



Small Cities Organized Risk Effort (SCORE) Board of Directors Meeting Minutes June 23, 2023

Member Cities Present:

Shanna Stahl, City of Colfax
Dustin Reif, City of Dunsmuir
Blake Michaelson, City of Dunsmuir
Pamela Eastlick, City of Etna
Jessica Mata, City of Live Oak
Wes Heathcock, Town of Loomis
Jessie Monday, City of Montague
Todd Juhasz, City of Mt. Shasta

Jim Murphy, City of Portola
Kyle Knopp, City of Rio Dell
Wendy Howard, City of Shasta Lake
Dan Newton, City of Susanville
Heidi, City of Susanville
Jenny Coelho, City of Tulelake
Tim Rundel, City of Weed
Jason Ledbetter, City of Yreka

Member Cities Absent:

City of Biggs
City of Loyalton

City of Isleton

Consultants & Guests

Marcus Beverly, Alliant Insurance Services
Conor Boughey, Alliant Insurance Services
Michelle Minnick, Alliant Insurance Services
Kevin Wong, Gilbert Associates

Danielle Buri, Intercare
Shawna Culp, Intercare
Ebony Aleksich, Intercare

A. CALL TO ORDER

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

B. ROLL CALL

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

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as presented.

MOTION: Todd Juhasz

SECOND: Blake Michaelson

**MOTION CARRIED
UNANIMOUSLY**



D. PUBLIC COMMENT

There were no public comments.

E. CONSENT CALENDAR

1. Board of Directors Meeting *Draft* Minutes – March 31, 2023
2. Board of Directors Meeting *Draft* Minutes – April 19, 2023
3. Special Executive Committee Meeting *Draft* Minutes – May 19, 2023
4. US Bank Custodial Account Statement –March – May 2023
5. Investment Statements from Chandler Asset Management – March – May 2023
6. Local Agency Investment Fund (LAIF) Quarterly Statement of Investments–March 31, 2023
7. ACI (All One Health) Utilization Report – January – March 2023
8. Company Nurse Injury Summary Report – April 2023
9. PRISM Pollution June Version 3 Premium Estimates
10. FY 23/24 Loss Control Grant Funds Final Allocation
11. Prentice Long Attorney Request
12. Chandler Asset Management User Update Form
13. SCORE Meeting Attendance Policy

A motion was made to accept the consent calendar.

MOTION: Wendy Howard

SECOND: Jenny Coelho

**MOTION CARRIED
UNANIMOUSLY**

F. ADMINISTRATIVE REPORTS

F.1.A. President's Report

Mr. Wes Heathcock noted that he has moved to become the new Town Manager of the Town of Loomis and indicated that he was pleased to take over in a place where Roger Carroll used to work.

F.2.A. CJPRMA Report

Mr. Blake Michaelsen provided that he attended the June meeting and indicated that there is potential for assessment depends on if there is another hit to that layer. Marcus provided additional details in that CJPRMA is in a deficit and there may be a surcharge based on our loss experience – it was mentioned that if the SCORE Group had another big loss then we would push SCORE into a surcharge. It was also noted that CJPRMA has updated their funding formula and will now be funding at an 85% CL but it may not be enough to cure the deficit position and it may lead to an assessment. Lastly Marcus noted that he has been asked to join the Ad Hoc committee to help determine how to address the deficit.

F.2.B. ERMA Report

Wendy Howard indicated that the Executive Director is changing and the Executive Assistant is also being updated and additionally the Executive Committee was re-affirmed.



Members were also reminded to complete the ERMA Compliance Survey and if a member has not confirmed that all employees have completed the State Mandated training and a claim is filed then a penalty will be assessed to that member for that claim.

F.2.C. LAWCX Report

Michelle Minnick provided a review of the proposed changes to the LAWCX MOC as well as the new partnership with First Responders Resiliency, Inc. Marcus Beverly noted the “per occurrence” is driven by wildfire exposure. Additionally members were informed of the new requirements (employee concentration) that will be part of the LAWCX Excess Workers’ Compensation renewal request that will be released in August.

