



President
Mr. Roger Carroll
Town of Loomis

Vice President
Mr. Steve Baker
City of Yreka

Secretary
Ms. Brooke Woodcox
City of Rio Dell

Treasurer
Ms. Linda Romaine
Town of Fort Jones

SMALL CITIES ORGANIZED RISK EFFORT BOARD MEETING AGENDA

Location: Web-Teleconference

Date/Time: Friday, August 26, 2016 at 10:00 AM

A Action
I Information

1 Attached
2 Hand Out
3 Separate Cover
4 Verbal
5 Previously

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.

This Meeting Agenda shall be posted at the address of the teleconference locations shown below with access for the public via phone/speaker phone.

1. City of Biggs, 465 C Street, Biggs, CA 95917
2. City of Colfax, 33 South Main Street, Colfax, CA 95713
3. City of Dunsmuir, 5915 Dunsmuir Avenue, CA 96025
4. City of Etna, 422 Main Street, Etna, CA 96025
5. Town of Fort Jones, 11960 East Street, Fort Jones, CA 96032
6. City of Live Oak, 9955 Live Oak Blvd., Live Oak, CA 95953
7. Town of Loomis, 3665 Taylor Road, Loomis, CA 95650
8. City of Montague, 230 13th Street, Montague, CA 96064
9. City of Mount Shasta, 305 North Shasta Boulevard, Mt. Shasta, CA 96067
10. City of Portola, 35 – 3rd Street, Portola, CA 96112
11. City of Rio Dell, 675 Wildwood Avenue, Rio Dell, CA 95562
12. City of Shasta Lake, 1650 Stanton Drive, Shasta Lake, CA 96019
13. City of Susanville, 66 North Lassen Street, Susanville, CA 96130
14. City of Tulelake, 501 Main Street, Tulelake, CA 96134
15. City of Weed, 550 Main Street, Weed, CA 96094
16. City of Yreka, 701 4th Street, Yreka, CA 96097

PAGE A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF AGENDA AS POSTED

A 1

D. PUBLIC COMMENTS

E.	CONSENT CALENDAR	A 1
	<i>All matters listed under the consent calendar are considered routine with no separate discussion necessary. Any member of the public or Board of Directors may request any item to be considered separately.</i>	
<i>Pg. 5</i>	1. Board of Directors Meeting <i>Draft</i> Minutes – June 24, 2016	
<i>Pg.16</i>	2. US Bank Account Statements – June—July 2016	
<i>Pg.34</i>	3. Local Agency Investment Fund (LAIF) Quarterly Statement of Investments – June 30, 2016	
<i>Pg.35</i>	4. Treasurer’s Report as of June 30, 2016	
<i>Pg.36</i>	5. Investment Statements from Chandler Asset Management – June—July 2016	
<i>Pg.44</i>	6. ACI Quarterly Utilization Report – April—June 2016	
<i>Pg.52</i>	7. Target Solutions Administrative Summary as of June 30, 2016	
<i>Pg.54</i>	8. SCORE Checking Register as of June—July 2016	
F.	ADMINISTRATIVE REPORT	
	1. President’s Report	I 4
	<i>Roger Carroll will address the Board on items pertaining to SCORE.</i>	
	2. Alliant Update	I 4
	<i>The Program Administrator will address the Board on Alliant matters pertinent to SCORE including an Alliant staff update.</i>	
G.	FINANCIAL	
<i>Pg.59</i>	1. Quarterly Financials for QE June 30, 2016	A 1
	<i>Board Members will be presented with the June 30, 2016 Quarterly Financial Report presented by Gilbert Associates, Inc. and may take action to Accept and File and give direction.</i>	
H.	JPA BUSINESS	
<i>Pg.74</i>	1. SCORE Workers’ Compensation Audit Report	A 1
	<i>The Board will be presented with a summary of his audit findings for the Board to review, accept and file or provide direction.</i>	
<i>Pg.92</i>	2. Review and Approval of the SCORE Conflict of Interest Code	A 1
	<i>The Board will be asked to review, discuss and approve or recommend changes to the Conflict of Interest Code.</i>	
<i>Pg.96</i>	3. Loss Control Grant Fund Requests	A 1
	<i>The Board will review the policy and requests from cities for use of FY 15/16 Loss Control Grant Funds.</i>	
<i>Pg.101</i>	4. ERMA Dividend	A 1
	<i>The Board will be presented with the proposed 2016 ERMA Dividends and will be asked to vote on the release of funds.</i>	

