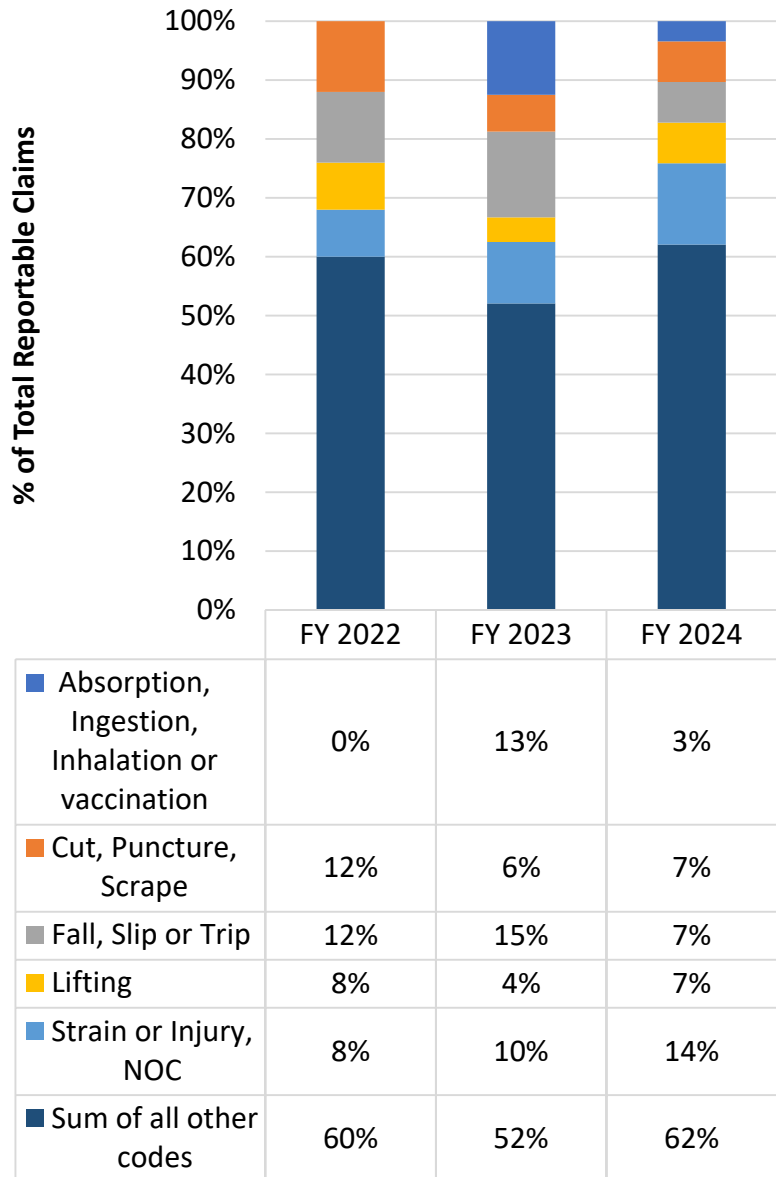
	FY 2022	FY 2023	FY 2024
All Other Specific Injuries	\$92,578	\$6,131	\$0
Contusion	\$0	\$6,379	\$14,232
Crushing	\$36,610	\$137	\$0
Fracture	\$36,942	\$871	\$0
Hernia	\$4,728	\$25,508	\$0
No Physical Injury	\$18,348	\$76,772	\$0
Other Cumul Inj	\$1,308	\$21,714	\$0
Sprain	\$847	\$2,441	\$14,522
Strain	\$20,574	\$18,132	\$24,874
Sum of all other codes	\$23,786	\$148,647	\$13,524
Total Paid	\$241,722	\$195,888	\$62,654

Sprains were the most severe reported nature of injury in the program year, followed by strains, and then contusions.

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

CLAIMS BY CAUSE

Frequency



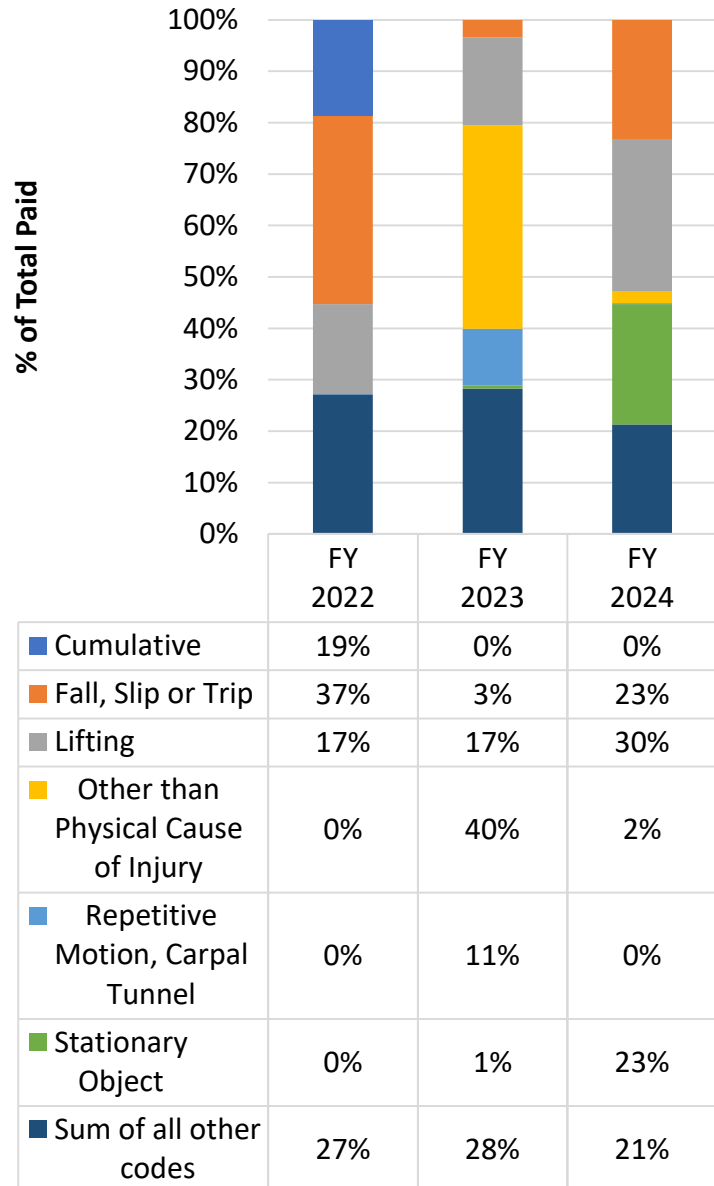
	FY 2022	FY 2023	FY 2024
Absorption, Ingestion, Inhalation or vaccination	0	6	1
Cut, Puncture, Scrape	3	3	2
Fall, Slip or Trip	3	7	2
Lifting	2	2	2
Strain or Injury, NOC	2	5	4
Sum of all other codes	15	29	18
Total claims	25	52	29

Injuries caused by strains were the most frequent reported cause in the program year, followed by injuries caused by cut, puncture, scrape, fall, slip or trip and then injuries caused by lifting.

