



**Small Cities Organized Risk Effort (SCORE)  
Board of Directors Meeting Minutes  
January 28, 2022**

**Member Cities Present:**

Mark Sorensen, City of Biggs  
Shanna Stahl, City of Colfax  
Blake Michaelson, City of Dunsmuir  
Todd Juahz , City of Dunsmuir  
Jefferson Spencer, City of Dunsmuir  
Luis Cibrian, City of Live Oak  
Roger Carroll, Town of Loomis  
Sean Rabe, Town of Loomis

David Dunn, City of Montague  
Muriel Terrell, City of Mt. Shasta  
Lauren Knox, City of Portola  
Kyle Knopp, City of Rio Dell  
Wendy Howard, City of Shasta Lake  
Dan Newton, City of Susanville  
Jenny Coelho, City of Tulelake  
John Elsnab, City of Yreka

**Member Cities Absent:**

City of Etna  
City of Loyalton

City of Weed  
City of Isleton

**Consultants & Guests**

Marcus Beverly, Alliant Insurance Services  
Conor Boughey, Alliant Insurance Services  
Michelle Minnick, Alliant Insurance Services  
David Patzer, DKF

Ariel Leonhard, Sedgwick  
Summer Simpson, Sedgwick  
Carlos Oblites, Chandler Asset Management

**A. CALL TO ORDER**

Mr. Wes Heathcock called the meeting to order at 10:03 a.m.

**B. ROLL CALL**

The above mentioned members were present constituting a quorum. Cities absent from this meeting were the City of Etna, City of Isleton, City of Loyalton, City of Weed.

**C. APPROVAL OF AGENDA AS POSTED**

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

**MOTION: Blake Michaelson      SECOND: Jenny Coelho**

**MOTION CARRIED  
UNANIMOUSLY**



## **D. PUBLIC COMMENT**

There were no public comments.

## **E. CONSENT CALENDAR**

1. Board of Directors Meeting *Draft* Minutes – October 28-29, 2021
2. US Bank Custodial Account Statement – September – December 2021
3. SCORE Checking Register – September – December 31, 2021
4. Investment Statements from Chandler Asset Management – September – December 2021
5. Local Agency Investment Fund (LAIF) Quarterly Statement of Investments – December 31, 2021
6. Treasurer’s Report as of December 31, 2021
7. ACI Specialty Quarterly Utilization Report – July – December 2021
8. Vector Solutions Utilization Report Summary – August – December 2021
9. Alliant Additional Commission Opt Out letter (APIP & ACIP) FY 2021-2022
10. Company Nurse Injury Summary Report October 2021
11. Loss Control Fund Program Usage by member as of January 20, 2022
12. PRISM Pollution January 2022 Premium Estimate

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

**MOTION: Roger Carroll**

**SECOND: Blake Michaelson**

**MOTION CARRIED  
UNANIMOUSLY**

## **F. ADMINISTRATIVE REPORTS**

### **F.1.A. President’s Report**

Mr. Wes Colfax had nothing to report.

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

Roger Carroll noted that CJPRMA has adopted the new rates for FY 22/23 and they are looking at \$7.5 and \$10M attachments this year instead of \$5M as they have done in the past. Rates have increased between 22-30% on Excess Coverage and he noted that it is not good news but not the worst news. He additionally mentioned that assessments are being considered for the future.

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

Roger Carroll noted that the ERMA Board met last November 2021 and noted that they continue to remind members about the importance of staying current with training and documentation of training as they have passed a resolution so that in the event you have a claim and you have not done the training there are penalties.



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

Marcus Beverly noted that LAWCX is looking to form a captive insurance in an effort to get lower rates and higher returns.

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

- a. Annual Report**
- b. Excess Cyber App Portal**
- c. Company Nurse**
- d. ERMA Training Reminder**
- e. Wildfire Assessment Update**
- f. Road Trip Visits 2/15-2/17**

Marcus Beverly noted the Annual Report has been finalized and members were encouraged to share with their City Council's so they are aware of the different programs that each of you are participating in as well as the services available through the SCORE membership. Michelle Minnick provided an update regarding the Cyber Portal as well as the Beazley Cyber Portal which has resources available which can help to answer the questions on the Cyber Portal Application. Marcus additionally reminded members about Company Nurse which is a triage service for all members to report Workers' Compensation Claims. Members were additionally reminded about the ERMA Training requirement that in the event of a claim being filed ERMA will immediately ask you to affirm that all employees have received and completed the required training (substantial compliance is 90% or more) or the City will have a penalty assessed. The Wildfire assessments are happening and we will have an update after they have concluded. Lastly, Marcus noted that he will be making a road trip to meet the SCORE members and if anyone is interested in meeting they were encouraged to reach out and schedule a meeting.