Pg.104	5. SCORE Travel Expense Resolution 01-04 <i>The Board will be presented with a revised Policy and Procedure Resolution and may accept changes.</i>	A	1
Pg.109	6. DKF 2016/17 Work Plan Status and Roadmap <i>David Patzer and John Balestrini from DKF Solutions will present the Board with information about the current work plan.</i>	I	1
Pg.110	7. Update on the Ad Hoc Committee <i>The Board will be presented with feedback from the Ad Hoc Committee regarding the admin allocation and Mini-Cities makeup and may provide direction regarding these issues.</i>	I	1
Pg.113	8. October Training Day and Board of Directors Meeting Topics <i>The Board will be asked to discuss topics for the upcoming Training Day and Board of Directors Meeting on October 13, 2016 and will be provided with a draft Training Day Agenda Cover for review and discussion.</i>	I	1

I. TOWN HALL OPEN DISCUSSION ON MEMBER ISSUES I 4

J. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95 A 2

****REQUESTING AUTHORITY**

1. Liability

a. Brashear v. City of Dunsmuir**

2. Workers' Compensation

a. SCWA-555750 v. City of Montague**

b. SCWA-530470 v. City of Crescent City**

c. SCWA-555894 v. City of Susanville**

K. REPORT FROM CLOSED SESSION I 4

L. INFORMATION ITEMS

Pg.120 1. SCORE Resource Contact Guide 1

Pg.128 2. SCORE Certificate Request Form 1

Pg.129 3. SCORE Glossary of Terms 1

M. CLOSING COMMENTS

N. ADJOURNMENT

UPCOMING MEETING

October 13 & 14, 2016 – Training Day, Board of Directors Meeting, Anderson, CA



Small Cities Organized Risk Effort
Board of Directors Teleconference Meeting August 26, 2016

Agenda Item E.

CONSENT CALENDAR

ACTION ITEM

ISSUE: Items on the Consent Calendar should be reviewed by the Board and, if there is any item requiring clarification or amendment, it should be removed for separate discussion. The Board should adopt the Consent Calendar excluding those items removed.

RECOMMENDATION: The Program Administrator recommends adoption of the Consent Calendar after review by the Board of Directors. *Items requested to be removed from Consent will be placed back on the agenda in an order determined by the President.*

FISCAL IMPACT: None

BACKGROUND: Items of importance, that may not require discussion, are included on the Consent Calendar for adoption.

ATTACHMENTS:

1. Board of Directors Meeting *Draft* Minutes – June 24, 2016
2. US Bank Account Statements – June—July 2016
3. Local Agency Investment Fund (LAIF) Quarterly Statement of Investments – June 30, 2016
4. Treasurer’s Report as of June 30, 2016
5. Investment Statements from Chandler Asset Management – June—July 2016
6. ACI Quarterly Utilization Report – April—June 2016
7. Target Solutions Administrative Summary as of June 30, 2016
8. SCORE Checking Register as of June—July 30, 2016



**Small Cities Organized Risk Effort (SCORE)
Board of Directors Meeting Minutes
June 24, 2016**

Member Cities Present:

John Busch, City of Biggs
Laurie Van Groningen, City of Colfax
Wes Heathcock, City of Colfax
Pamela Russell, City of Dunsmuir
Linda Romaine, Town of Fort Jones
Robert Jankovitz, City of Isleton
Jim Goodwin, City of Live Oak
Roger Carroll, Town of Loomis
Cricket Strock, Town of Loomis
Kathy LeBlanc, City of Loyalton