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

CLAIMS BY CAUSE

Severity



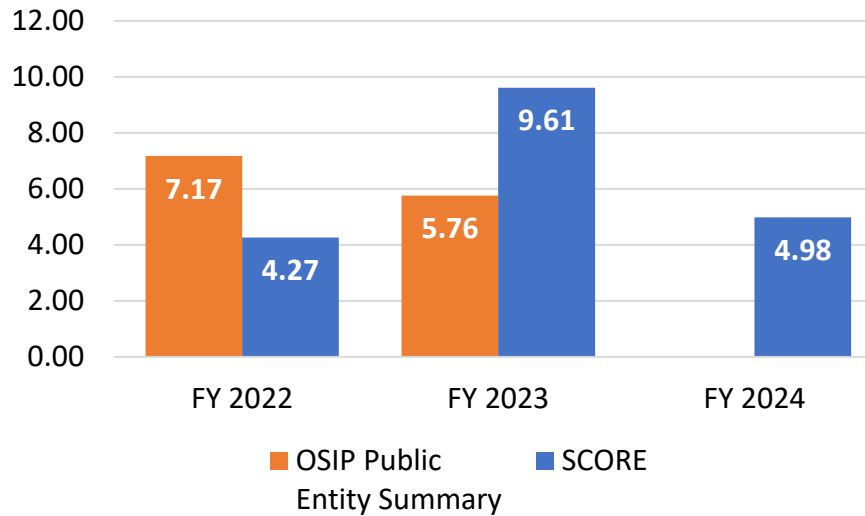
	FY 2022	FY 2023	FY 2024
Cumulative	\$45,002	\$0	\$0
Fall, Slip or Trip	\$88,694	\$6,685	\$14,522
Lifting	\$42,232	\$33,524	\$18,587
Other than Physical Cause of Injury	\$0	\$77,528	\$1,421
Repetitive Motion, Carpal Tunnel	\$152	\$21,714	\$105
Stationary Object	\$0	\$1,047	\$14,654
Sum of all other codes	\$65,642	\$55,390	\$13,364
Total Paid	\$241,722	\$195,888	\$62,654

Injuries caused by fall, slip or trip were the most severe reported cause of injury in the program year, followed by repetitive motion, carpal tunnel, and then lifting.

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

FREQUENCY PER 100 EMPLOYEES

Program Year Reported



The number of employees is up 8% in comparison to the prior program year.

The number of reportable claims in the period is down 44% in comparison to the prior program year.

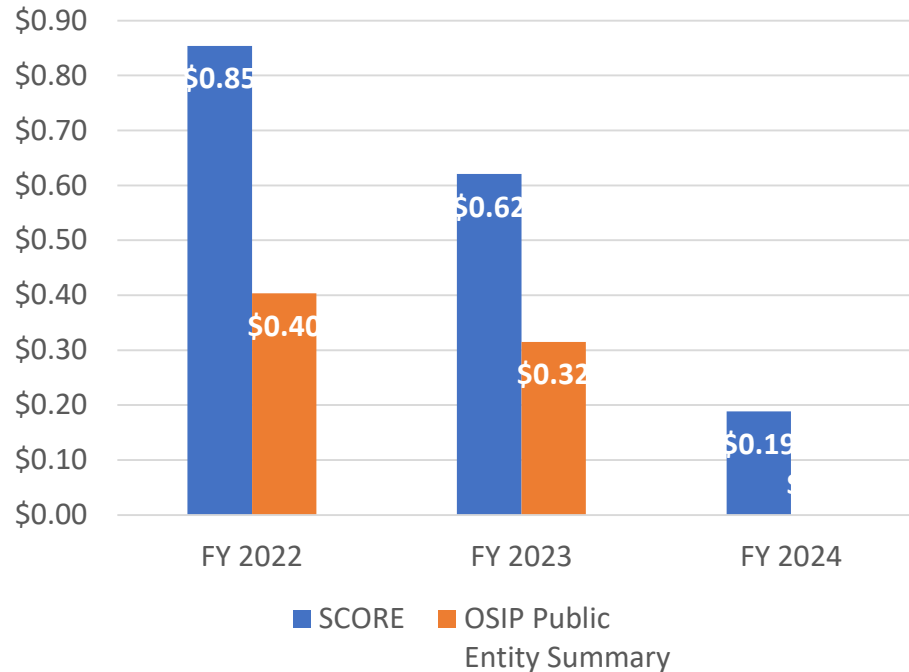
The total frequency rate is down 48% in comparison to the prior program year.

The California public entity frequency rate was calculated based of the FY 21/22 and FY 22/23 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 23/24 is not yet available.

	FY 2022	FY 2023	FY 2024
# of employees in period	586	541	582
# of medical only claims in period	13	42	9
# of indemnity claims in period	12	10	20
Total reportable claims in period	25	52	29
Frequency Rate per 100 employees			
Medical only frequency rate	2.22	7.76	1.55
Indemnity frequency rate	2.05	1.85	3.44
Total frequency rate	4.27	9.61	4.98
CA OSIP Public Self-Insured Frequency Rate	7.17	5.76	<i>Data not yet available</i>

COST PER \$100 OF PAYROLL

Program Year Reported



The total payroll in the period is up 5% in comparison to the prior program year.

The total paid for new claims in the period is down 68% in comparison to the prior program year.

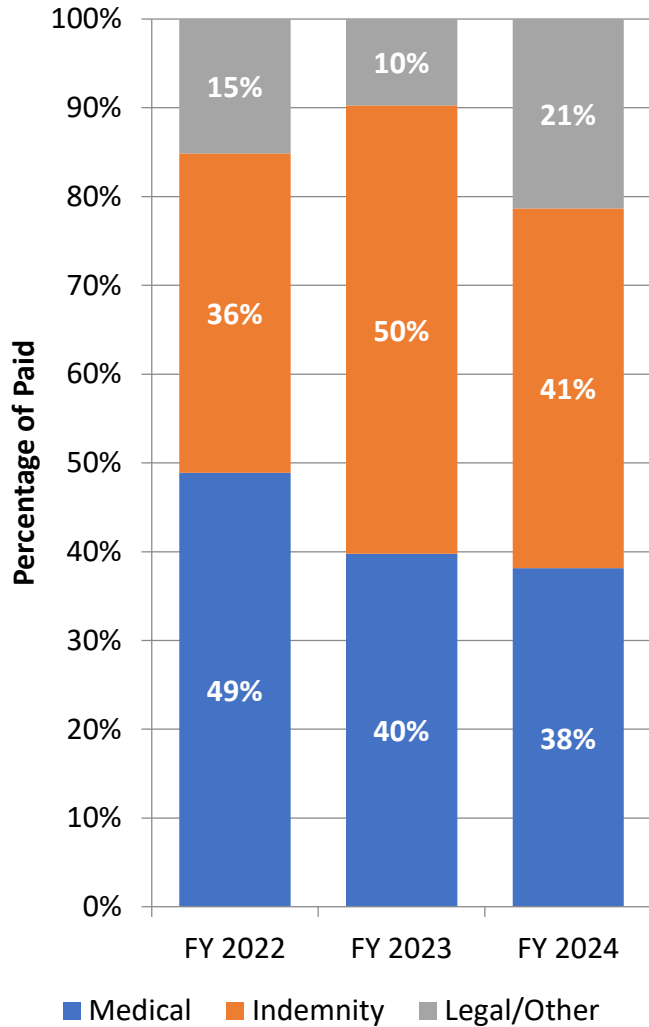
The total cost per \$100 of payroll is down 69% in comparison to the prior program year.

The California public entity cost per \$100 of payroll was calculated based of the FY 21/22 and FY 22/23 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 23/24 is not yet available.

