SMALL CITIES ORGANIZED RISK EFFORT
FY 25/26 ANNUAL REPORT

SCORE
Small Cities Organized Risk Effort
A Joint Powers Authority

SCORE Program Administrators
Alliant Insurance Services, Inc.
www.alliant.com
Corporate License No. 0C36861

Alliant

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SCORE

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LETTER TO OUR MEMBERS

Dear Members,

As SCORE approaches its 40th anniversary, I am proud to present their FY 25/26 Annual Report, outlining the history, programs, services, and accomplishments of the risk pool since its founding in 1986.

The insurance environment for liability and property coverage remains as challenging as any time since Small Cities Organized Risk Effort (SCORE) was formed, when liability insurance was non-existent or prohibitively expensive. And while excess liability rate increases continue, albeit at a slower pace, **we finally received a break in the property insurance market with a rate decrease of (-9.3%).** It couldn't have come at a better time, since members received property appraisals this year that increased their overall values by 27%, reflecting inflation since the last appraisals in 2020. The market for most other lines of coverage, including Workers' Compensation and Cyber, have remained stable, though members continue to face cyber-attacks and pressure to improve their cyber security controls.

The good news is SCORE continues a conservative funding philosophy to stabilize rates and responds with new services and coverage to address emerging risks and trends. As a result, **SCORE maintains a healthy balance sheet** and has decreased rates in both the Liability and Workers' Compensation programs with continued focus on risk control and claims management. The pool continues to increase risk management services and training tailored to member needs, including police, sewer, and sidewalk risk management.

The **Liability Program** remains stable due in part to SCORE's strong risk and claims management resources. The Program had Net Income of $631,558, including investment income of $255,235. The Liability Program has maintained assets to safely enable SCORE to increase its retention to $750,000, a change required in response to increased retentions for reinsurance. And while other pools continue to see increases in the double digits, SCORE's base rate for FY 25/26 decreased (-1.7%), with **the rate for FY 25/26 decreasing (-0.8%)** to $8.20 per $100 of payroll, ending a period of increases over the last five years.

The **Workers' Compensation Program** continues to maintain funding at a conservative 80% confidence level, with underlying **SCORE rates decreasing for the second year in a row (-5.6%)**. Total premium increases averaged 7.4% due to an 7.6% increase in reported payroll. Net Income was $1,212,932, after dividends of $565,548, increasing the Program's Net Position to $7,203,160. Excess insurance increased this year 24.75% due to medical inflation and increased severity for cumulative and presumption claims. In spite of this increase SCORE's rate dropped slightly due to the results in the self-insured layer.

Members continue to face unprecedented challenges in managing their operations, and for 39 years SCORE has been a reliable and trusted resource in meeting those challenges. By pooling risks, member jurisdictions continue to enjoy access to broader coverage, lower rates, and more services than they could receive on their own.

Please enjoy this overview of SCORE's coverage and services and join me in contributing to its continued success by collaborating with Members to support pooling and the sharing of public entity risk management best practices.

Sincerely,

Marcus Beverly
SCORE Program Director

HISTORY OF THE JPA

STRATEGIC HIGHLIGHTS

SCORE was **founded in 1986** in response to a liability insurance “crisis” during which cities could not obtain affordable coverage. A group of **thirteen small cities** in Northern California formed the Liability Program to pool coverage for General and Automobile Liability, Personal Injury, and Errors and Omissions. The **Workers’ Compensation Program was formed in 1994** in response to rising insurance costs and limited availability. That same year members joined the Local Agency Workers’ Compensation Excess JPA (LAWCX) for their excess coverage and related risk management services and the California Joint Powers Risk Management Authority (CJPRMA) for Excess Liability Coverage.

The Property Program began in 1998 when SCORE members opted for group purchase of property insurance, enabling *members to obtain broader coverage at lower premiums* than they could obtain on their own. SCORE members joined the **Employment Risk Management Authority** (ERMA) in 1999 to provide members the benefit of pooled coverage for Employment Practices Liability. In 2000 members began purchase of **Crime Coverage** to protect members from loss due to employee theft, forgery, computer fraud, and other crimes.

SCORE first received **Accreditation with Excellence** from the California Association of Joint Powers Authorities (**CAJPA**) in 2006, reflecting adherence to the standards and best practices established for self-insured pools. SCORE has been re-accredited every three years.

In 2008 SCORE began to offer an **Employee Assistance Program (EAP)** to provide member employees and their families a variety of resources for dealing with work/life issues. In 2013 SCORE members received their first **Resource Contact Guide**, providing vendor contact information for services available to SCORE participants. DKF Solutions was hired in 2014 to provide **comprehensive risk control services** to each member. In 2022 members established a Property Program Banking Layer to help fund increasingly high deductibles. Also new in 2022, **Deadly Weapon Response coverage** provides resources in preventing and responding to events, threats or circumstances involving deadly weapons on member property. In 2023 SCORE members chose new claims administrators, George Hills, and Intercare, and received updated Claims Reporting Manuals with claims reporting instructions for all lines of coverage. In 2025 one SCORE member began Concern Plus EAP coverage for First Responders and their families.

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.

OPERATING HIGHLIGHTS

Since its inception, SCORE has increased the number and variety of risk management services and resources for members, including:

- Online training through Vector Solutions and My Safety Officer
- Comprehensive Risk Assessments, training, and consultation from DKF Solutions
- Risk Management Best Practices and Scorecard to benchmark and improve member programs.
- Risk Management Grants totaling $200,000 annually.

LOOKING AHEAD

SCORE continues to respond to the changing risks faced by members by providing more customized risk and claims management plans, tailored to each member in partnership with SCORE’s service providers.