F.3. Alliant Update

- a) ERMA Compliance Survey**
- b) TPA Transition**
- c) Loss Control Grants**

Members were reminded that the change in Third Party will occur effective July 1, 2023 and reporting requirements have changed. Additionally members were reminded that the Loss Control Grant Funds is money that members should be considering use of these fund as the money is intended to help reduce the severity and frequency of a claim.

F.4. Resolution Recognizing the Contributions of Roger Carroll

Wes Heathcock provided comments and a moment of silence was observed in remembrance of Roger Carroll. The Resolution was read and a motion was made.

A motion was made to pass resolution 23-04 resolution recognizing the contributions to SCORE Board.

MOTION: Jim Murphy

SECOND: Wendy Howard

**MOTION CARRIED
UNANIMOUSLY**

G. FINANCIAL

G.1. QUARTERLY FINANCIAL REPORT – PERIOD ENDED MARCH 31, 2022

Kevin Wong provided a review of the Quarterly Financial Report – Period Ended March 31, 2023. He noted that in the Statement of Net Position there was a decrease in LAIF funds as a result of an initiative started by Roger Carroll to move some money in the investment account in hopes of getting larger returns. Total assets is showing as \$20.9M as of March 31, 2023. It was noted that the total IBNR increased as Gilbert has taken into consideration the Actuary reports and the Total Net Position has increased approximately \$400k.



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

MOTION: Wendy Howard

SECOND: Pamela Eastlick

**MOTION CARRIED
UNANIMOUSLY**

Marcus Beverly added after the motion that we have the banking layer balances included as well as the Property Program Banking layer – members were reminded that the Dividend that was paid to members was used to fund the Property Program Banking layer.

H. JPA BUSINESS

H.1. Nomination and Selection of SCORE Officer Positions – President and Vice President

Michelle Minnick noted that as Wes Heathcock has moved from the City of Colfax to the Town of Loomis we and we are asking the Board to consider re-affirming Wes as the SCORE President and if any members are considering becoming more involved with the group they were encouraged to join the Executive Committee.

A motion was made to re-affirm Wes Heathcock as SCORE President and Todd Juhasz as SCORE Vice President.

MOTION: Wendy Howard

SECOND: Blake Michaelsen

**MOTION CARRIED
UNANIMOUSLY**

H.2. Nomination and Selection of LAWCX Board Representative and Alternate Positions

It was noted that Wes Heathcock is the current Representative but with the recent move he is asking for someone to take on this responsibility. After a discussion it was agreed that Wendy Howard would be the Representative and Pamela Eastlick as the Alternate Representative.

A motion was made to elect Wendy Howard as the Representative and Pamela Eastlick as the Alternate Representative.

MOTION: Blake Michaelsen

SECOND: Jenny Coelho

**MOTION CARRIED
UNANIMOUSLY**

H.3. General Liability Claims Audit

Marcus Beverly noted that every two years we are required to complete and audit to keep up with CAJPA standard and noted that this was a fairly straightforward audit and overall scores were good. In the future we may be seeking additional GL Auditors in the future as there are not may that are completing this type of audit any longer.

A motion was made to accept and file the audit.

MOTION: Wendy Howard

SECOND: Kyle Knopp

**MOTION CARRIED
UNANIMOUSLY**



H.4. Identity Fraud Coverage FY 23/24

Marcus Beverly provided a review of the ID Fraud proposal and indicated that it includes all employees as well as spouses and children under the age of 18. It was also noted that there is a 2% increase in the premium from last year.

A motion was made to approve binding coverage for FY 23/24.

MOTION: Dustin Reif

SECOND: Kyle Knopp

**MOTION CARRIED
UNANIMOUSLY**

H.5. Crime Coverage for SCORE Treasurer FY 23/24

Marcus Beverly provided a review of the SCORE ACIP proposal for the SCORE Treasurer. After a brief discussion it was generally agreed to renew the coverage.

