



Small Cities Organized Risk Effort (SCORE) Training & Long Range Planning Meeting October 30, 2015

Member Cities Present:

John Busch, City of Biggs
Laurie Van Groningen, City of Colfax
Randy Johnsen, City of Dunsmuir
Marilyn Seward, City of Etna
Linda Romaine, Town of Fort Jones
Robert Jankovitz, City of Isleton
Dan Hinrichs, City of Isleton
Roger Carroll, Town of Loomis
Cricket Strock, Town of Loomis
Kathy LeBlanc, City of Loyalton
Don Kincade, City of Montague

Muriel Howarth Terrell, City of Mt. Shasta
Robert Meacher, City of Portola
Susan Scarlett, City of Portola
Brooke Woodcox, City of Rio Dell
John Duckett, City of Shasta Lake
Laura Redwine, City of Shasta Lake
Jared Hancock, City of Susanville
Gwenna MacDonald, City of Susanville
Jenny Coelho, City of Tulelake
Diana Howard, City of Weed
Steve Baker, City of Yreka

Member Cities Absent:

Jim Goodwin, City of Live Oak

Consultants & Guests

Michael Simmons, Alliant Insurance Services
Marcus Beverly, Alliant Insurance Services
Michelle Minnick, Alliant Insurance Services
John Balestrini, DKF Solutions Group
Dori Zumwalt, York Risk Services
Cameron Dewey, York Risk Services

Terrie Norris, Bickmore
Arthur Ngo, Crowe Horwath
Kevin Wong, Gilbert & Associates
Tracey Smith-Reed, Gilbert & Associates
Kristina Patterson, York Risk Services
Craig Nunn, York Risk Services

A. CALL TO ORDER

Mr. Roger Carroll called the meeting to order at 8:33 am.

B. ROLL CALL

The above mentioned members were present constituting a quorum. Cities absent from this meeting were the City of Live Oak.



C. BREAKFAST PRESENTATION OF LAW CX OVERVIEW

Terrie Norris from Bickmore presented information related to the development of a Return to Work Program. Members were informed that a Return to Work Program can help to reduce the number of days away from work, can reduce indemnity costs, can help reduce the number of fraudulent claims, and can help to decrease reinsurance rates. Terrie Norris also provided members with a Return to Work template which can be used to create a customized Return to Work Program at the city level. She went on to mention that this is a cooperative effort between the employer and their Third Party Administrator—in this case York Risk Group—and all who are involved in the Workers’ Compensation program.

D. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Steve Baker

SECOND: Linda Romaine

**MOTION CARRIED
UNANIMOUSLY**

AYES: Busch, Van Groningen, Johnsen, Seward, Romaine, Jankovitz, Carroll, LeBlanc, Kincade, Howarth Terrell, Meacher, Woodcox, Duckett, Hancock, Coelho, Howard, Baker

NAYS: None

ABSENT: Goodwin

E. PUBLIC COMMENT

There were no public comments.

F. CONSENT CALENDAR

A motion was made to accept the Consent Calendar as presented.

MOTION: Randy Johnson

SECOND: Kathy LeBlanc

**MOTION CARRIED
UNANIMOUSLY**

AYES: Busch, Van Groningen, Johnsen, Seward, Romaine, Jankovitz, Carroll, LeBlanc, Kincade, Howarth Terrell, Meacher, Woodcox, Duckett, Hancock, Coelho, Howard, Baker.

NAYS: None

ABSENT: Goodwin



G. ADMINISTRATIVE REPORT

G1. President's Report

Roger Carroll advised that he has nothing to report but he did want to thank John Busch for bringing his karaoke machine. John Busch said it was a pleasure and he thanked everyone for an entertaining evening.

G2. Alliant Update

Marcus Beverly mentioned the SCORE Board of Directors meeting that is scheduled for March 25, 2016 is actually scheduled on Good Friday and at the January meeting the Board will be presented with a proposed change moving the meeting date to April 1, 2016.

H. FINANCIAL

H1. AUDITED FINANCIAL REPORT FOR YEAR ENDING JUNE 30, 2015

Arther Noe from Crowe Horwath presented the audit that was performed for the year ending June 30, 2015. He indicated that Crowe Horwath was tasked with the responsibility is to issue an opinion regarding the financial statements for the year ending June 30, 2015. He also mentioned that the financial statements were fairly presented and Crowe Horwath has issued an unmodified opinion (as there were no material misstatements).