## **G. FINANCIAL**

### **G.1. AUDITED FINANCIAL REPORT FOR YEAR ENDING JUNE 30, 2021**

Amy Meyer provided the Board with a review of the Audited Financial Report for Year Ending June 30, 2021. Maze provided an unmodified opinion and noted that the net position of SCORE has increased from 2020. There were no material weakness to report and no other information items to report other than upcoming GASB pronouncements that may affect SCORE and its activities.

*A motion was made to accept and file the audit report as presented.*

**MOTION: Jenny Coelho**

**SECOND: Blake Michaelson**

**MOTION CARRIED  
UNANIMOUSLY**

### **G.2. MAZE & ASSOCIATES FINANCIAL AUDIT ENGAGEMENT LETTER**

Marcus Beverly provided the Board with a review of the proposed engagement letter for Maze & Associates to complete the Financial Audits for the years FY 21/22, FY 22/23 and FY 23/24 with an annual increase of 4% annually. It was mentioned that there are new auditing standards that will come into effect in 2022 and Maze & Associates assured they will be in compliance with the new requirements.



*A motion was made to approve the engagement letter as presented.*

**MOTION: Wendy Howard**

**SECOND: Roger Carroll**

**MOTION CARRIED  
UNANIMOUSLY**

### **G.3. QUARTERLY FINANCIAL REPORT – PERIOD ENDED SEPTEMBER 30, 2021**

Kevin Wong and Jennifer Zraick provided a review of the Quarterly Financial Report – Period Ended September 30, 2021. She noted that cash is increasing and there has been an increase in member premiums and a decrease in member receivables which is due to timing year over year and the change in net position. Statement of Revenues Expense and Changes in Net Position in total the Net Revenue over Expenses is up about \$60k which is steady results and noted that some of the increase is in Member contributions but is offset by insurance expense.

*A motion was made to accept and file the report as presented.*

**MOTION: Roger Carroll**

**SECOND: Blake Michaelson**

**MOTION CARRIED  
UNANIMOUSLY**

### **G.4. SCORE DIVIDEND & ASSESSMENT PLAN (DAP)**

Kevin Wong provided the Board with a review of the proposed Dividend & Assessment Plan and noted there is currently no recommendation to release in the Workers' Compensation Shared layer. He also reviewed the Banking Layer and noted there is money available for a distribution but noted he would not recommend releasing anything more than \$100 or \$200K in Workers' Compensation distribution. He then reviewed the Liability program and noted that there is money available from the Liability Shared layer to waterfall into the Banking Layer. Marcus Beverly noted that we are recommending deferring a decision at this time for release of Workers' Compensation DAP Distribution and if there was a release of funds that could be used to set up a Property Banking Layer. After a discussion members were generally in favor of water falling funds from the Liability Shared Layer into the banking layer rather than make any distribution.

*A motion was made to “waterfall” \$300,000 from the Liability Shared Layer into the Banking layer.*

**MOTION: Wes Heathcock**

**SECOND: Roger Carroll**

**MOTION CARRIED  
UNANIMOUSLY**

## **H. JPA BUSINESS**

### **H.1. STRATEGIC GOALS AND ACTION PLAN**

Marcus Beverly provided a review of the Strategic Goals from the SCORE Long Range Planning meeting and noted the efforts that Program Administration will be taking over the next year. He



reviewed and confirmed what items have been completed and noted that the Program Administration will continue efforts on the Long Range Plan efforts.

*A motion was made to approve staff recommendations as presented.*

**MOTION: Wendy Howard**

**SECOND: Jenny Coelho**

**MOTION CARRIED  
UNANIMOUSLY**

## **H.2. PROPERTY PROGRAM BANKING LAYER**

Marcus Beverly noted that we originally provided this as an item at the October 2021 Board meeting and we wanted to revisit. The Actuary has noted that if SCORE was to fund a Property Banking layer (up to \$25K) at an 80% Confidence Level he provided the estimated premiums using current values and noted that these numbers may be subject to change. After a general discussion it was noted that the DAP could help to fund the Property Banking Layer.

*A motion was made for Program Administration to review the DAP to determine if there are enough funds to help form a Property Banking Layer for the Property Program to be presented at the March Board meeting.*

**MOTION: Jenny Coelho**

**SECOND: Wendy Howard**

**MOTION CARRIED  
UNANIMOUSLY**

## **H.3. FY 22/23 Renewal Marketing Plan**

Marcus Beverly noted that Workers' Compensation should be fairly stable and mentioned that the re-insurance market is driving a lot of the increase in Liability. Additionally, any changes in payroll and values will directly influence the premiums. It was noted the APIP Property Program has used the following trend factors 7.5.% for Real Property and 5% for Personal Property. Members were provided with a list of the policies that SCORE will be marketing and it was noted that there will be several requests being sent out related to the upcoming renewal of the FY 22/23 policies.