A motion was made approve binding ACIP coverage for FY 23/24.

MOTION: Wendy Howard

SECOND: Todd Juhasz

**MOTION CARRIED
UNANIMOUSLY**

H.6. PRISM Pollution Program FY 23/24 Proposal and FY 22/23 Claims Reporting

Michelle Minnick reminded members that the FY 22/23 policy period is ending and members were reminded to report any incidents prior to the end of the policy period. Marcus Beverly provided a review of the PRISM Pollution Proposal and indicated that the original premium has dropped since the prior premium estimates that were provided. Switch from # of employees to TIV (higher employees as compared to TIV). There was a general discussion about the coverage provided and members shared information as it relates

A motion was made approve binding coverage for the PRISM Pollution program FY 23/24.

MOTION: Blake Michaelson

SECOND: Jenny Coelho

**MOTION CARRIED
UNANIMOUSLY**

H.7. Alliant Deadly Weapons Program FY 23/24

Marcus Beverly provided a review of the coverage provided by the ADWRP and reminded members that there is portal which provides resources for members to respond to an incident.

A motion was made approve binding coverage for the ADWRP program FY 23/24.

MOTION: Jason Ledbetter

SECOND: Wendy Howard

**MOTION CARRIED
UNANIMOUSLY**



H.8. Precision Concrete Proposed Agreement 2023-2026

Marcus Beverly noted that we currently have an agreement with Precision Concrete with updated pricing and members were asked to consider the coverage for FY 23/24. We will be having a training session regarding managing sidewalk liability, which will take place on July 11, 2023.

A motion was made approve the agreement as presented.

MOTION: Dustin Reif

SECOND: Dan Newton

**MOTION CARRIED
UNANIMOUSLY**

H.9.A. FY 23/24 Property Program Renewal – Property

Members were provided with the 23/24 APIP Claims Reporting Acknowledgement forms while Marcus Beverly provided the Board with a review of the SCORE APIP Property Program (which included a review of the Boiler & Machinery) – he noted that the rates have increased as well as the TIV, which have contributed to the increases in the property program. It was noted there is no Earthquake or Flood coverage included in this program and mentioned that the Cyber Liability premium has decreased slightly and the pollution premium has increased. Members were reminded that we have seen at risk clients with 100% premium increases and we are seeing an increase of 44% this year which is better than some others in the market. There was one change noted that vehicles older than 10 years can still be covered for Replacement Cost but total recovery will not exceed 120% of the reported value. Additionally the vehicle deductible remains the same from the prior year. Lastly, it was noted there is coverage for unscheduled infrastructure but there is a sub-limit of \$750k (and the deductible is \$500k).

A motion was made grant authority to the SCORE President to bind FY 23/24 property coverage for the SCORE JPA, rejecting TRIA.

MOTION: Jason Ledbetter

SECOND: Shanna Stahl

**MOTION CARRIED
UNANIMOUSLY**

H.9.B. FY 23/24 Property Program Renewal – Pollution

Marcus Beverly then provided the Board with a review of the Pollution Program proposal including the limits, deductibles, exclusions as well as the retroactive dates.

H.9.C. FY 23/24 Property Program Renewal –Cyber

Marcus Beverly then provided the Board with a review of the Cyber Program proposal including a relive of the deductibles and sublimits. Members were encouraged to use the Beazley resources available to all members through participation in this program.



H.9.D. FY 23/24 Property Program Renewal – Claims Reporting

Michelle Minnick provided the Board with a review of the reporting requirements for the APIP Property Program. Members were encouraged to report to McLarens and include the Alliant Staff on the initial report so that we may follow along with the claim and help if any issues arise.

H.10. Excess Cyber Liability Options

Marcus Beverly provided that only 2 members of the SCORE JPA completed an Excess Cyber Liability application – members were encouraged to reach out if they are seeking coverage above the Primary Cyber coverage offered by the APIP Program.