ORGANIZATIONAL PROFILE

BOARD OF DIRECTORS

The Board of Directors of SCORE is composed of a representative appointed by authority of the City Council of each member agency. An Alternate Member is also appointed to serve in the absence of the appointed representative. Only the Board Member, or in the Board Member's absence the Alternate Member, has voting authority. Current Members are as follows:

Member	Board Director	Alternate
*City of Biggs**	Anita Wilks	Rodney Harr
*City of Colfax**	Shanna Stahl	Ron Walker
*City of Dunsmuir**	Dustin Rief	Blake Michaelsen
*City of Etna**	**TBD**	Pam Eastlick
*City of Isleton**	Kurt Swanson	Jessica Bigby
*City of Live Oak**	**TBD**	Luis Cibrian
*Town of Loomis**	**TBD**	Carol Parker
*City of Loyalton**	Kathy LeBlanc	Susan Mcilravy
*City of Montague**	David Dunn	**TBD**
City of Mount Shasta	Todd Juhasz	Malisa Dodd
*City of Portola**	Ryan Bonk	Kristen Schiavone
City of Rio Dell	Kyle Knopp	Karen Dunham
City of Shasta Lake	Wendy Howard	Jessaca Lugo
*City of Susanville**	Dan Newton	Heidi Whitlock
City of Tulelake	Jenny Coelho	Aissa Martinez
City of Weed	Dustin Stambaugh	Sandy Duchi
*City of Yreka**	**TBD**	Cyndy Prohaska

**Founding Members*

EXECUTIVE COMMITTEE

The Executive Committee of SCORE is comprised of four officers and one member at large.

Member	Name	Position
City of Mt. Shasta	Todd Juhasz	President
*City of Susanville**	Dan Newton	Vice President
City of Dunsmuir	Blake Michaelsen	Treasurer
City of Tulelake	Jenny Coelho	Secretary
City of Weed	Dustin Stambaugh	Member-at-large

MEMBERS PARTICIPATING IN EACH PROGRAM

SCORE Members Participating in Each Program FY 25/26

	Self-Insured Programs		Group Purchase Insurance				Individual Purchase					Auto/Mobile Vehicle Damage Insurance		
MEMBER CITY	Liability	Work Comp	Property; Pollution; & Cyber (APIP)	Contractor's Equipment (APIP)	Alliant Deadly Weapons Response Program (ADWRP)	ID Fraud	Crime Insurance (ACIP)	PRISM Pollution	ERMA (EPL)	ACI Employee Assistance Program (EAP)	Special Events	Auto/Mobile Vehicle Damage (AMVP)	Auto Physical Damage (APIP)	Vehicle Valuation (APIP)
Deductible	$25,000 Banking Layer	$25,000 Banking Layer	$25,000 Banking Layer	$5,000* $10,000	$10,000	$0	$2,500 $5,000* $25,000**	$75,000	$25,000			$1,000 = X $2,000 = XX	$10,000* $25,000	Replacement Cost (RC) or Actual Cash Value (ACV)
Expiration Date	7/1/25	7/1/25	7/1/25	7/1/25	07/1/25	7/1/25	7/1/25	7/1/25	7/1/25	9/15/26	1/1/26	7/1/25	7/1/25	7/1/25
Biggs	X	X	X	X	X	X	X	X	X	X	X		X	RC
Colfax	X	X	X	X	X	X	X	X	X	X	X	X	X	RC
Dunsmuir	X	X	X	X	X	X	X	X	X	X	X	X	X*	ACV
Etna	X	X	X		X	X				X	X	XX	None	None
Isleton	X		X	X*	X	X				X	X		X	RC
Live Oak	X	X	X	X	X	X	X	X	X	X	X		X*	ACV
Loomis	X	X	X		X	X	X	X	X	X	X	XX	X*	ACV
Loyalton	X	X	X	X	X	X	X	X		X	X	XX	X	RC
Montague	X	X	X	X	X	X	X	X			X		X	ACV
Mount Shasta	X	X	X		X	X	X*	X	X	X	X	XX	None	None
Portola	X	X	X	X	X	X	X*	X	X	X	X	X	X	RC
Rio Dell	X	X	X	X	X	X	X	X	X		X		X*	ACV
Shasta Lake	X	X	X	X	X	X	X	X	X	X	X		X*	ACV
Susanville	X	X	X	X	X	X	X*	X	X	X	X	X	X	RC
Tulelake	X	X	X	X	X	X		X	X	X	X	X	X	None
Weed	X	X	X	X	X	X	X**	X	X	X	X	XX	X*	ACV
Yreka	X	X	X	X	X	X	X	X	X	X	X	XX	X	RC

ERMA= Employment Risk Management Authority(Employment Practices Liability Coverage)
AMVP= Alliant Mobile Vehicle Program serviced by Marilyn Schley in SF office
Special Events serviced by Penny DeWitt in Newport Beach Office

LIABILITY PROGRAM

COVERAGE HIGHLIGHTS

The Liability Program covers losses Members become legally obligated to pay as damages due to:

- Bodily Injury,
- Property Damage,
- Personal Injury, and
- Public Officials' Errors or Omissions

Coverage is included for the Member and its commissions, agencies, districts, authorities, boards, or similar entities coming under the Member's direction or control, in addition to officials, employees, or volunteers while acting for or on behalf of the Member.

Excess Layer
Excess Insurance: $7,500,000 to $40,000,000
CJPRMA Members: $750,000 to $7,500,000
Shared Risk Layer
SCORE members: $25,000 to $750,000
Banking Layer
Member Entity: $0 to $25,000