Muriel Howarth Terrell, City of Mt. Shasta
Robert Meacher, 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
Ron Stock, City of Weed
Steve Baker, City of Yreka

Member Cities Absent:

Marylin Seward, City of Etna

Don Kincade, City of Montague

Consultants & Guests

Michael Simmons, Alliant Insurance Services
Marcus Beverly, Alliant Insurance Services
Michelle Minnick, Alliant Insurance Services
Kathryn Mullis, ACI

Cameron Dewey, York Risk Services
Tracey Smith-Reed, Gilbert Associates, Inc.
Cindy Conklin, Gilbert Associates, Inc.

A. CALL TO ORDER

Mr. Roger Carroll 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 Etna and the City of Montague.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Kathy LeBlanc

SECOND: Steve Baker

**MOTION CARRIED
UNANIMOUSLY**



D. PUBLIC COMMENT

There were no public comments.

E. CONSENT CALENDAR

1. Board of Directors Meeting *Draft Minutes* – April 1, 2016
2. US Bank Custodial Account Statement – October 2015, April – May 2016
3. Local Agency Investment Fund (LAIF) Quarterly Statement of Investment – March 31, 2016
4. Treasurer’s Report as of March 31, 2016
5. SCORE Checking Account Transaction List – March 1, 2016 – June 14, 2016
6. Investment Statements from Chandler Asset Management – March – May 2016
7. Target Solutions Utilization Report – March – May 2016
8. ACI Utilization Report – January – March 2016
9. Company Nurse Injury Summary Report – March 2016
10. Traveler’s ID Fraud Revised Quote and Annual Premium approved by BOD 4-1-1

A motion was made to approve the Consent Calendar after removing E.1. for discussion.

**MOTION: Linda Romaine SECOND: John Duckett MOTION CARRIED
UNANIMOUSLY**

E.1. Board of Directors Meeting Draft Minutes – April 1, 2016

Roger Carroll requested to pull the Board of Director Minutes off of the Consent Calendar and mentioned there was no need to list out who made the motion and second for claims authority requests. He did note that if there was not action taken that should be documented in the minutes.

A motion was made to remove the persons who made a motion during closed session items on the Board of Directors Minutes from the April 1, 2016 meeting.

**MOTION: Steve Baker SECOND: John Duckett MOTION CARRIED
UNANIMOUSLY**

F. ADMINISTRATIVE REPORTS

F1. President’s Report

Mr. Roger Carroll welcomed the new people and noted there are no closed session items on this agenda and indicated that this is because the big claims have closed.

F2. CJPRMA Update

Roger Carroll noted there was a great meeting in Aptos and mentioned there was discussion about starting an Excess Workers’ Compensation pool and we should compare the cost to LAWCX to determine which program offers the better deal.



F3. LAWCX Update

Steve Baker attended the last LAWCX meeting and noted there was discussion about an alternative dispute program.

F4. ERMA Update

John Duckett noted the ERMA meeting was short and mentioned they presented the new budget for FY 16/17 which included five new entities into the program which has increased the premium. Marcus Beverly added that members are encouraged to apply to join the program if they do not already participate. He also mentioned for those who are in the ERMA program it was suggested that members sign up for a training session as it's included in the membership. Shasta Lake indicated they will be hosting a couple training sessions around May of 2017 but there is no official date yet.

F5. Alliant Update

Marcus Beverly encouraged members who have shared interest contracts/agreements that he would like to see the mutual hold harmless language in the contracts and if there are any doubts to send the contract to Marcus for review. It was also noted that DKF is continuing to develop the online training for all the members per their contract.

G. FINANCIAL

G1. Quarterly Financials for QE March 31, 2016

Tracey Smith Reed provided a summary of the Quarterly Financial Statement for period ending 3/31/2016 and indicated there is good news overall.