A motion was made to accept and file the Audited Financial Report for the year ending June 30, 2015 as presented.

MOTION: Linda Romaine

SECOND: Steve Baker

**MOTION CARRIED
UNANIMOUSLY**

AYES: Busch, Van Groningen, Johnsen, Seward, Romaine, Jankovitz, Carroll, LeBlanc, Kincade, Howarth Terrell, Meacher, Woodcox, Duckett, Hancock, Coelho, Howard, Baker

NAYS: None

ABSENT: Goodwin

H2. QUARTERLY FINANCIALS FOR QE SEPTEMBER 30, 2015

Kevin Wong from Gilbert Associates presented the Quarterly Financial Statement for the Quarter Ending September 30, 2015. He indicated that the audit went smoothly and mentioned there were some questions about the dividends payable (specifically they had questions regarding the dividends released to departed members and if they should have been considered as a short term liability). Kevin Wong indicated that this Financial Report covers the first quarter of the FY 15/16 and provided a summary of the Quarterly Financial Statement for period ending September 30, 2015:

- The change in Claims Liabilities has had positive claims development in both Liability (approximately \$700,000) and Workers' Compensation Program (approximately \$300,000) as claims that were reserved at a fairly high level have reduced as claims developed



- Net Operating Revenue \$1.3 million for the first quarter of FY 15/16 compared to FY14/15 of \$253,000 from last year
- Dividends in the amount of \$146,000 was the disbursement of the ERMA dividends (distributed to members in late August 2015)
- Net Position Ending for the first quarter of FY 15/16 at \$7.5 million compared to the Net Position Ending last year at \$6.2 million

Marcus Beverly mentioned that the amount that is still owed and payable to Crescent City will decrease as they will be assessed on the Workers' Compensation layer for outstanding claims- they will be given the option to reduce the amount that is owed or they will have the option to pay the assessment.

A motion was made to accept and file the Quarterly Financial Report for the Quarter Ending September 30, 2015.

MOTION: Steve Baker

SECOND: John Duckett

**MOTION CARRIED
UNANIMOUSLY**

AYES: Busch, Van Groningen, Johnsen, Seward, Romaine, Jankovitz, Carroll, LeBlanc, Kincade, Howarth Terrell, Meacher, Woodcox, Duckett, Hancock, Coelho, Howard, Baker

NAYS: None

ABSENT: Goodwin

I. JPA BUSINESS

11. SCORE BYLAWS AMENDMENT

Marcus Beverly noted that all SCORE members were sent a complete copy of the Bylaws sent via regular mail which indicated that the only change is regarding the Principal Executive Office address as Alliant Insurance Services has moved to a new location.

A motion was made to approve the change to the Principal Executive Office Address as presented.

MOTION: Steve Baker

SECOND: Kathy LeBlanc

**MOTION CARRIED
UNANIMOUSLY**

AYES: Busch, Van Groningen, Johnsen, Seward, Romaine, Jankovitz, Carroll, LeBlanc, Kincade, Howarth Terrell, Meacher, Woodcox, Duckett, Hancock, Coelho, Howard, Baker

NAYS: None

ABSENT: Goodwin

12. TARGET SOLUTIONS RENEWAL

Marcus Beverly presented information related to the renewal of the Target Solutions Contract for the FY 15/16 and mentioned that volunteer fire departments appear to be the largest user of the Target



Solutions training and noted that there has been an increase in the number of registered users in the past year. Linda Romaine from Town of Ft. Jones indicated that their Fire Department uses the training through Target Solutions and are very pleased with it and ISO is pleased with the amount of training the Fire Department is completing. Roger Carroll also indicated that AB 1825 Sexual Harassment training is available (and required for all supervisors and council members) through Target Solutions that employees can complete in their own office rather than traveling to a location to attend a live session. He went on to mention that if your city is a member of ERMA and you believe that you have a number of people to attend then you can request a live AB 1825 Sexual Harassment training session through the ERMA membership. John Duckett mentioned that he actually made the AB 1825 Sexual Harassment training mandatory for all city employees.

A motion was made to approve the renewal of the Target Solutions contract for the FY 15/16.