	FY 2022	FY 2023	FY 2024
Total Payroll in period	\$28,307,416	\$31,558,367	\$33,242,990
Total Paid for new claims in period	\$241,722	\$195,888	\$62,654
Paid per \$100 of Payroll	\$0.85	\$0.62	\$0.19
CA OSIP Public Self-Insured incurred per \$100 of payroll	\$1.16	\$0.95	<i>Data not yet available</i>

PAYMENT DISTRIBUTION

First Year Claims

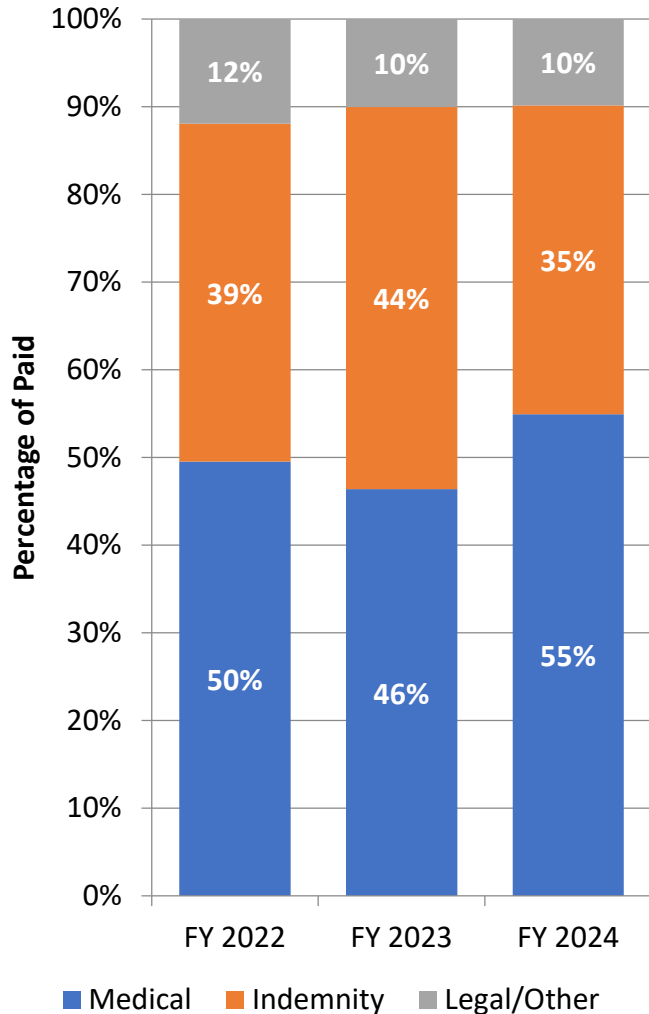


The total paid for first year claims is down 68% in comparison to the prior program year.

	FY 2022	FY 2023	FY 2024
Medical	\$118,172	\$77,899	\$23,888
C&R Settlements (FM)	\$0	\$0	\$0
All Other Medical:	\$118,172	\$77,899	\$23,888
4850/Salary Continuation Above TTD Rate	\$8,427	\$5,963	\$1,209
Indemnity	\$78,486	\$92,942	\$24,183
4850/Salary Continuation - Up to TTD Rate	\$9,475	\$15,974	\$3,673
TD Benefits	\$69,011	\$76,968	\$19,077
All other Indemnity expense	\$0	\$0	\$1,433
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	\$36,637	\$19,085	\$13,374
Ancillary Service fees	\$7,949	\$16,554	\$1,276
Investigation Expenses	\$11,260	\$1,632	\$1,422
Defense Attorney	\$0	\$0	\$6,843
All Other Legal/Expense	\$17,427	\$899	\$3,833
Other	\$0	\$0	\$0
Total Paid for 1st Year Claims	\$241,722	\$195,888	\$62,654

PAYMENT DISTRIBUTION

All Claims



The total payments processed in the program year is down 37% in comparison to the prior program year.

	FY 2022	FY 2023	FY 2024
Medical	\$615,512	\$566,406	\$420,074
C&R Settlements (FM)	\$231,986	\$99,685	\$292,370
All Other Medical:	\$383,526	\$466,721	\$127,704
4850/Salary Continuation Above TTD Rate	\$8,427	\$8,059	\$9,894
Indemnity	\$224,948	\$208,480	\$91,463
4850/Salary Continuation - Up to TTD Rate	\$9,475	\$22,407	\$22,144
TD Benefits	\$215,466	\$185,977	\$64,321
All other Indemnity expense	\$8	\$96	\$4,998
PD Benefits	\$245,687	\$315,010	\$167,607
C&R Settlements (PD)	\$160,278	\$198,626	\$96,846
All other PD Benefits	\$85,408	\$116,384	\$70,761
SJDBV	\$0	\$500	\$500
Legal/Exp	\$148,545	\$122,405	\$75,468
Ancillary Service fees	\$34,726	\$38,808	\$13,857
Investigation Expenses	\$19,546	\$8,202	\$2,321
Defense Attorney	\$5,451	\$12,822	\$48,372
All Other Legal/Expense	\$88,823	\$62,574	\$10,918
Other	\$0	\$0	\$0
Total paid for all claims in period	\$1,243,119	\$1,220,860	\$765,006

KEY PERFORMANCE INDICATORS

First Year Claims

Claims reported in period, valued at end of same period	FY 2022	FY 2023	FY 2024	
Information Only	3	5	1	★
First Aid	2	0	1	
Medical Only	13	42	9	★
Indemnity	12	10	20	
Total incidents	30	57	31	★
Reportable Claims in period	25	52	29	★
New Claim Severity: MO : IND Ratio	52%:48%	81%:19%	31%:69%	
MEDICAL ONLY CLAIMS REPORTED IN PERIOD				
Average Paid / MO Claim	\$1,326	\$1,152	\$173	★
INDEMNITY CLAIMS REPORTED IN PERIOD				
Average Paid / IND Claim	\$18,707	\$14,752	\$3,055	★
PAYMENT DISTRIBUTION OF CLAIMS REPORTED IN PERIOD				
Medical	49%	40%	38%	★
Indemnity	36%	50%	41%	★
Legal/Expense	15%	10%	21%	
DENIAL AND LITIGATION RATES				
Denial Rate	16%	13%	17%	★
First Year Litigation Rate	20%	4%	7%	
CLOSURE STATISTICS				
First Year Closing Rate	48%	60%	66%	★
Average duration of claims opened/closed in period	116	73	60	★

★ Indicates an improvement over prior year

KEY PERFORMANCE INDICATORS

All Claims

ACTIVITY PERIOD	FY 2022	FY 2023	FY 2024	
TOTAL PAID IN PERIOD				
Total paid for first year claims	\$241,722	\$195,888	\$62,654	★
Total paid in period for all claims	\$1,243,119	\$1,220,860	\$765,006	★
PAYMENT DISTRIBUTION OF ALL PAYMENTS IN PERIOD				
Medical	50%	46%	55%	
Indemnity	39%	44%	35%	★
Legal/Exp	12%	10%	10%	
LITIGATION RATE OF PENDING CASELOAD				
Total Open Litigation Rate	44%	33%	30%	★
Total Unsettled Litigation Rate	23%	11%	14%	
SETTLEMENT ACTIVITY				
# of new settlements in period	14	10	11	★
All settlement payments in period (C&R & STIP)	\$393,192	\$298,311	\$425,509	★
Settlement payments as % of total paid in period	32%	24%	56%	★
CASELOAD ACTIVITY				
Begin Pending (7/1)	61	61	63	
New in period	25	52	29	★
Closed in period	0	0	5	★
Reopened in period	25	50	44	★
Open at end of period (6/30)	61	63	44	★
Annual Closing Rate	100%	96%	129%	★

★ Indicates an improvement over prior year

CLIENT COMPARISON

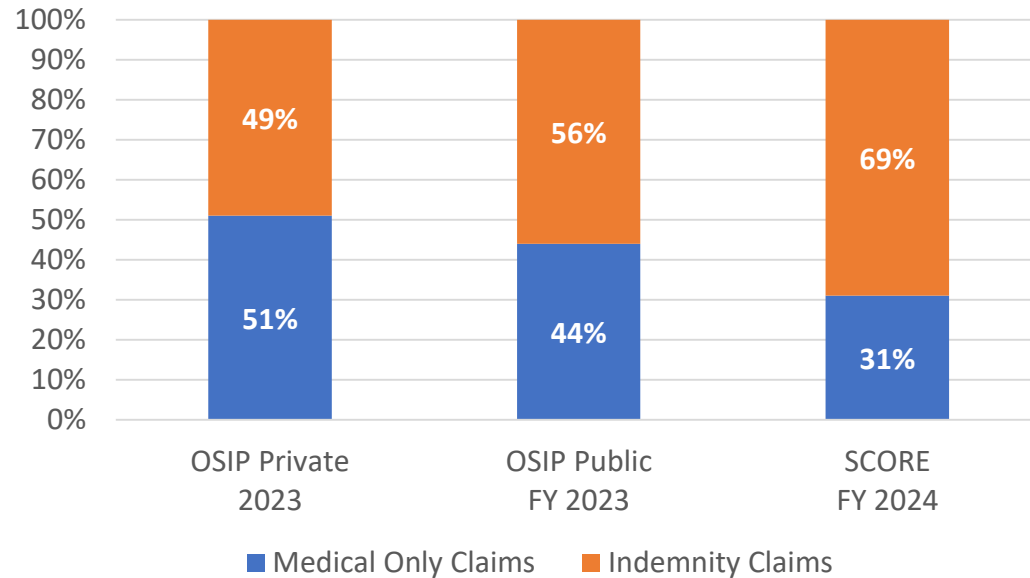
Claims Reported 07/01/23 to 06/30/24, valued as of 06/30/24