- Total Net Assets are up about \$500k due to an increase in market values and receivables.
- Investments are doing well at this point - Investments and other current assets remained the same
- Total Current Liabilities decreased from \$7.3 million to \$5 million as of March 31, 2016 as claim estimates have gone down – this should continue to go down if we continue to have no closed session items
- Total net position is up \$2 million
- Budget to Actual is showing extremely low for Workers' Compensation (46%) and Liability (18%) and if that trend continues it should be good news all around

There was a question regarding what unearned revenue consists of and it was noted that most of the premiums are billed in January for the entire year as they are paid upfront and then recognized for each quarter as it has already been billed and paid by the member. This is an accrual basis of account as the portion of coverage has not yet occurred but payment has already been received by the pool.



There was another question about Claim Recovery Receivables and it was noted that SCORE pays for all claims and then the Excess Carrier LAWCX reimburses SCORE for the funds that have been paid over the Self Insured Retention (SIR)

A motion was made to accept and file the Quarterly Financial for QE March 31, 2016.

**MOTION: Robert Meacher SECOND: Linda Romaine MOTION CARRIED
UNANIMOUSLY**

Marcus Beverly addressed the outstanding questions about claims from the last meeting and noted there was one claim that was reserved at \$200,000 for the Town of Loomis that went away, another was a sewer claim that resolved for about \$5,000 (which was originally reserved at \$100,000), and a Water Park claim that dropped \$90,000. He also indicated that going forward we will have more detailed budget codes specifically for the Administrative budget.

G2. Delegation of Investment Authority to SCORE Treasurer

There was no discussion on this item.

A motion was made to approve the Delegation of Investment Authority to the SCORE Treasurer.

**MOTION: Steve Baker SECOND: Kathy LeBlanc MOTION CARRIED
UNANIMOUSLY**

G3a. Premium Payment Plan Request for FY 2016/17 - Tulelake

Marcus Beverly mentioned that the City of Tulelake has requested for both Liability and Workers' Compensation Programs and reminded the Board that there is a 3% Admin fee which was previously approved by the Board to reflect the change in the administrative burden and also to encourage people to get off the payment plan. He mentioned that the payment plan has been included in the agenda for the Board's review and consideration.

A motion was made to approve the Premium Payment Plan Request for FY 2016/17 - Tulelake as presented in the agenda.

**MOTION: Ron Stock SECOND: Muriel Howarth-
Terrell MOTION CARRIED
UNANIMOUSLY**

G3b. Premium Payment Plan Request for FY 2016/17 – Isleton

Marcus Beverly also indicated the City of Isleton has asked for a similar payment plan on just the Liability Program. They have requested a payment plan and indicated they will pay half of premium up front and the payment plan would be on the unpaid balance. He mentioned that the payment plan has been included in the agenda for the Board's review and consideration.



A motion was made to approve the Premium Payment Plan Request for FY 2016/17 - Isleton as presented in the agenda.

MOTION: John Duckett

SECOND: Steve Baker

**MOTION CARRIED
UNANIMOUSLY**

H. JPA BUSINESS

H1. 2016/17 Property Program Renewal

H1a. SCORE Property Renewal Proposal

Marcus Beverly indicated there is good news as we were able to negotiate a 10% decrease with a \$5,000 deductible even with a slight increase in Total Insured Values. He noted that in terms of the actual program there have been some changes the largest being an increase in Terrorism coverage – which is broader coverage than TRIA and a significant increase in Cost of Construction due to code upgrades. There was also the addition of an exclusion in pollution related to Lead Contaminated Water.