MOTION: Marilyn Seward

SECOND: Muriel Howarth-Terrell

MOTION CARRIED UNANIMOUSLY

AYES: Busch, Van Groningen, Johnsen, Seward, Romaine, Jankovitz, Carroll, LeBlanc, Kincaide, Howarth Terrell, Meacher, Woodcox, Duckett, Hancock, Coelho, Howard, Baker

NAYS: None

ABSENT: Goodwin

13. PAYMENT PLAN ADMINISTRATIVE FEE

Marcus Beverly presented information related to an Administrative Fee and noted that at the last Board meeting the Program Administrators were asked to present information related to an Administrative Fee on top of the previously approved interest rate of 3% for unpaid balances of an approved payment plan. It was mentioned that the City of Isleton is on a payment plan for only the Liability Program while the City of Tulelake is on a payment plan for both the Liability Program and the Workers' Compensation Program. The Board had a lengthy discussion regarding the two options presented in the agenda and which would be most equitable.

Kevin Wong mentioned that we have not done a time study but noted that Tracey Smith-Reed's billing rate is higher than \$100/hour. Mike Simmons also indicated that there are other administrative duties that contribute to the cost of each invoice. The purpose of this fee is not to penalize members on a payment plan – previously the interest was so minimal that there was no incentive to get off the payment plan and the Administrative Fee encourages you to get off the payment plan sooner. It was mentioned that we run this pool as administratively inexpensively as we can and that is why SCORE doesn't have monthly payment plans when we have an exception it increases the cost to run this organization. Payment plans should be done on an exception basis to meet individual member's current need but we encourage members to become solvent so they do not continue being on a payment plan indefinitely. It was mentioned that The City of Isleton has been on a payment plan for approximately seven years and the City of Tulelake has indicated they will probably not be on a payment plan in FY 2016/17. It was also noted that we want members to be



able to go to your city council and indicate that it will cost more for a payment plan the goal is not to penalize you for being on a payment plan.

A motion was made to accept a 3% Administrative Fee on the unpaid premium balance to go into effect on FY 16/17.

MOTION: Dan Hinrichs

SECOND: Steve Baker

**MOTION CARRIED
UNANIMOUSLY**

AYES: Busch, Van Groningen, Johnsen, Seward, Romaine, Jankovitz, Carroll, LeBlanc, Kincade, Howarth Terrell, Meacher, Woodcox, Duckett, Hancock, Coelho, Howard, Baker

NAYS: None

ABSENT: Goodwin

14. CAJPA CONFERENCE FEEDBACK

The BOD was asked to share feedback regarding the CAJPA conference in South Lake Tahoe, CA. Roger Carroll reminded the Board that he attended the Jurassic Parliament session that he spoke about at the meeting on October 29, 2015 and mentioned two important issues that are traditionally discussed at most conferences that he attends: current and descriptive job descriptions and policies that are reviewed on a regular basis. Roger Carroll recommends creating a system or procedure to go through existing policies (i.e. 25% of policies to be reviewed each year with the goal of reviewing 100% of policies within a 4 year period). Marcus Beverly also mentioned the session regarding Reptile Litigation strategy and highlighted the new plaintiff strategy is to reject our willingness to concede liability in an effort to make the jury question your character in hopes of gaining the plaintiff a better settlement as a result.

John Busch mentioned that he attended 5 sessions and noted that every year there are more topics to learn about. He did note that he is having issues receiving a response from CAJPA regarding the transcript and training materials that were provided for each session he attended.

Mike Simmons noted that SCORE has money allocated for members to attend conferences (Conference fee and travel expenses) as these conferences are valuable to members. He highlighted that CAJPA is more focused on Boardmanship and getting to know how other pools operate and indicated that it is easy to get to in South Lake Tahoe in September and Board members are encouraged to attend or send the Board Alternate.

15. SCORE MEMBER VENDOR SURVEY

Marcus Beverly presented information related to the SCORE Member Vendor Survey. He indicated that the same questions that have been posed to members in the past are included with a few additions and went on to mention that there are a few vendors that we have never surveyed. Members we asked to review the questions presented and provide direction as to how they would



like to receive the survey—either multiple short surveys or one long survey—which will be completed through SurveyMonkey.com.

A motion was made to send out one long survey with questions as presented including all vendors—the survey should include the ability for members to respond with a “Not Applicable” answer if they do not participate in the program.