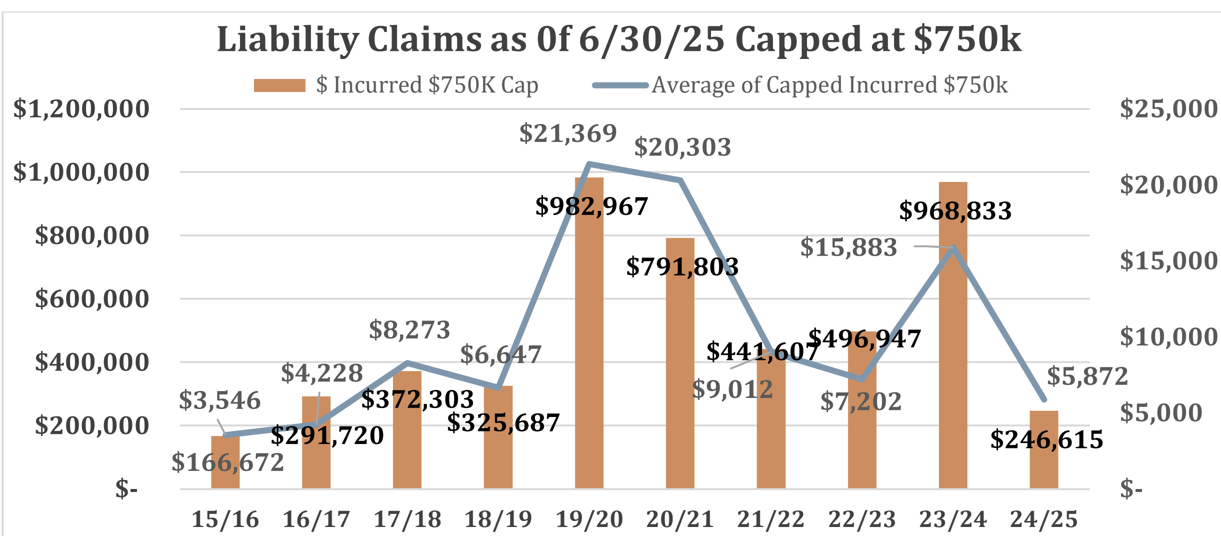
The program is divided into **three separate coverage layers -** Banking, Shared Risk and Excess Coverage, as illustrated in the table above. All three coverage layers include self-insurance. **The Banking Layer is funded to pay for each Member's own claims, like a deductible.** The Shared Risk Layer is funded to pay for claims that are shared by all SCORE Members. The Excess Layer is funded through the California Joint Powers Risk Management Authority (CJPRMA).

California Joint Powers Risk Management Authority

CJPRMA members pool risk up to $7,500,000 and purchase excess reinsurance for total limits of $40,000,000, inclusive of **SCORE's retained limit of $750,000 per occurrence.** While CJPRMA as an excess pool has traditionally been insulated from insurance market conditions, large losses and jury attitudes have increased rates and pressured both CJPRMA and SCORE to raise their retentions, to $7,500,000 and $750,000, respectively.

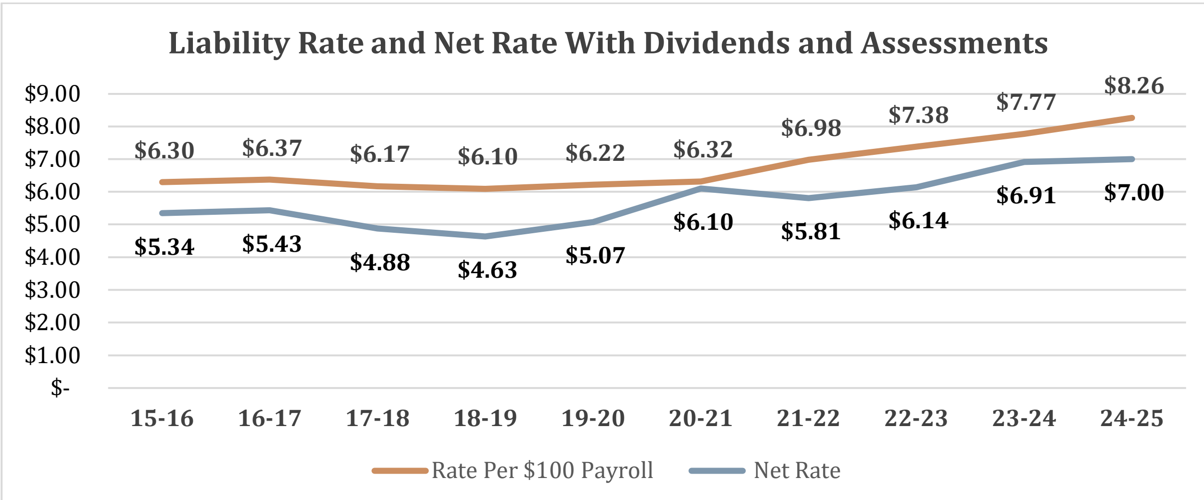
OPERATING HIGHLIGHTS

The following chart shows the total incurred (paid and reserved) and average cost per claim for member liability claims over the last ten years, capped at $750,000. While SCORE has experienced fluctuations in the past, these **swings are absorbed by SCORE's prudent funding** of reserves for ultimate liabilities. The average incurred per claim over the ten-year period is $9,855.



LIABILITY PROGRAM

The chart below shows the relationship between the gross and net liability rate per $100 of payroll over the last ten program years. The gross rate held steady below $6.38 from 15-16 to 20-21 while the net rate dipped to $4.63 in 18-19. Since then, rates have steadily increased as claim settlements and jury verdicts have grown due to "social inflation" and the market for reinsurance has changed dramatically. The goal is to maintain steady rates to cover the years in which incurred losses are greater than predicted in the premium funding.



FINANCIAL HIGHLIGHTS

SCORE's base rate decreased (-1.7%) over the last year, a contrast to the increase of 6.9% in the FY 24/25 funding, driven by loss development. Total funding for the Liability Program increased 7%, from $2,821,771 to $3,019,434. Member payroll accounted for 7.6% of the increase, with an excess coverage rate increase of 3.7% accounting for 63% of the total premium increase. The Board of Directors annually reviews the Banking and Shared Risk financial status to evaluate the appropriateness of declaring either a refund or an assessment. No dividends higher benchmark – in case $1M SIR, $1M available with $750k.

OTHER LIABILITY COVERAGES

Employment Practices Liability (EPL)

SCORE members have chosen not to cover Employment Practice Liability (EPL) claims within their $750,000 limit of coverage, but EPL is part of the excess coverage provided by CJPRMA. Those members who want EPL coverage within the $750,000 retention participate in the Employment Risk Management Authority (ERMA).