	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	Northern CA	Northern CA	Northern CA
New Claim Severity: MO : IND Ratio	44%:56%	20%:80%	17%:83%	32%:68%	19%:81%	31%:69%
MEDICAL ONLY CLAIMS						
Average Paid / MO Claim	\$661	\$765	\$783	\$1,012	\$1,018	\$173
Average Incurred / MO Claim	\$1,242	\$2,707	\$1,694	\$2,111	\$1,501	\$386
INDEMNITY CLAIMS						
Average Paid / IND Claim	\$8,205	\$14,354	\$10,101	\$14,336	\$9,699	\$3,055
Average Incurred / IND Claim	\$17,162	\$25,152	\$21,375	\$35,719	\$31,870	\$10,152
PAYMENT DISTRIBUTION						
Medical	24%	17%	25%	32%	32%	38%
Indemnity	74%	80%	64%	65%	57%	41%
Legal/Expense	3%	2%	11%	3%	11%	21%
DENIAL AND LITIGATION RATES						
Denial Rate	9%	16%	25%	13%	25%	17%
Litigation Rate	2%	3%	7%	5%	6%	7%
CLOSURE STATISTICS						
% of claims closed in same year reported	70%	70%	39%	50%	59%	66%
Average Days Open of Reportable claims opened/closed in same year reported	49 days	68 days	100 days	95 days	145 days	60 days

This comparison considers similar Intercare clients in terms of industry, geography and/or program type; and summarizes claim activity for claims added 07/01/23 to 06/30/24, valued as of 06/30/24.

- ❖ The WCIRB’s projection of the average ultimate cost of an indemnity claim for Claim Year 2022 is \$73,843, an increase of 3% from the prior calendar year.
- ❖ The WCIRB forecasts an average annual decrease in claim frequency of about 1% from 2022 to 2025, in line with the pre-pandemic rate of decline.
- ❖ The WCIRB projects modest increases in average medical costs through 2025 comparable to the 2017 to 2019 (pre-pandemic) rate of growth.
- ❖ The Office of Self-Insurance Plans (OSIP) reports that the number of claims reported for private entities is down 9% in CY 2023 compared to CY 2022.
- ❖ OSIP reports that the medial severity is up 12% for private self-insureds in CY 2023 compared to CY 2022 , while public self-insureds in FY 2022/2023 are up 4%.
- ❖ Per OSIP, indemnity benefits paid in CY 2023 increased 7% for self-insured private employers compared to CY 2022, while public self-insured employers decreased 17% in FY 2022/2023 compared to the prior fiscal year.
- ❖ Combined OSIP private and public employers had a decrease in the number of fatalities reported in CY 2023 and FY 2022/2023 of 28%.
- ❖ Per OSIP private and public employers show litigation rates for new claims reported in CY 2023 and FY 2022/2023 are up combined by 10%.

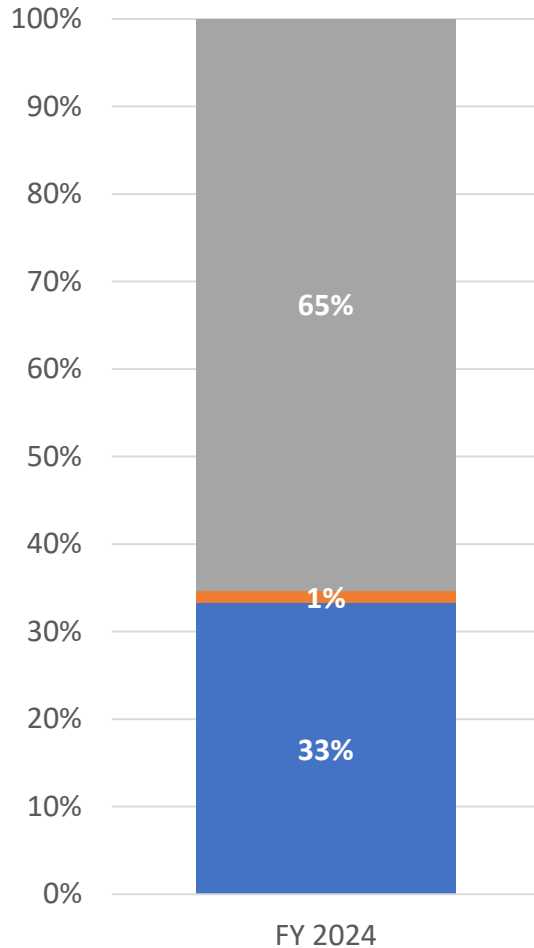
Claim Severity Comparison



First Year Claims Experience			
	OSIP Private Annual Report	OSIP Public Annual Report	SCORE
Claims Added in Period	1/1/23 to 12/31/23	7/1/22 to 6/30/23	7/1/23 to 6/30/24
Litigation Rate	8.60%	7.90%	7.0%
Claim Severity	51%:49%	44%:56%	31%:69%
Cost (Incurred) per \$100 of Payroll ¹	\$0.61	\$0.95	\$.49
# Claims per 100 FTE	4.03	5.76	4.98

BILL REVIEW

Total Activity in Period

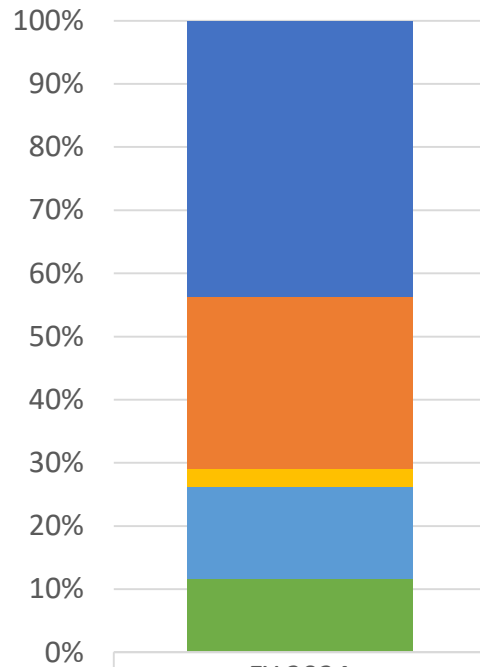


- Net Savings
- Bill Review Fees
- Recommended Payment Amount

	FY 2024
# of Bills Received Annually:	299
Medical Amount Billed by Providers:	\$336,511
Recommended Payment Amount after OMFS and PPO Reductions:	\$111,973
Gross Savings Achieved through OMFS, PPO and other Networks	
Gross Savings:	\$224,538
Gross Savings %:	67%
Bill Review Savings: (Amount reduced due to OMFS)	\$216,083
PPO Savings: (Amount reduced due to PPO)	\$8,455
Net Savings After Bill Review Fees:	
Net Savings:	\$219,626
Net Savings%:	65%
Bill Review Fees:	\$2,798
PPO Fees	\$2,114
Total Fees	\$4,912
Average Savings per Bill: (after fees)	\$735