MOTION: Dan Hinrichs

SECOND: Don Kincade

**MOTION CARRIED
UNANIMOUSLY**

AYES: Busch, Van Groningen, Johnsen, Seward, Romaine, Jankovitz, Carroll, LeBlanc, Kincade, Howarth Terrell, Meacher, Woodcox, Duckett, Hancock, Coelho, Howard, Baker

NAYS: None

ABSENT: Goodwin

16. ROUNDTABLE DISCUSSION

Roger Carroll shared information that was discussed at the last CJPRMA meeting and indicated that for Design Immunity to apply in a case the city must either: 1) make the City Council approve everything or 2) designate the City Engineer as the person to approve additional safety features. Steve Baker asked if cities should be going back through their city inventory to determine if additions were in fact approved by the City Council. Marcus Beverly recommended that members should be going through their records to find the original plans and determine if there is a record of the City Council accepting those changes. He went on to state that we are not aware of any prohibition to retro-actively approve the changes but indicated that we can research the issue further.

Roger Carroll mentioned the Santa Monica farmers market driver who drove into the crowd and noted that if you have a safety plan you can limit your liability and recommended that if a city is planning on having an event and you are responsible for it – create a safety plan and follow it as this will help to limit your liability.

There was a discussion regarding City Policies and Procedures and Crickett Strock noted that the Town of Loomis recently updated all City Policies and Procedures. She recommended going through all City Policies and Procedures and noted that she used examples from other cities to help develop some of the policies and procedures. She went on to mention that she would be willing to help other members with any questions regarding the process and she will also post electronic copies of the policies and procedures online for others to use – she is also willing to provide copies of the policies and procedures that were deleted to members who request it.

Steve Baker shared that the City of Yreka has been using a consultant—Koff and Associates—to help develop Job Descriptions as they were willing to travel to their location but indicated the cost associated with this was higher than expected.



J. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95
****REQUESTING AUTHORITY**

At 11:09 am, pursuant to Government code section 54956.95, the Board held a closed session to discuss the following claims for payment.

1. Liability Program

- a. Larson vs. City of Isleton
MOTION: Linda Romaine SECOND: Kathy LeBlanc MOTION CARRIED UNANIMOUSLY

2. Workers' Compensation Program

- a. Suter vs. City of Yreka**
MOTION: Marilyn Seward SECOND: Muriel Howarth Terrell MOTION CARRIED UNANIMOUSLY
- b. MacLeod vs. Town of Fort Jones**
MOTION: Don Kincade SECOND: John Duckett MOTION CARRIED UNANIMOUSLY
- c. Dyck vs. City of Mt. Shasta
MOTION: Randy Johnsen SECOND: Steve Baker MOTION CARRIED UNANIMOUSLY
- d. Mwalози vs. City of Susanville**
MOTION: Randy Johnsen SECOND: John Duckett MOTION CARRIED UNANIMOUSLY

K. REPORT FROM CLOSED SESSION

The Board returned from closed session at 11:35 am. Mr. Carroll reported that the above closed session items were discussed and appropriate direction was given to Program Consultants.

YORK PRESENTATION OF CLAIM TRENDS

Dori Zumwalt from York Risk Services presented the Board with information related to claim trends during FY 2010-2015. She noted for the FY 2014/15 there were more Medical Only Claims than Indemnity claims and mentioned that Medical Only claims are traditionally cheaper than Indemnity claims (as there is no lost time with a Medical Only claim). Dori went on to indicate that a fall/slip/trip is the most frequent and severe type of injury which could be attributed to the cold climate in member cities during the winter months. She also mentioned that strains are the most common injury for the pool and also noted that Police Officers are the top occupation to suffer an injury. During the FY 2010-2015 the number of settlements included 28 Compromise & Releases and 50 files settled by Stipulation with Request for Award.



DKF SOLUTIONS PRESENTATION OF RISK PROGRAM SERVICES

John Balestrini provided an update regarding DKF Solutions Group and their current Risk Program Services. He noted that in the next few weeks he will be visiting each of the member locations and will provide an awareness level training that will be presented at the meeting. Members were encouraged to determine which programs they would like to focus on during the visit. He also asked members to confirm the following: the visit date, MSO date, and your cities choice of awareness training and to determine the 3 programs.

L. INFORMATION ITEMS

M. CLOSING COMMENTS

There were no closing comments.

N. AJOURNMENT

The meeting was adjourned at 12:09 PM

NEXT MEETING DATE: January 29, 2016 in Anderson, CA

Respectfully Submitted,

Brooke Woodcox, Secretary

Date