H.11. MEMORANDA OF COVERAGE (MOC)

H.11.A. LIABILITY MOC

Marcus Beverly provided a review of the SCORE Liability MOC and noted that SCORE excludes Employment Practices Liability and coverage picks up at \$750K with the CJPRMA coverage. Any members who want EPL should consider joining ERMA for primary coverage under the CJPRMA layer.

A motion was made to approve the Liability, Workers' Compensation and Property MOC's.

MOTION: Todd Juhasz

SECOND: Blake Michaelson

**MOTION CARRIED
UNANIMOUSLY**

H.11.B. WORKERS' COMPENSATION MOC

Marcus Beverly then provided a review of the Workers' Compensation MOC and noted that LAWCX has provided that they are still in negotiations with the PRISM and excess re-insurers regarding the definition of catastrophic loss but nothing has been agreed at this time.

H.11.C. PROPERTY PROGRAM MOC

Marcus Beverly provided a review of the Property Program MOC, which includes coverage for everything that is included in the APIP Property Program and has a \$1,000 deductible (up to \$25,000).

H.12.A. PROPOSED FY 23/24 SCORE PROGRAM BUDGET – ADMINISTRATIVE EXPENSES

Marcus Beverly provided a review of the Administrative Expenses including the changes due to contractual increases.

A motion was made to approve the SCORE FY 23/24 Budget Items H.12.A.-H.12.E. as presented.

MOTION: Tim Rundel

SECOND: Kyle Knopp

**MOTION CARRIED
UNANIMOUSLY**



H.12.B. PROPOSED FY 23/24 SCORE PROGRAM BUDGET – LIABILITY

Marcus Beverly provided a review of the Liability Funding and how the budget is calculated – he noted that we are still at the 75% CL with a \$750 SIR and we would like to see the group move to an 80% CL at some point in the future. This year the overall funding has increased by 13%, 7% is related to an increase in payroll.

H.12.C. PROPOSED FY 23/24 SCORE PROGRAM BUDGET – WORKERS’ COMPENSATION PROGRAM FUNDING

Marcus Beverly provided a review of the Workers’ Compensation Funding and noted that we are at an 80% CL with a \$250K SIR. Members were provided with a review of the calculation which includes the LAWCX assessment.

H.12.D. PROPOSED FY 23/24 SCORE PROGRAM BUDGET – ERMA FUNDING

Marcus Beverly provided a review of the ERMA funding and noted there was a 14% decrease and ERMA will be returning some money in the form of a dividend.

H.12.E. PROPOSED FY 23/24 SCORE PROGRAM BUDGET – ACI EAP

Marcus Beverly provided a review of the coverage provided by the ACI Employee Assistance Program. He noted an increase of 9% from the prior year and reminded members that this coverage includes family members. Additionally members were reminded this program renews in September but is included now to include in the budget.

I. GENERAL RISK MANAGEMENT ISSUES

Jim Murphy opened a discussion related to providing members of the public an opportunity to comment during live stream meetings and members were asked to share any procedures that are used. There was discussion related to City Council member training related to Risk Management. Additionally, there was discussion of a need to training City Council members as it relates to their role – several members expressed interest.

J. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95

****REQUESTING AUTHORITY**

1. Liability

- a. O’Connor v. City of Dunsmuir**
ABSTAIN: Rio Dell

2. Workers’ Compensation

- a. 4A21110JDRR-0001 v. City of Yreka**



K. REPORT FROM CLOSED SESSION

The Board returned from closed session at 2:07 P.M. Mr. Beverly reported that the above closed session items were discussed and appropriate direction was given to Staff and the Claims Administrator.

L. INFORMATION ITEMS

L.1. Glossary of Terms

This was provided as an information item only.

L. 2. FY 22/23 Resource Contact Guide

This was provided as an information item only.

M. CLOSING COMMENTS

N. AJOURNMENT

The meeting was adjourned at 2:09 PM

NEXT MEETING DATE: August 25, 2023 Teleconference

Respectfully Submitted,



Muriel Terrell, Secretary

10/12/23
Date