Currently there are thirteen SCORE members that participate in ERMA coverage: Biggs, Colfax, Dunsmuir, Live Oak, Loomis, Mount Shasta, Portola, Rio Dell, Shasta Lake, Susanville, Tulelake, Weed and Yreka.

ERMA Employment Risk Management Authority

In addition to coverage for EPL claims, ERMA offers a wide variety of training and risk management services, including litigation management and access to an attorney "hotline" for advice and counsel in addressing employment issues.

WORKERS' COMPENSATION PROGRAM

COVERAGE HIGHLIGHTS

California Workers' Compensation laws require every employer to provide benefits to employees for injury and/or illness arising out of, or during, employment. Statutory benefits prescribed by law include:

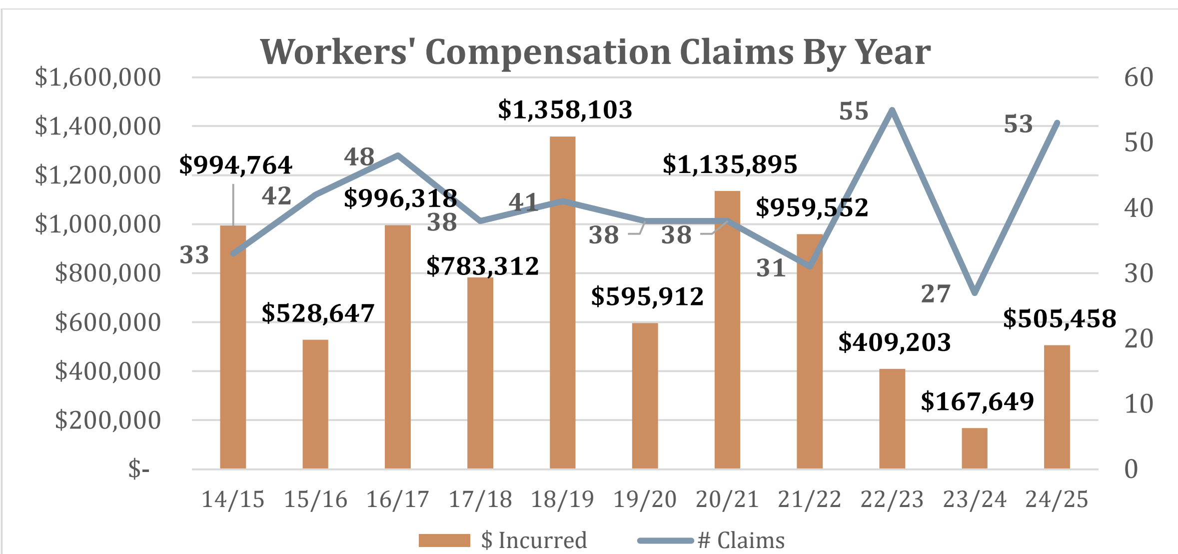
- Medical Treatment
- Temporary Disability Payments
- Permanent Disability Compensation
- Rehabilitation
- Death Benefits

Excess Layer **Excess Insurance: $5,000,000 to Statutory** **LAWCX Members: $250,000 to $5,000,000**
Shared Risk Layer **SCORE Members: $25,000 to $250,000**
Banking Layer **Member Entity: $0 to $25,000**

Similar to the Liability Program, the program is divided into three separate coverage layers, Banking, Shared Risk and Excess Coverage as illustrated in the chart to the left. All three coverage layers include self-insurance. The **Banking Layer is funded to pay for each Member's own claims, like a deductible.** The Shared Risk Layer is funded to pay for claims that are shared by all SCORE Members. The Excess Coverage is provided by the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX).

OPERATING HIGHLIGHTS

The following chart shows Workers' Compensation claims frequency and severity since FY 14/15:

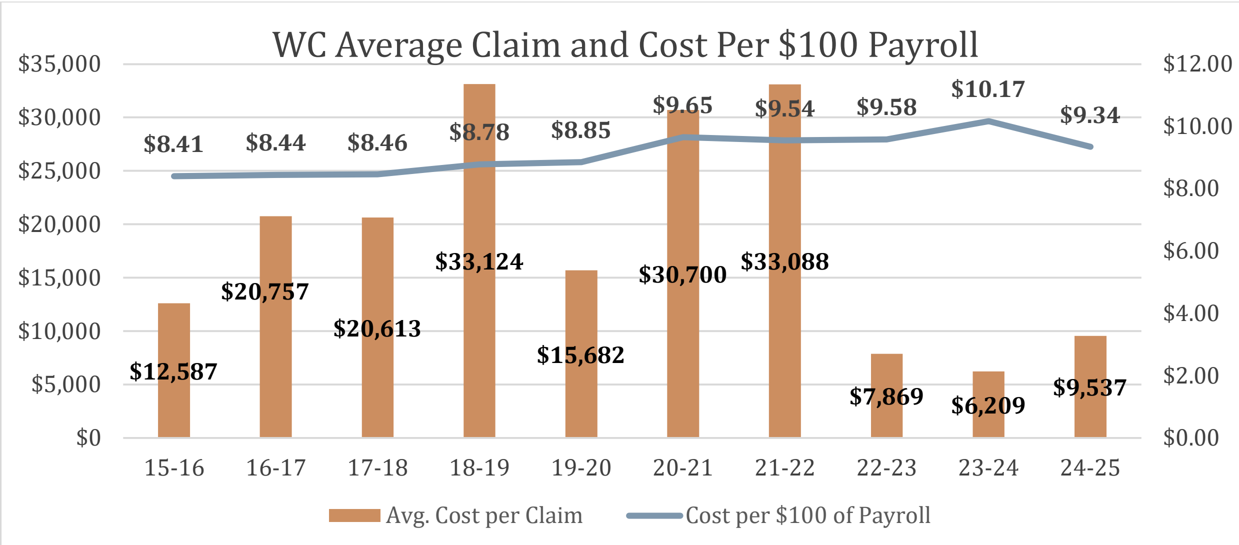


Total frequency has trended down since a high of forty-eight claims in FY 16/17 to a low of 27 claims in FY 23/24. The notable exception is FY 22/23, with 55 claims reported due to a spike in strains and sprains, followed by FY 24/25 with 53 claims so far. **Total severity has also trended down** since a high of $1.3M in 18/19, with FY 22/23 below average despite the high frequency and FY 23/24 at less than half those results. These recent results are due to a combination of SCORE cost containment strategies, including modified duty for injured workers, increased risk control training, and quality claims management from Intercare.