Mike Simmons mentioned that this program also includes third party coverage (coverage due to a fire on someone else’s property which leads to a loss of revenue as a result and provided an example from the City of Stockton who had an old hotel fire which took the fire department took 4 days to put it out. The Deli across the street had no revenue coming in as a result of the fire. He went on to state that this coverage is extremely broad. He also noted members need to report the value of vehicles in order to receive coverage and mentioned the lowest deductible in the APIP program is \$5,000 while the lowest deductible was \$1,000 in the Alliant Motor Vehicle Program (AMVP). He also mentioned some of the differences between the two programs and provided an example of a ten-year old police car if a member had requested replacement cost in APIP then they would receive a new police car as opposed the AMVP the replacement cost is only good for the first three years of the vehicles life.

There was a question about coverage for un-listed animals (such as police dogs and goats) and Marcus Beverly noted that this policy covers colleges with research animals but not animal control

It was mentioned that members should provide the ACE claims reporting information to the Public Works department so they are aware there are only 7 days to report a claim as coverage is limited if you do not notify them of a claim. It was also noted that members should communicate to employees the procedures for reporting a property claim. It was also stated that the Cyber Liability is through Beasley – and members were encouraged to notify them of a claim immediately as the coverage doubles if you notify immediately (from \$500,000 to \$ 1 million).

A motion was made to approve the SCORE Property Renewal Proposal and reject the TRIA Coverage as presented in the agenda.

MOTION: Ron Stock

SECOND: Steve Baker

**MOTION CARRIED
UNANIMOUSLY**



H1b. APIP Claims Reporting Acknowledgements

Marcus Beverly indicated that all members will be asked to sign and return the claims reporting acknowledgments for the FY 2016/17.

A motion was made to approve the APIP Claims Reporting Acknowledgements for the FY 2016/17.

MOTION: Linda Romaine

SECOND: Wes Heathcock

**MOTION CARRIED
UNANIMOUSLY**

H1c. Cyber Liability Option – APIP

Mike Simmons noted there is an optional coverage available in APIP and mentioned with the Cyber Liability coverage included in APIP you have \$50,000 deductible and a \$500,000 limit and mentioned that this would be something to consider discussing at the Long Range Planning Meeting in October. It was agreed this should be a topic for the October meeting.

H2. Alliant Crime (ACIP) Presentation

Mike Simmons presented the Board with information about the Alliant Crime Insurance Program (ACIP). Examples of crime claims were presented to the Board to help explain the importance of having Crime coverage. The first example provided was a City claim which involved a lower level finance person who had been wiring money to a casino and the determined it was an employee with a sports betting problem. This City had only purchased a \$1 million dollar limit but that did not cover the amount the employee had stolen (approximately \$4.8 million). Another example was provided and involved the Comptroller of a city who was spending the City’s money and it was not until she took a vacation that the money was determined to be missing. The Auditor ended up paying \$40 million for not catching the missing money and the Comptroller will spend the rest of their life in jail as a result.

Mike Simmons noted that the ACIP Program has a minimum of a \$1 million dollar limit and includes employee theft and faithful performance. He mentioned that if your city doesn’t purchase coverage in ACIP they may not have faithful performance coverage. He mentioned that the \$1 million dollar limit is only \$950 but recommended members buy a higher limit of coverage as \$1 million does not go as far as it used to. Members were also encouraged to send the Program Administrators a copy of their current policy for review to ensure that all SCORE members have adequate coverage and for those who do not have a current crime coverage to consider getting a quote at a higher limit.

There was a question about the definition of crime and whether that indicated a person had to be arrested and it was noted that ACIP covers fidelity—or someone who didn’t understand what to do and unknowingly committed a mistake. Members were encouraged to reach out to the Program Administrators if they were interested in obtaining a quote.

****NOTE: Members requested a review of item H4a at this time and to review the ACI Contract renewal after lunch.***



H3. ACI Contract Renewal for FY 2016/17

A motion was made to approve the ACI contract for the FY 2016/17.