UTILIZATION REVIEW

Total Activity in Period



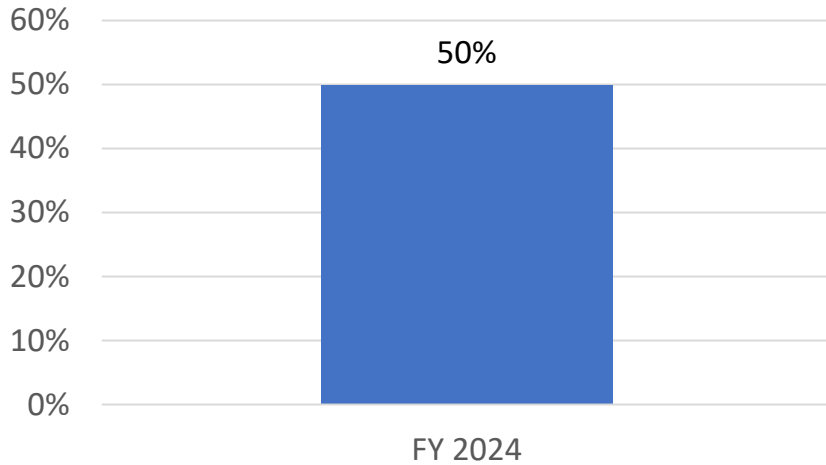
	FY 2024
■ % Reviewed at Adjuster Level	42%
■ % Approved at Nurse Level	26%
■ % Approved at Peer Review Level	0%
■ % Modified	3%
■ % Denied	14%
■ % Withdrawn or invalid	11%

	FY 2024
Total RFA received in period	108
RFA's deferred at Adjuster level (disputing injury/body part)	4
RFA's reviewed at the Adjuster Level	45
% Reviewed at the Adjuster Level	45%
RFA's sent to Utilization Review	59
# of RFA approved by a UR Nurse	28
# Duplicate/invalid	13
# Withdrawn at UR Nurse level	0
RFA's sent to Peer Review	18
# Approved by PR	0
# Modified by PR	3
# Denied by PR	15
# Withdrawn at PR level	0
# Appealed	0
Total Fees	\$7,908
Utilization Review Fees	\$5,220
Peer Review Fees	\$2,688
Total Savings	
Savings through Adjuster Level Review	\$1,125
Savings through Utilization Review	\$141,315

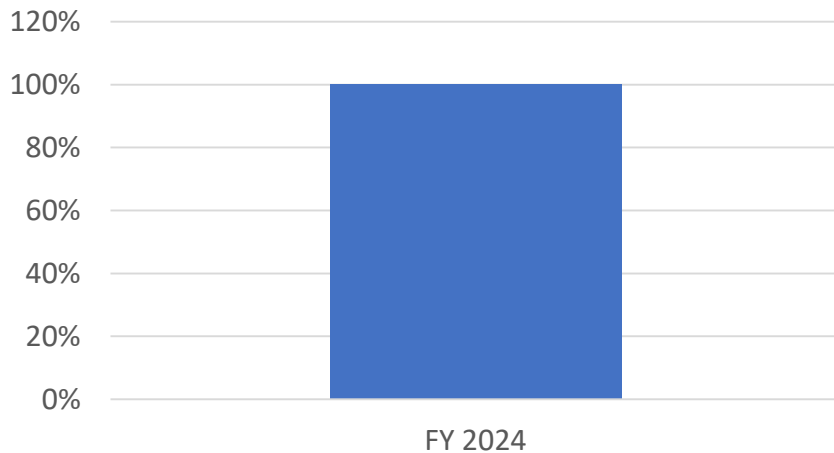
PHARMACY BENEFIT MANAGEMENT

Total Activity in Period

% of Total Savings



Generic Penetration Rate



	FY 2024
Total RX Transactions Received	129
# of Hard Blocks	28
# of RX Filled	101
Generic Penetration Rate	100%
Total Amount Billed	\$18,877
Amount on Hard Blocks	\$4,382
Amount on Filled RX	\$14,495
% of Hard Blocks	22%
% on Filled RX	78%
Total Savings	\$9,435
Savings from hard blocks	\$4,382
Savings from network	\$5,053
Savings from bill review	\$1,290

PROGRAM YEAR SUCCESSES

Program Year 2024

Program Onboarding	Intercare was successful in onboarding the SCORE workers' compensation program with a smooth transition. In addition, Intercare was able to reduce the pending inventory within the first six months of managing the program by 38%.
Settlement Statistics	Intercare worked with the SCORE team to successfully settle 11 claims during FY 2024 an increase of 1 from the prior FY. Of those: <ul style="list-style-type: none">• Compromise & Release Awards = 10• Stipulated Awards = 1
Closure Statistics	Intercare worked with the SCORE team to close 44 claims during FY 2024 achieving a 129% closing ratio and reducing the open pending inventory by 30%.
Recoveries	Intercare worked with the SCORE team to obtain recoveries in the amount of \$100,711 on the program as follows: <ul style="list-style-type: none">• Excess Recovery = \$94,019• Other (Co-Defendants) = \$6,692
Ancillary Services and Savings	InterMed achieved an overall saving for SCORE of \$360,971. The breakdown is as follows: <ul style="list-style-type: none">• Bill Review achieved an overall net savings of 65% or \$219,626• Utilization Review achieved an overall savings of \$141,345
Claim Audit	Intercare was successful in scoring a 99% on the claim audit completed during FY 2024.
Training	Intercare completed Best Practices for Managing Work Comp training for all Board members in October 2023
Nurse Triage	Intercare worked with InterMed and SCORE to establish nurse triage for SCORE City Members to utilize as needed.

GOALS

For Program Year 2025

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 6/31/24 there were a total of 12 open future medical claims.
Closing Rate/ Inventory Reduction	Goal: Continue to maintain 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.
Client Goals	Goal: Goal: Goal:

intercare

**HELPING YOU
BRIDGE THE GAP BETWEEN
RISK AND RESOLUTION**

**EXTRAORDINARY
PEOPLE**

**EXTRAORDINARY
RESULTS**

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BACK TO AGENDA

**Small Cities Organized Risk Effort
Long Range Planning
October 24, 2024**

Agenda Item H.2.

SCORE FUNDING FORMULA HOW THE BUDGET IS CALCULATED

INFORMATION ITEM

ISSUE: The Program Administrators will present an overview of the formula for calculating the annual funding of the Liability and Workers' Compensation Programs.

RECOMMENDATION: Receive and provide feedback or direction.

FISCAL IMPACT: None from this item.

BACKGROUND: Members regularly receive information regarding the functioning of the various programs and services offered by SCORE. Members have suggested revisions to the funding formulas and benchmarks previously in response to changing risk exposures or member needs.

ATTACHMENTS: Funding Formula Presentation - *handout*

SCORE

Funding Formulas

FOR THE LIABILITY AND WORKERS' COMPENSATION PROGRAMS

FY 2024/25

SCORE BOARD MEETING PRESENTATION, OCTOBER 24, 2024

Purpose

Explain how the General and Auto Liability (GL)
and Workers' Compensation (WC)
funding is calculated per the Master Plan
Documents (Bylaws) for each Program

Outline

- **Exposure Base – “Projected Payroll”**
- **Experience Base – “Experience Modification Factor”**
 - (EMF or Ex-Mod)
- **GL - Funding Calculations**
- **WC – Funding Calculations – two differences from GL**

Exposure Base

For BOTH

Programs =

Projected Payroll

SCORE has traditionally used the DE9 payroll for the most recent calendar year and added an inflation factor of 3%.