WORKERS' COMPENSATION PROGRAM

FINANCIAL HIGHLIGHTS

The total cost of the program increased 7.4%, from $3,113,285 in FY 24/25 to $3,344,238 before dividends, just under the total payroll increase of 7.5%. For the second year in a row the ***underlying SCORE rate decreased****, this year by (-5.6%), though unlike last year's decrease, the LAWCX rate for excess coverage increased 24.7%.* The Board of Directors annually reviews the Program's financial status to evaluate the appropriateness of declaring either a refund or an assessment, with a total of $575,313 returned to members in 2025.



After several years of steadily rising costs, the Workers' Compensation Program has seen some volatility, but average costs overall have decreased due to an increased focus on claims and risk management, particularly return to work efforts by members in offering modified duty to employees who are on temporary disability.

LOOKING AHEAD

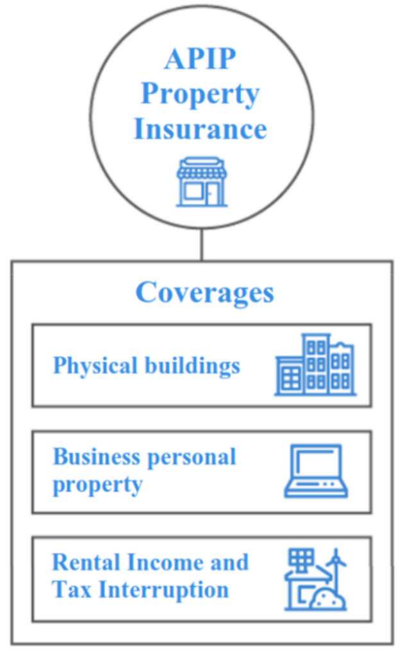
Members chose Intercare as their claim's administrator beginning July 1, 2023, and they will continue to receive hands-on assistance and training regarding Workers' Compensation claims, including Work Comp 101 training, triage reporting options, and a revised Claims Reporting Manual providing guidance on reporting claims. Intercare will also help to identify qualified medical providers closer to member cities and work with members and injured employees to find modified duty opportunities to reduce lost time and promote healing.

View of Mt. Shasta

PROPERTY PROGRAM

COVERAGE HIGHLIGHTS

SCORE continues to offer coverage through the Alliant Property Insurance Program (APIP). This group purchase program provides the following coverages:



- Broad Replacement Cost coverage
- $25,000 deductible per claim
- Rental Income and Tax Interruption
- Course of Construction (Builder's Risk)
- Increased Cost of Construction (Code Upgrade)
- Boiler & Machinery Coverage at a $100,000,000 limit per occurrence & $25,000 deductible per claim
- Auto Coverage with optional Replacement Cost Value (RCV), with a $25,000 deductible for vehicles ($50,000 for police) with RCV under $250,000; $100,000 for All Vehicles with RCV of $250,000 to $750,000; $250,000 for All vehicles with RCV in Excess of $750,000.
- OPTIONAL Flood coverage excess of a deductible of $100,000, or $250,000 for Flood Zones A & V

<u>The APIP Property Program automatically includes coverage for Pollution Liability and Cyber Insurance.</u>

POLLUTION LIABILITY

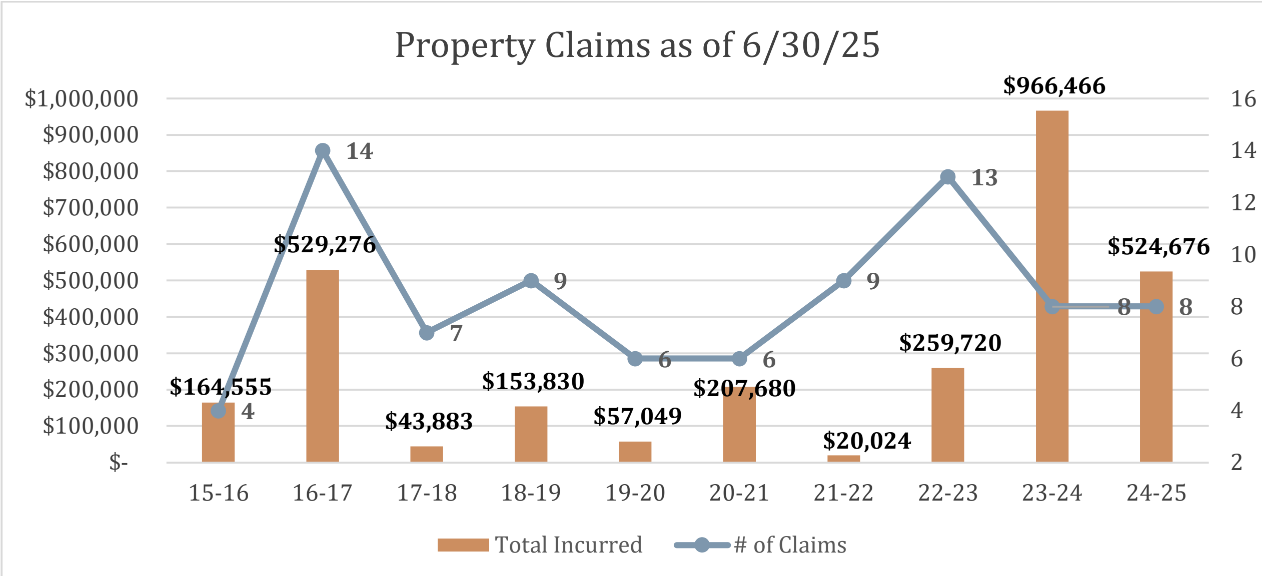
- Shared limit of $2M between all SCORE members
- Pollution Conditions or Indoor Environmental Conditions Coverage: First-party and third-party coverage for claims arising out of a pollution condition on, at, under or migrating from a covered location, or an indoor environmental condition at a covered location.
- Transportation Coverage: First–party and third-party coverage for claims arising out of a pollution condition resulting from transportation.
- Non-Owned Disposal Site Coverage: Third-party coverage for claims arising out of a pollution condition on, at, under or migrating from a non-owned disposal site.
- Coverage for catastrophe management costs and emergency response costs (first-party remediation costs incurred within seven (7) days following the discovery of a pollution condition) included, provided that the costs are reported to the insurer within fourteen (14) days.