## **H.4. FY 22/23 Service Calendar**

Marcus Beverly provided a review of the SCORE FY 22/23 Service calendar including important dates and reminders of Program Administration requests for information. Members were reminded that the dates listed in the attached are the best estimation but could be subject to change based on the carrier needs.

## **H.5. Form 700 Reporting – Annual Filing Deadline April 1, 2022**

Michelle Minnick provided the Board with notice of the FPPC form 700 Filing deadline of April 1, 2022. Members were reminded if there have been any changes at the city level to the SCORE Board Representative or Alternate that they should notify the Program Administration immediately as a



failure to file timely (within 30 days of assuming or leaving a position) results in a penalty of \$10 per day it is late up to a maximum penalty of \$100.

#### **H.6. SCORE Travel Expense Policy & Procedure**

After a general discussion Program Administration was provided with direction to handle the Member reservations for Long Range Planning meeting and invoicing. After a general discussion it was noted that no changes to the policy are needed and members should be handling their own hotel reservations and Program Administration will handle making reservations and payment for only the Long Range Planning meeting.

*Program Administration was provided with direction to handle the Member reservations and invoicing for Long Range Planning meeting.*

**MOTION: Roger Carroll**

**SECOND: Kyle Knopp**

**MOTION CARRIED  
UNANIMOUSLY**

#### **H.7. Alliant Deadly Weapons FY 22/23 Indication**

Marcus Beverly provided the board with an early indication for ADWRP and reviewed the coverage provided by the program and noted that the allocation is based on the TIV reported in APIP as it is sight specific. After a general discussion members were interested in the coverage.

*A motion was made to provide direction to bring back a formal quote for review.*

**MOTION: Jenny Coelho**

**SECOND: Roger Carroll**

**MOTION CARRIED  
UNANIMOUSLY**

#### **H.8. Bickmore Actuary Engagement Letter**

Marcus Beverly provided the Board with Bickmore Actuary engagement letter for the next three fiscal years (22/23, 23/24, 24/25) and noted that the fee is increasing 2.5% annually.

*A motion was made to approve the agreement.*

**MOTION: Kyle Knopp**

**SECOND: Blake Michaelson**

**MOTION CARRIED  
UNANIMOUSLY**

#### **H.9. Workers' Compensation Claims Audit Report**

Marcus Beverly provided the Board with a review of the Workers' Compensation Audit report and noted it exceeds expectation as we received a high score of 90.1%. It was also noted that scores are expected to go up now that Sedgwick is using a system which will automatically index all open claims which should result in higher scores next time.



*A motion was made to accept and file the WC Claims Audit Report.*

**MOTION: Blake Michaelson      SECOND: Roger Carroll**

**MOTION CARRIED  
UNANIMOUSLY**

#### **H.10. DKF Online Training Services**

John Balestrini and David Patzer provided a review of the CSRMA Risk Control Consortium Proposal and invited SCORE to consider participation with other pools to receive online training and training management systems and share the cost. Members provided direction to express interest in participating CSRMA Risk Control Consortium.

#### **H.11. SCORE Service Provider Survey Results**

Wes Heathcock provided comments related to the Sedgwick Survey responses. It was noted that the Accounting scores came back high with generally high scores. Loss Prevention/Training Program noted that site visits have been on hold due to the pandemic and will resume in 2022. DKF and Sedgwick provided a response to their survey results.

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

The Board provided a review regarding code enforcement and noted that we can share the City of Anaheim's policy

### **J. INFORMATION ITEMS**

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

This was provided as an information item only.

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

This was provided as an information item only.

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

#### **1. Workers' Compensation**

- a. 4A210886F47-0001 v. City of Mt. Shasta\*\*
- b. 4A2111028G5-0001 v. City of Montague\*\*

### **L. REPORT FROM CLOSED SESSION**



The Board returned from closed session at 12:34 P.M. Mr. Beverly reported that the above closed session items were discussed and appropriate direction was given to Staff and the Claims Administrator.

**M. CLOSING COMMENTS**

Wendy Howard noted that the city has been using Blackpoint (24/7 Monitoring) and IT company spoke highly of them and offered to share information with the group.

**N. AJOURNMENT**

The meeting was adjourned at 12:36 PM

**NEXT MEETING DATE: March 25, 2022 Gaia Hotel, Anderson CA**

Respectfully Submitted,

Muriel Terrell

Muriel Terrell, Secretary

6-24-22  
Date