For FY 2024/25 payroll we use **2023 Calendar Year Payroll adjusted 3% for inflation = Projected Payroll (PP).**

See Column B in Both Funding Spreadsheets

A	B
Formula/Allocation	CY 2023 Payroll x 3% Inflation Factor
MEMBER ENTITY	Projected Payroll (PP)
Rate Per \$100 or Amount	1.03
Biggs	\$574,644
Colfax	\$809,410
Dunsmuir	\$1,014,717
Etna	\$674,205

BOTH Programs Use Experience Modification Factors to Adjust Projected Payroll

Ex-Mod Adjusted Payroll (ExP) is used for the remaining loss funding calculations

A	B	C	D
Formula/Allocation	CY 2023 Payroll x 3% Inflation Factor	Initial Ex Mod x Credibility Factor	Projected Payroll x Ex Mod
MEMBER ENTITY	Projected Payroll (PP)	Ex Mod	Ex-Mod Adjusted Payroll (ExP)
Rate Per \$100 or Amount	1.03	Calc	
Biggs	\$574,644	0.94	\$541,638
Colfax	\$809,410	0.97	\$781,391
Dunsmuir	\$1,014,717	1.32	\$1,337,000
Etna	\$674,205	1.15	\$776,603

Liability Funding – Ex Mod Calculation

Divide member % of total losses for last five complete years, capped at \$50,000, by the corresponding % of member payroll to obtain the Member's Initial Ex Mod

FORMULA			Member %L/ Member %P
	% of Total Losses	% Total Payroll	Initial Ex Mod
Member			
City of Biggs	0%	1.7%	0.04
City of Colfax	2%	2.8%	0.55
City of Dunsmuir	9%	3.0%	2.84
City of Etna	5%	2.4%	1.93

Liability Funding – Credibility Factor

§ Multiply the Initial Ex Mod by a **Credibility Factor**

§ **Credibility Factor** = Member Payroll / (Member Payroll + Largest member Payroll)

- Shasta Lake payroll is largest

§ **Weighted Ex Mod** = (Member IEM x Credibility Factor) + (One - Credibility Factor)

FORMULA	Member %L/Member %P	Member P/MP + Anchor P	(Member IEM x CF) + (1-CF)
	Initial Ex Mod	Credibility Factor (CF)	Weighted Ex Mod
Member			
City of Biggs	0.04	9%	0.91
City of Colfax	0.55	14%	0.94
City of Dunsmuir	2.84	15%	1.28
City of Etna	1.93	13%	1.12

Liability Funding- Ex Mod Adjusted Payroll

We take the Weighted Ex Mod and multiply it by the Projected Payroll to obtain the Modified Payroll Exposure

We then adjust the Ex Mods to ensure the Ex Mod Adjusted Payroll matches the original projected payroll, to match the actuary's projected payroll and total funding.

FORMULA	(Member IEM x CF) + (1-CF)	Projected Payroll x Weighted Ex Mod	Unadjusted Ex Mod / Weighted Ex Mod Factor*	Projected Payroll x Ex Mod	CY 2023 Payroll + 3% Inflation Factor
	Weighted Ex Mod	Modified Payroll Exposure	Adjusted Ex Mod	Ex Mod Adjusted Payroll (ExP)	Projected Payroll (PP)
Member			0.97		1.03
City of Biggs	0.91	\$525,230	0.94	\$541,638	\$574,644
City of Colfax	0.94	\$757,720	0.97	\$781,391	\$809,410
City of Dunsmuir	1.28	\$1,296,498	1.32	\$1,337,000	\$1,014,717
City of Etna	1.12	\$753,077	1.15	\$776,603	\$674,205
Grand Total	1.00	\$33,190,990	1.03	\$34,227,868	\$34,227,868

Liability Funding- Banking Layer (\$0 to \$25,000)

Banking Layer – we divide the Ex Mod Adjusted Payroll (ExP) by 100 and multiply x the Rate per \$100 of payroll at the 75% Confidence Level (CL) as calculated by the actuary (\$1.05 for FY 24/25).

See Column E in the Funding Spreadsheet – (ExP/\$100) x Rate

A	D	E
Formula/Allocation	Projected Payroll x Ex Mod	(ExP/\$100) x Rate
MEMBER ENTITY	Ex-Mod Adjusted Payroll (ExP)	BANKING LAYER at 75% CL \$0 to \$25,000
Rate Per \$100 or Amount		\$ 1.05
Biggs	\$541,638	\$ 5,665
Colfax	\$781,391	\$ 8,173
Dunsmuir	\$1,337,000	\$ 13,984
Etna	\$776,603	\$ 8,123

Liability Funding – Shared Layer (\$25,000 to \$750,000)

Shared Layer – we multiply the **Ex-Mod Adjusted Payroll (Exp)/100** times the **Rate** per \$100 of payroll at the 75% Confidence Level (CL) as calculated by the actuary (\$2.40 for FY 24/25) to obtain the **Shared Layer Funding**.

See columns D & F

A	D	F
Formula/Allocation	Projected Payroll x Ex Mod	(Exp/\$100) x Rate
MEMBER ENTITY	Ex-Mod Adjusted Payroll (Exp)	SHARED LAYER at 75% CL \$25,000 to \$750,000
Rate Per \$100 or Amount		\$ 2.40
Biggs	\$541,638	\$ 12,976
Colfax	\$781,391	\$ 18,720
Dunsmuir	\$1,337,000	\$ 32,031
Etna	\$776,603	\$ 18,605

Liability Funding – Excess Layer

(\$750,000 to \$40 million) CJPRMA Premium

Excess Layer – we multiply the **Ex-Mod Adjusted Payroll (ExP)/100 times the Rate** per \$100 of payroll as calculated by the CJPRMA actuary (\$3.17 for FY 24/25) to obtain the **Excess Layer Funding**.

See column G

A	D	G
Formula/Allocation	Projected Payroll x Ex Mod	(ExP/\$100) x Rate
MEMBER ENTITY	Ex-Mod Adjusted Payroll (ExP)	EXCESS LAYER \$750k TO \$40M CJPRMA PREMIUM
Rate Per \$100 or Amount		\$ 3.17
Biggs	\$541,638	\$ 17,169
Colfax	\$781,391	\$ 24,768
Dunsmuir	\$1,337,000	\$ 42,380
Etna	\$776,603	\$ 24,617

Loss Funding – Ex Mod Impact

Column H – **Loss Funding** is the total of the previous three columns:

Banking, Shared and Excess Layer Funding, including impact of Ex Mod

Columns I and J show the impact of the member’s Ex Mod on their loss funding

A	H	I	J
Formula/Allocation	Banking + Shared + Excess Layers	(PP/\$100) x Banking, Shared and Excess Rates	(H) - (I)
MEMBER ENTITY	LOSS FUNDING (LF)	UNADJUSTED LOSS FUNDING (ULF)	Ex Mod Impact on Loss Funding Increase or (Decrease)
Rate Per \$100 or Amount	Calc		Calc
Biggs	\$ 35,810	\$ 37,992	\$ (2,182)
Colfax	\$ 51,661	\$ 53,513	\$ (1,852)
Dunsmuir	\$ 88,395	\$ 67,087	\$ 21,307
Etna	\$ 51,344	\$ 44,574	\$ 6,770

Pollution Coverage

We multiply the **Projected Payroll (PP)** times the **Rate** per \$100 of payroll

- Total Premium = \$19,899
- *Premium converted to rate per \$100 of payroll = \$0.0609143*

Charged to members based on Projected Payroll x Rate (J)

A	K
Formula/Allocation	(PP/100) x Rate
MEMBER ENTITY	PRISM Pollution Coverage
Rate Per \$100 or Amount	\$ 0.0609143
Biggs	\$350
Colfax	\$493
Dunsmuir	\$618
Etna	

Liability Funding – Administrative Expenses

- Half of the Administrative Expenses are **divided equally** among the members
 - For FY 24/25 = \$16,060, Column L
- Half of the expenses are allocated to members based on their **pro-rata share** of total payroll-Column M
- Total Admin is shown in Column N

A	L	M	N
Formula/Allocation	(Total Admin/2)/ Number of Members	(Total Admin/2)/ %PP	(L) + (M)
MEMBER ENTITY	50% ADMIN FIXED EXPENSE	50% ADMIN % PAYROLL	Proposed FY 24-25 Admin Total
Rate Per \$100 or Amount	\$273,016	\$273,016	\$546,032
Biggs	\$16,060	\$4,584	\$20,643
Colfax	\$16,060	\$6,456	\$22,516
Dunsmuir	\$16,060	\$8,094	\$24,154
Etna	\$16,060	\$5,378	\$21,437