**MOTION: Robert Meacher SECOND: Kathy LeBlanc MOTION CARRIED
UNANIMOUSLY**

H4a. Memoranda of Coverage – Liability

Marcus Beverly noted there are no changes to the Memoranda of Coverage (MOC) this year. He mentioned that because SCORE’s MOC follows the form of CJPRMA and they have not made any changes to the policy there will be no changes to the SCORE MOC for FY 16/17.

A motion was made to approve the Liability MOC for FY 16/17.

**MOTION: John Duckett SECOND: Steve Baker MOTION CARRIED
UNANIMOUSLY**

H4b. Memoranda of Coverage – Workers’ Compensation

Marcus Beverly again noted that the SCORE MOC follows the form of the excess carrier LAWCX MOC and mentioned under the exclusions section that we do not cover the 4850 differential. He went on to indicate that York tracks that information and if someone goes out on 4850 then only the Workers’ Compensation Temporary Disability is paid and the difference is not covered.

A motion was made to approve the Workers’ Compensation MOC for FY 16/17.

**MOTION: Ron Stock SECOND: Kathy LeBlanc MOTION CARRIED
UNANIMOUSLY**

H5a. SCORE Dividends Payable – Crescent City

Marcus Beverly noted that the City of Crescent City left SCORE on 7/1/11 and per the bylaws we have held money in trust from them. He noted that they currently have a balance of \$192,138 of dividends but also noted they were in a deficit of \$9k and still are as of 12/31/15. He recommended transferring \$20,682.15 from available dividends to the Workers’ Compensation Banking Layer, distribute the remaining balance of \$12,674 in the Liability Banking Layer, and distribute \$110,000 from deferred dividends, leaving \$76,976.85 to pay for any remaining Banking Layer claims and any applicable assessments from the Shared Layers.

A motion was made to approve the release of dividends to the City of Crescent City as presented in the agenda.



MOTION: Robert Meacher

SECOND: Wes Heathcock

**MOTION CARRIED
UNANIMOUSLY**

H5b. SCORE Dividends Payable – Williams

Marcus Beverly noted this was similar to Crescent City in that the City of Williams has \$127,989 in dividends (approximately \$29,000 in Workers' Compensation) and mentioned that there are five open Workers' Compensation claims and three of those claims are with the same person. It was mentioned that on one of the claims we have not paid anything as it is a denied claim and there will be no money allocated. It was recommended that the Board consider releasing the banking layer funds for both programs and leaving \$47,989 in the banking layer.

A motion was made to approve the release of dividends to the City of Williams as presented in the agenda.

MOTION: John Busch

SECOND: John Duckett

**MOTION CARRIED
UNANIMOUSLY**

H6. Loss Prevention Manual Reimbursement Policy

Marcus Beverly noted that SCORE received notice of an increase in the Lexipol pricing for those that have police force – and mentioned that this is paid out of the P&P 10 but limited the amount to \$2,000 annually. When that policy was put into place all the members were paying under \$2,000 for this service and now the pricing reflects over that amount for some members as the pricing is based upon the number of sworn officers. It was also noted that some members receive the Daily Training Bulletins (DTB) and that is paid for directly by the members. The Program Administrators are recommending budgeting the full amount and repeal of the old resolution and absorb this cost into the Administrative budget. There were questions about why pricing was different for some members and Marcus indicated he would research and follow up with the members. Members were also asked to review the number of sworn officers and provide an update to ensure the numbers presented are accurate.

A motion was made to repeal the old resolution and the policy and to include the cost of Lexipol as part of the Administration budget.

MOTION: Steve Baker

**SECOND: Muriel Howarth-
Terrell**

**MOTION CARRIED
UNANIMOUSLY**

H7. Adoption of the FY 2016/17 SCORE Program Budget

Marcus Beverly presented information related to the FY 2016/17 SCORE Program Budget and noted on the summary of the Administrative Expenses that State funding, fraud assessment, and claims audit have increased as we did an audit in both programs (Workers' Compensation and Liability) this year.