CYBER INSURANCE

- Information Security & Privacy Insurance – each member has a $2 Million aggregate limit, with sublimits for various coverages.
- Breach Response Costs up to $1M if Beazley Vendor Services are used.
- Data & Network Liability - $2Million
- Cyber Extortion Loss - $750,000
- Business Interruption - $750,000
- Hardware Replacement - $200,000
- eCRIME Fraud Coverages - $75,000
- Data Recovery Costs - $750,000

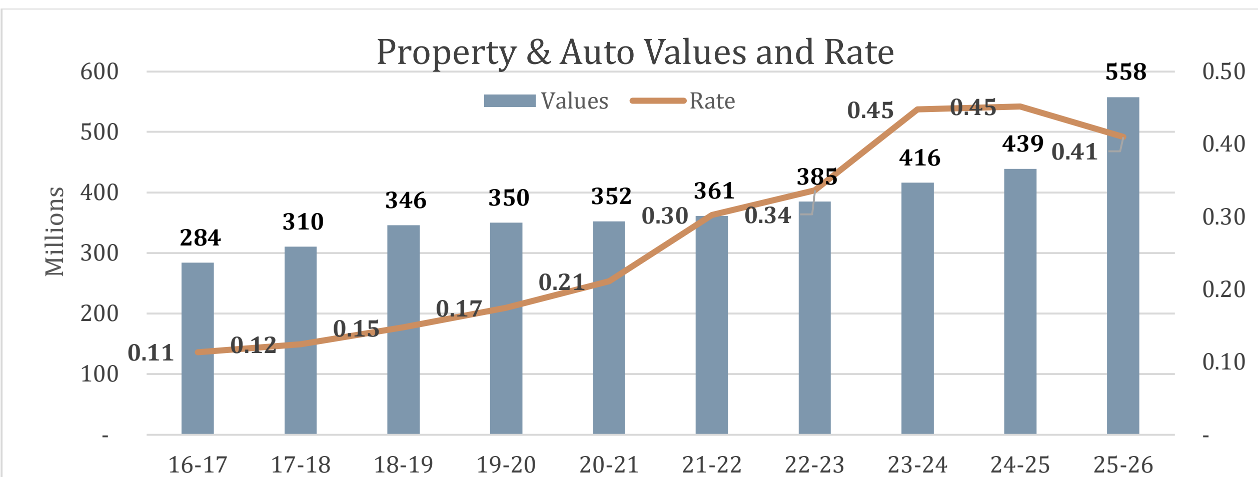
PROPERTY PROGRAM

OPERATING HIGHLIGHTS



Claim frequency is consistent across a five-year span with two notable exceptions on either end, with a significant claim in FY 23/24 still open and pending resolution. Total incurred averages $292,716 per year.

FINANCIAL HIGHLIGHTS



The SCORE Property Program's Total Insured Values increased $27% from $438,810,133 in FY 24/25 to $557,521,422 due to appraisals conducted in 2024. The overall rate for property decreased (-9%), a welcome relief from past increases, keeping the overall increase at 15%.

LOOKING AHEAD

Members recently created and will continue to fund a **Property Banking Layer** for covered claims between $1,000 and $25,000, the deductible for most APIP claims. Property Appraisals were conducted in 2024 and values updated for FY 25/26. With continuing pressure on the property market due to extreme weather events and wildfire exposure in California, underwriters are requiring more detailed information, and updated appraisals help to improve SCORE's marketability.

CRIME PROGRAM

COVERAGE HIGHLIGHTS

The ACIP Crime Program provides for coverage of employee theft through the National Union Fire Insurance Company, A.M. Best Rated A (XV). Members select the per-occurrence limit of their choosing ($1M, $3M, $5M, or $10M) and coverage is subject to a deductible of the members choosing (program deductible is $25,000 with a $2,500 buy down option). Additionally, the ACIP policy covers Faithful Performance of Duty and deletes typical exclusions for Treasurers, Tax Collectors, and Bonded Employees. Therefore, **there is no need for the city to purchase individual bonds** for city officials who are required by law to give bonds for the faithful performance of their duties. To assure coverage **the City must pass a resolution authorizing the use of a Master Crime Policy**.

Currently, fourteen of the seventeen SCORE members participate in the ACIP Crime program: Cities of Biggs, Colfax, Dunsmuir, Live Oak, Loyalton, Montague, Mt. Shasta, Portola, Rio Dell, Shasta Lake, Susanville, Weed, Yreka and Town of Loomis.

The ACIP Coverage contains the following:

- Employee Theft
- Robbery or Safe Burglary
- Computer Fraud
- **Faithful Performance of Duty**
- Funds Transfer Fraud
- **Investigative Expenses – Sublimit of $75,000**
- Forgery or Alteration including Credit, Debit or Charge Card Forgery
- **Includes chairperson and members of committees as employees.**
- Includes volunteer workers other than fund solicitors as employees.
- Includes specified directors and trustees on committees as employees.
- **Deletes Treasurer/Tax Collector and Bonded Employees exclusions.**
- Includes specified non-compensated officers as employees.
- Specified City Officials Coverage Endorsement (for cities that are required by their city charter to individually bond certain employee or officer positions)

FINANCIAL HIGHLIGHTS

Most SCORE members who participate in the Crime Program have selected a $1 Million Limit of Insurance except for one member who purchase a $3M limit (City of Biggs), and **two members who purchase a $5 Million limit** (City of Weed and the City of Yreka).