Liability Funding – Total & Comparison

Banking, Shared, Excess,
Pollution and Admin
Expenses are **totaled in
Column O**

Comparison to FY 23/24
funding in Columns (Q), (R)
and (S)

The Net Change (less payroll)
is shown in Column T

A	O	P	Q	R	S	T
Formula/Allocation	Loss Funding + Pollution + Admin					
MEMBER ENTITY	Proposed FY 24-25 TOTAL FINAL DEPOSIT	FY 23-24 TOTAL FINAL DEPOSIT	\$ Change Overall	% Change Overall	% Change in Payroll	Net % Change
Rate Per \$100 or Amount	75% CL	75% CL				
Biggs	\$56,803	\$49,685	\$7,119	14%	10%	5%
Colfax	\$74,670	\$67,272	\$7,398	11%	1%	10%
Dunsmuir	\$113,166	\$79,734	\$33,433	42%	30%	12%
Etna	\$72,782	\$69,627	\$3,155	5%	-3%	7%

WC Funding

The Workers' Compensation Funding works *the same way as Liability*, so we won't go into details during this presentation.

We have a handout with the budget spreadsheet for review and discussion if you have questions about it.

And we want to point out **two exceptions to the formula for Workers' Compensation:**

1. We use the *last four years of claims* for the Ex Mod (v. five for liability),

AND ...

WC FUNDING

2. We combine five members into the MINI-CITIES Group and calculate their Ex Mod as if they were one member.

A	B	C
Formula/Allocation	CY 2023 Payroll + 3% Inflation Factor	Relative Loss Rate x Credibility Factor
MEMBER ENTITY	Projected Payroll (PP)	EX MOD
Rate/Amount	1.03	Calc
Colfax	\$809,410	1.01
Dunsmuir	\$1,014,717	0.82
Subtotal Members	\$30,540,387	1.00
Biggs	\$574,644	0.78
Etna	\$674,205	0.78
Loyalton	\$243,125	0.78
Montague	\$695,833	0.78
Tulelake	\$613,227	0.78
Subtotal Mini Cities	\$2,801,035	0.78
Grand Total	\$33,341,422	1.00

Comments & Questions?

**SMALL CITIES ORGANIZED RISK EFFORT
LIABILITY PROGRAM**

Fiscal Year PROPOSED 2024-2025

Funding (75% CL) - \$750k SIR

Total Admin Expenses:	\$1,051,908	CJPRMA Premium:	\$ 1,158,698
Total Liability Admin Expenses:	\$547,283	CJPRMA Refund:	\$0
Total WC Admin Expenses:	\$504,625	Rate Per \$100 Payroll:	\$ 3.13
Liability Participants	17	Payroll used	\$36,983,651

A	B	C	D	E	F	G	H	I	J
Formula/Allocation	CY 2023 Payroll x 3% Inflation Factor	Relative Loss Rate x Credibility Factor	Projected Payroll x Ex Mod	(Exp/\$100) x Rate	(Exp/\$100) x Rate	(Exp/\$100) x Rate	Banking + Shared + Excess Layers	(PP/\$100) x Banking, Shared and Excess Rates	(H) - (I)
MEMBER ENTITY	Projected Payroll (PP)	Ex Mod	Ex-Mod Adjusted Payroll (ExP)	BANKING LAYER at 75% CL \$0 to \$25,000	SHARED LAYER at 75% CL \$25,000 to \$750,000	EXCESS LAYER \$750k TO \$40M CJPRMA PREMIUM	LOSS FUNDING (LF)	UNADJUSTED LOSS FUNDING (ULF)	Ex Mod Impact on Loss Funding Increase or (Decrease)
Rate Per \$100 or Amount	1.03	Calc		\$ 1.05	\$ 2.40	\$ 3.39	Calc		Calc
Biggs	\$574,644	0.95	\$543,817	\$ 5,688	\$ 13,028	\$ 18,410	\$ 37,126	\$ 39,230	\$ (2,104)
Colfax	\$809,410	0.97	\$782,337	\$ 8,183	\$ 18,743	\$ 26,484	\$ 53,409	\$ 55,258	\$ (1,848)
Dunsmuir	\$1,014,717	1.31	\$1,326,776	\$ 13,877	\$ 31,786	\$ 44,915	\$ 90,578	\$ 69,274	\$ 21,304
Etna	\$674,205	1.15	\$773,885	\$ 8,094	\$ 18,540	\$ 26,198	\$ 52,832	\$ 46,027	\$ 6,805
Isleton	\$886,445	1.13	\$1,005,197	\$ 10,514	\$ 24,082	\$ 34,028	\$ 68,624	\$ 60,517	\$ 8,107
Live Oak	\$2,221,629	1.14	\$2,537,785	\$ 26,543	\$ 60,798	\$ 85,910	\$ 173,252	\$ 151,668	\$ 21,584
Loomis	\$1,519,385	1.19	\$1,814,370	\$ 18,977	\$ 43,467	\$ 61,421	\$ 123,865	\$ 103,727	\$ 20,138
Loyalton	\$243,125	1.00	\$242,487	\$ 2,536	\$ 5,809	\$ 8,209	\$ 16,554	\$ 16,598	\$ (44)
Montague	\$695,833	1.04	\$721,842	\$ 7,550	\$ 17,293	\$ 24,436	\$ 49,279	\$ 47,504	\$ 1,776
Mt. Shasta	\$3,280,138	1.00	\$3,268,751	\$ 34,189	\$ 78,310	\$ 110,655	\$ 223,154	\$ 223,931	\$ (777)
Portola	\$992,605	1.06	\$1,047,208	\$ 10,953	\$ 25,088	\$ 35,451	\$ 71,492	\$ 67,764	\$ 3,728
Rio Dell	\$1,719,523	0.82	\$1,412,320	\$ 14,772	\$ 33,835	\$ 47,811	\$ 96,417	\$ 117,390	\$ (20,972)
Shasta Lake	\$5,437,652	0.94	\$5,097,299	\$ 53,314	\$ 122,116	\$ 172,556	\$ 347,987	\$ 371,222	\$ (23,236)
Susanville	\$5,616,470	0.75	\$4,203,305	\$ 43,964	\$ 100,699	\$ 142,292	\$ 286,955	\$ 383,430	\$ (96,475)
Tulelake	\$613,227	1.14	\$697,635	\$ 7,297	\$ 16,713	\$ 23,617	\$ 47,627	\$ 41,864	\$ 5,762
Weed	\$2,604,137	1.19	\$3,108,270	\$ 32,510	\$ 74,465	\$ 105,223	\$ 212,198	\$ 177,782	\$ 34,417
Yreka	\$5,324,721	1.06	\$5,644,582	\$ 59,038	\$ 135,228	\$ 191,083	\$ 385,349	\$ 363,513	\$ 21,837
Grand Total	\$34,227,868		\$34,227,868	\$ 358,000	\$ 820,000	\$ 1,158,698	\$ 2,336,698	\$ 2,336,698	\$ (0)
<i>Actuary & Excess Numbers</i>	<i>\$ 34,734,415</i>			<i>\$ 358,000</i>	<i>\$ 820,000</i>	<i>\$ 1,158,698</i>			

**SMALL CITIES ORGANIZED RISK EFFORT
LIABILITY PROGRAM
Fiscal Year PROPOSED 2024-2025
Funding (75% CL) - \$750k SIR**

PRISM Pollution Premium: **\$47,300**
 PRISM Pollution Payroll: \$32,667,217
 Rate per \$100: 0.144793478

A	K	L	M	N	O	P	Q	R	S	T
Formula/Allocation	(PP/100) x Rate	(Total Admin/2)/ Number of Members	(Total Admin/2)/ %PP	(L) + (M)	Loss Funding + Pollution + Admin					Member PP/ Total PP
MEMBER ENTITY	PRISM Pollution Coverage	50% ADMIN FIXED EXPENSE	50% ADMIN % PAYROLL	Proposed FY 24-25 Admin Total	Proposed FY 24-25 TOTAL FINAL DEPOSIT	FY 23-24 TOTAL FINAL DEPOSIT	\$ Change Overall	% Change Overall	% Change in Payroll	% Payroll (%PP)
Rate Per \$100 or Amount	\$ 0.1447935	\$273,642	\$273,642	\$547,283	75% CL	75% CL				
Biggs	\$832	\$16,097	\$4,594	\$20,691	\$58,649	\$49,685	\$8,964	18%	10%	1.68%
Colfax	\$1,172	\$16,097	\$6,471	\$22,568	\$77,149	\$67,272	\$9,877	15%	1%	2.36%
Dunsmuir	\$1,469	\$16,097	\$8,112	\$24,209	\$116,256	\$79,734	\$36,522	46%	30%	2.96%
Etna		\$16,097	\$5,390	\$21,487	\$74,319	\$69,627	\$4,692	7%	-3%	1.97%
Isleton		\$16,097	\$7,087	\$23,183	\$91,807	\$69,244	\$22,563	33%	30%	2.59%
Live Oak	\$3,217	\$16,097	\$17,761	\$33,858	\$210,326	\$146,154	\$64,173	44%	18%	6.49%
Loomis	\$2,200	\$16,097	\$12,147	\$28,244	\$154,309	\$99,652	\$54,657	55%	11%	4.44%
Loyalton	\$352	\$16,097	\$1,944	\$18,040	\$34,947	\$29,654	\$5,293	18%	19%	0.71%
Montague	\$1,008	\$16,097	\$5,563	\$21,660	\$71,946	\$56,738	\$15,209	27%	10%	2.03%
Mt. Shasta	\$4,749	\$16,097	\$26,224	\$42,320	\$270,224	\$272,028	-\$1,804	-1%	12%	9.58%
Portola	\$1,437	\$16,097	\$7,936	\$24,032	\$96,961	\$73,277	\$23,684	32%	15%	2.90%
Rio Dell	\$2,490	\$16,097	\$13,747	\$29,844	\$128,751	\$106,067	\$22,684	21%	8%	5.02%
Shasta Lake	\$7,873	\$16,097	\$43,472	\$59,569	\$415,429	\$339,105	\$76,325	23%	5%	15.89%
Susanville	\$8,132	\$16,097	\$44,902	\$60,999	\$356,086	\$296,279	\$59,807	20%	13%	16.41%
Tulelake	\$888	\$16,097	\$4,903	\$20,999	\$69,514	\$52,501	\$17,013	32%	12%	1.79%
Weed	\$3,771	\$16,097	\$20,819	\$36,916	\$252,885	\$235,460	\$17,425	7%	12%	7.61%
Yreka	\$7,710	\$16,097	\$42,570	\$58,666	\$451,725	\$333,672	\$118,054	35%	14%	15.56%
Grand Total	\$47,300	\$273,642	\$273,642	\$547,283	\$2,931,281	\$2,376,146	\$555,135	23%	12%	100.00%

Actuary & Excess Numbers \$ 47,300

SCORE
Liability Experience Modification Calculation
Fiscal Year PROPOSED 2024-2025

FORMULA			Member %L/Member %P	Member P/MP + Anchor P	(Member IEM x CF) + (1-CF)	Projected Payroll x Weighted Ex Mod	Unadjusted Ex Mod / Weighted Ex Mod Factor*	Projected Payroll x Ex Mod	CY 2023 Payroll + 3% Inflation Factor
	% of Total Losses	% Total Payroll	Initial Ex Mod	Credibility Factor (CF)	Weighted Ex Mod	Modified Payroll Exposure	Adjusted Ex Mod	Ex Mod Adjusted Payroll (ExP)	Projected Payroll (PP)
Member							0.97		1.03
City of Biggs	0%	1.7%	0.04	9%	0.91	\$525,230	0.94	\$541,638	\$574,644
City of Colfax	2%	2.8%	0.55	14%	0.94	\$757,720	0.97	\$781,391	\$809,410
City of Dunsmuir	9%	3.0%	2.84	15%	1.28	\$1,296,498	1.32	\$1,337,000	\$1,014,717
City of Etna	5%	2.4%	1.93	13%	1.12	\$753,077	1.15	\$776,603	\$674,205
City of Isleton	4%	1.9%	2.00	10%	1.10	\$977,070	1.14	\$1,007,593	\$886,445
City of Live Oak	9%	5.9%	1.45	26%	1.12	\$2,479,812	1.15	\$2,557,280	\$2,221,629
Town of Loomis	4%	4.5%	0.99	21%	1.00	\$1,515,650	1.03	\$1,562,999	\$1,519,385
City of Loyalton	0%	0.6%	0.00	4%	0.96	\$234,170	0.99	\$241,485	\$243,125
City of Montague	2%	1.8%	1.06	10%	1.01	\$699,535	1.04	\$721,389	\$695,833
City of Mt. Shasta	9%	9.5%	0.93	36%	0.97	\$3,194,747	1.00	\$3,294,550	\$3,280,138
City of Portola	4%	3.1%	1.16	15%	1.03	\$1,017,492	1.06	\$1,049,278	\$992,605
City of Rio Dell	0%	4.9%	0.07	22%	0.79	\$1,364,859	0.82	\$1,407,497	\$1,719,523
City of Shasta Lake	14%	17.0%	0.84	50%	0.92	\$5,002,426	0.95	\$5,158,701	\$5,437,652
City of Susanville	8%	16.5%	0.45	49%	0.73	\$4,103,181	0.75	\$4,231,363	\$5,616,470
City of Tule Lake	4%	1.7%	2.18	9%	1.11	\$677,885	1.14	\$699,062	\$613,227
City of Weed	12%	7.8%	1.54	31%	1.17	\$3,045,824	1.21	\$3,140,975	\$2,604,137
City of Yreka	16%	14.9%	1.09	47%	1.04	\$5,545,815	1.07	\$5,719,064	\$5,324,721
Grand Total	100%	100.0%	1.00	85%	1.00	\$33,190,990	1.03	\$34,227,868	\$34,227,868

Anchor Payroll = Largest Member Total
Total Intital Ex Mod Always = 1



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 10.1.24

SCORE STRATEGIC GOALS & ACTION PLAN

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

Updated: 10/1/24

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	Completed	Completed - update for 24/25?
	<i>Notes: Received and discussed briefly at 10/28/21 BOD meeting</i>			
	2. Analyze banking layer options for members	Alliant	Completed	Started Banking Layer 7/1/22
	<i>Notes: Will have financials by member for the Property Banking Layer at BOD 1/23/23</i>			
	3. Review options for Auto Physical Damage Program	Alliant/Board	Completed - review again for FY 24/25 renewals	Presentation at 10/26/24 BOD
<i>Notes: compare options including AMVP as deductible buy-down for high-value vehicles</i>				
LRP-2				
Liability Program - Flattening the curve of increasing premiums and risk	1. Review options for increasing SIR from \$750K and \$1M	Alliant/Bickmore	BOD 3/29/24 & 6/23/24	Review begins in March
	<i>Note: will present draft budget options at March BOD meetings</i>			
	2. Analyze risk for loss leaders and trends	George Hills/Alliant	BOD 1/2024	Will prep for next meeting
	<i>Note: Look at risk from the pool level as well as individual member level</i>			
	3. Address the risks of police liability and dangerous condition claims	Alliant/Members	Set training by 2/1/23 and budget FY 23/24	Completed initial plan - ongoing
<i>Notes: engaged police RM consultant, training for PD, upcoming Training Day in November. Resolution for Engineer.</i>				

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



BACK TO AGENDA

**Small Cities Organized Risk Effort
Long Range Planning
October 24, 2024**

Agenda Item H.4.

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 26-27, 2023, 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.