LOOKING AHEAD

As crime incidents are increasing in frequency and more commonly through computer fraud members could benefit from the added security a higher limit of insurance affords. SCORE **members are encouraged to consider their risks and a higher limit of insurance based on their needs.** Members who do not currently participate in the Crime Program but would like more information should contact Program Administration for assistance with a quote.

OTHER PROGRAMS

ALLIANT MOTOR VEHICLE PROGRAM (AMVP)

Select Members of SCORE are enrolled in the Alliant Motor Vehicle Program (AMVP), initially designed for public agencies with higher-valued vehicles or special equipment, the program has expanded to include all types of vehicles and mobile equipment. **Claims valuation is on a replacement cost basis for vehicles or equipment less than three years old,** otherwise the policy pays to repair or replace damaged property on a like kind and quality basis. The deductible varies for each member as selected.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

Fifteen SCORE members participate in the ACI Employee Assistance Program (EAP), designed to assist City employees in identifying and resolving personal concerns, including health, marital, family, financial, alcohol, drug, legal, emotional, stress, or other personal issues that may affect job performance. ***ACI's program includes employees and ALL their family members – whether they live in the home***.

The program features a benefit package which includes:

- Counseling and training
- Critical Incident Stress Debriefing (CISD)
- Childcare and eldercare resources
- Legal and financial consultation

Separately, one member participates in Concern Plus which provides specialized services for First Responders and their families. ConcernPlus models the core components of Concern EAP (counseling, financial, legal and parenting assistance), but for First Responders, Concern provides a much more enhanced care approach specifically for First Responders.

DEADLY WEAPONS RESPONSE PROGRAM

Members began purchasing this coverage in 2022 to provide immediate assistance in the case of a covered event on their property. The policy provides various Crisis Management Services outlined below, with a per event limit of $500,000, pool aggregate of $2,500,000 and $10,000 deductible. Training and resources for managing a covered event or threats of harm are also provided through an online portal.

Sublimits of $250,000 provide coverage for:

- Crisis Management Services
- Counseling Services/$15,000 per person max
- Funeral Expenses/$1M Aggregate, $15,000 per person max
- Business Interruption
- Demo/Clearance and Memorialization

In addition to $25,000 Medical Expense/$50,000 Accidental Death and Dismemberment per person, both with a $500,000 annual aggregate

IDENTITY FRAUD PROTECTION

Member employees receive protection from the impact of identity fraud with Identity Fraud Reimbursement Coverage and Resolution Services through Travelers Insurance Company, with a **limit of $25,000 to reimburse many of the costs and expenses associated with identity recovery**, including lost wages, attorney fees, and document replacement fees.

Employees as well as their immediate family members have 24/7 access to an expert fraud specialist to provide unlimited assistance in restoring a victim's identity. They also have access to online educational resources providing tips, information, and steps to avoid becoming a victim of identity theft.

SERVICES

PROGRAM ADMINISTRATION

Alliant Insurance Services provides overall program administration, including meeting agendas, underwriting, and management of governing documents and policies. In addition, Alliant provides consultation and advice regarding:

- Insurance requirements in contracts
- Certificates of insurance and endorsements
- Safety Grant applications
- Best Practices for Municipal Risk Management

CLAIMS MANAGEMENT

Intercare provides claims management for the Workers' Compensation Program. The Intercare claims examiner is responsible for evaluating an employee's injury claim to determine eligibility for benefits. **The examiner works closely with the member, employee, and medical providers** to return the employee to health and back to work as soon as possible, including offering modified duty as available. Intercare reviews medical bills and requests for treatment based on State guidelines as well as **SCORE's custom Utilization Review (UR) criteria**, aimed at speeding up the process of approving needed treatment.

George Hills and Company provides claims management for the Liability Program. The Liability claims examiner is responsible for advising the member on the merits of each claim and the appropriate action to be taken, as well as providing for necessary investigation of claims and oversight of legal defense. George Hills manages litigated claims based on **SCORE's Litigation Management Guidelines** using a group of select attorneys chosen for their skill in public entity defense of liability claims. George Hills was chosen in part to have a local presence to respond to the scene of a claim as needed, particularly property damage or dangerous condition claims.

RISK MANAGEMENT

SCORE hired DKF Solutions in 2014 as their Risk Control Services provider to perform a Hazard and Risk Assessment for each member and recommend policies, procedures, and training to address their individual needs. As a result, **members are receiving more direct assistance in managing their operations** in ways that reduce the frequency and severity of claims.

Consulting by DKF Services includes:

- **Hotline Services** – call with any safety question
- Hazard & Safety Assessments
- Program/Policy Development
- **On-site Training**
- My Safety Officer
- Webinars – on a variety of Risk Management Topics

VECTOR SOLUTIONS & MY SAFETY OFFICER

SCORE members have access to two separate, comprehensive online training platforms for ensure compliance with OSHA, fire safety training, and ethics requirements. **Vector Solutions offers an online based training platform** members can access remotely while My Safety Officer is a service offered by DKF which helps to track training completed.

SERVICES

LEXIPOL

SCORE law enforcement agencies are provided Lexipol policy and training services. Lexipol provides comprehensive, defensible public safety policy content and integrated policy training. The **Daily Training Bulletins (DTB) bring the manual into practice through real-life, scenario-based training exercises** emphasizing high-risk, low frequency events. DTBs often qualify for continuous training certification.

CONFERENCE ATTENDANCE

SCORE encourages sponsorship of members for attendance at the Annual PARMA, CAJPA, PRIMA or other Risk Management Conferences. **Annually members are allotted $1,000 in Conference Training funds** to be used towards risk management related training and/or attendance to annual CAJPA, PARMA, CalPELRA, or other Risk Management Conferences. Attendance at Risk Management Conferences helps educate members on claim reduction strategies and other cost controlling mechanisms.

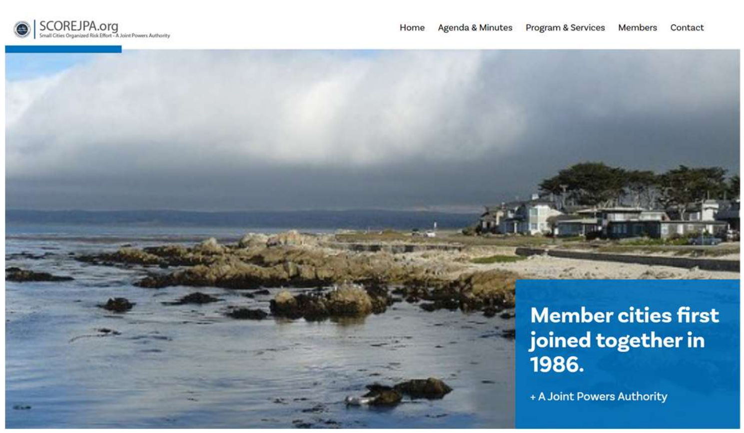
SEMINARS AND TRAINING SESSIONS

Selection of topics determined annually by the Board and Members, including:

- DKF Solutions: on-site sessions covering ergonomics, OSHA compliance, wastewater safety policies, customized training, and email communications.
- Workers' Compensation topics offered through LAWCX, including job analysis, interactive process training, and back to work programs.
- **Regional Workshops**: SCORE conducts regional workshops on pertinent safety topics. Topics for 2019 consisted of OET Traffic Control/Flagger Training, Fall Protection Competent Person, How to Audit Your SSMP to SWRCB Standards, as well as New Employee Orientations: A Standardized Solution for HR, Safety and Job Skills.
- **Employment Practices Liability: training provided through ERMA** on a wide variety of employment topics, including annual legal updates, supervision, and hiring practices.

WEBSITE

SCORE website resources, including a Risk Management tab where members can access Risk Management information, including recommended policies, procedures, and best practices. Please take a moment to visit our website at www.scorejpa.org.



FINANCIAL STATEMENTS

STATEMENT OF NET POSITION AS OF JUNE 30, 2025

ASSETS	Liability	Workers' Compensation	Other Programs	Total
Current Assets				
Cash & Equivalents	2,788,207	3,401,275	322,324	6,511,806
Investments	1,596,910	2,051,319	202,222	3,850,451
Accrued Interest	68,955	88,578	8,732	166,265
Contributions Receivable	121,811	-	-	121,811
Other Receivable	-	27,387	-	27,387
Prepaid Assets	5,578	5,054	2,629	13,261
Total Current Assets	4,581,461	5,573,613	535,907	10,690,981
Noncurrent Assets				
Investments	6,101,079	7,837,178	772,600	14,710,857
Total Noncurrent Assets	6,101,079	7,837,178	772,600	14,710,857
Total Assets	10,682,540	13,410,791	1,308,507	25,401,838
LIABILITIES				
Current Liabilities				
Accounts Payable	-	111,216	9,512	120,728
Dividend Payable	-	135,378	-	135,378
Deferred Revenue	1,566	-	-	1,566
Claims Reserves	965,194	903,337	-	1,868,531
Total Current Liabilities	966,760	1,149,931	9,512	2,126,203
Noncurrent Liabilities				
LAWCX	-	38,880	-	38,880
Unpaid Claims and Claims Adjustments	2,341,025	5,018,820	-	7,359,845
Total Noncurrent Liabilities	2,341,025	5,057,700	-	7,398,725
Total Liabilities	3,307,785	6,207,631	9,512	9,524,928
NET POSITION	7,374,755	7,203,160	1,298,995	15,876,910

Substantially all disclosures required by accounting principles generally acceptedin the United States of America are omitted and no assurance is provided.

SUMMARY OF RESULTS

	June 30,2025	June 30,2024	Change
ASSETS	$25,401,838	$22,197,384	$2,204,454
LIABILITIES	$9,524,928	$8,723,921	$801,007
NET POSITION	$15,876,910	$13,473,464	$2,403,446

FINANCIAL STATEMENTS

STATEMENT OF REVENUES, EXPENSES, & CHANGES IN NET POSITION FOR FY ENDING JUNE 30, 2025

REVENUES:	Liability	Workers' Compensation	EPLI, EAP, & Property (Other Programs)	Total
Contributions	2,813,332	3,113,285	2,648,225	8,574,842
Member Assessments	4,840	-	-	4,840
Investment Income	248,802	271,420	233,723	753,945
Other Income	16,498	7,633	6,573	30,704
Total Revenues	**3,083,472**	**3,392,338**	**2,888,521**	**9,364,331**
EXPENSES:				
Operating				
Claims Expense	1,137,739	740,385	9,000	1,887,124
Excess Insurance	1,105,312	548,631	2,190,493	3,844,436
General and Administrative	166,254	268,030	156,177	590,461
Program Administration	99,744	108,812	93,699	302,255
Claims Administration	92,970	111,750	-	204,720
Member Dividends	-	565,548	-	565,548
Total operating expenses	2,602,019	2,343,156	2,449,369	7,394,544
Operating Income (Loss)	481,453	1,049,182	439,152	1,969,787
Nonoperating Income (Loss)				
ERMA Dividend Exp	-	-	(21,203)	(21,203)
Investment income	150,105	163,750	141,007	454,862
Net Income (Loss)	631,558	1,212,932	558,956	2,403,446
Beginning Net Position	6,743,197	5,990,228	740,039	13,473,464
Ending Net Position	7,374,755	7,203,160	1,298,995	15,876,910

Substantially all disclosures required by accounting principles generally acceptedin the United States of America are omitted and no assurance is provided.

SUMMARY OF RESULTS

	June 30,2025	June 30,2024	Change
REVENUES	**$9,364,331**	**$8,617,812**	**$746,519**
EXPENSES	**$7,394,544**	**$6,056,189**	**$1,338,355**
NET INCOME	**$2,403,446**	**$2,197,622**	**$205,824**

SCORE
Small Cities Organized Risk Effort
A Joint Powers Authority

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