It was mentioned that the premiums were high this year and it was noted that this is due to the application of the Ex Mods. Marcus Beverly mentioned that the numbers that were presented at the last meeting were based on a model in the Bylaws and we have changed this for the FY 16/17 and we have amended the bylaws to reflect our practice.

Marcus Beverly also indicated that we have broken out the Administration Budget so that it can be easily tracked in the Financial Statements for FY 16/17. He also mentioned there is a new budget format to help make things transparent as to how we arrive at these figures for each member. Members were reminded that we use Projected Payroll and using the Experience Modified (ExMod) adjusted payroll to make it easier to illustrate for members.

A motion was made to approve the FY 2016/17 SCORE Program Budget as presented in the agenda.

MOTION: John Duckett SECOND: Ron Stock MOTION CARRIED
Opposed: Jared Hancock

H8. Nomination and Election of SCORE Officer Positions

Marcus Beverly reached out to members for nominations but none were received. There was no discussion on this item.

A motion was made to appoint as Roger Carroll President, as Steve Baker Vice President, as Linda Romaine Treasurer, and Brooke Woodcox as Secretary, and John Duckett as Executive Committee at Large.

MOTION: Robert Meacher SECOND: John Duckett MOTION CARRIED
UNANIMOUSLY

H9. Excess Partners – Representatives and Alternates

Marcus noted the current representatives and alternates and asked if there were any other member who were interested in being more involved with our Excess Partners. Roger Carroll noted that he is happy being the representative for CJPRMA and noted that John Duckett is listed on here three times as the representative for ERMA and the Alternate for CJPRMA and LAWCX. Linda Romine indicated everyone is doing a great job.

H10. Ad Hoc Committee Report

Marcus Beverly provided the Board with an update regarding the Ad Hoc Committee’s discussions about the Mini Cities pool that began last October. He noted that the Bylaws created the Mini Cities pool but they do not establish the criteria for participating members but does indicate that the Board of Directors will create criteria however the Board has not done so at this time. Marcus Beverly once again mentioned that the payroll for the Mini Cities is approximately \$4.9 million and they are the largest member of the SCORE group in terms of funding and administration. It was noted that the Ad



Hoc Committee has met a couple of times and the Board was presented with a draft Board Agenda Item to give the Ad Hoc Committee structure and a way to evaluate the options as there are an infinite number of models to address the Boards concerns. Members were asked to agree to criteria for the Ad Hoc to evaluate the options presented by the Program Administrators to ensure there is stability and equity in the pool. It was mentioned that the consensus of the committee was that change is necessary but it is still unclear as to what change is acceptable.

It was mentioned that it is healthy for a pool to re-evaluate their programs every 3-4 years based upon changes that occur. The original intent of the Ad Hoc Committee was to address concerns that the Mini Cities pool would be paying a fairer share of Administrative Expenses. Members generally agreed that the Board and the Ad Hoc Committee need to determine if it makes sense to get rid of Mini Cities Pool and if so to make sure that the Mini Cities doesn't see a large increase all at once.

There was a question about what are the benefits of participation in the Mini Cities pool other than cost savings and it was noted that there is security in the event of a large claim for a smaller member would not impact them significantly. It was also mentioned that in order to retain a Mini Cities group there needs to be a defined criteria for what a Mini Cities member is.

After a lengthy discussion it was noted that the Ad Hoc should evaluate a different split for Administrative Expenses (not just 50 fixed/50 payroll, maybe 30 fixed/70 payroll 40 fixed/60 payroll 25 fixed/75 payroll) and establish criteria as to why the Mini Cities pool exists. It was noted that any change could be phased in over time as to not impact smaller members significantly in the first year.

H11. Discussion about October Long Range Planning Meeting topics

Marcus Beverly noted that we traditionally have a new member orientation at the Long Range Planning Meeting for any new Board members and we are planning on having that session again this year. Members had expressed interest in an Employment Practices Liability session and members were also asked if there were additional topics of training of interest. It was also mentioned that DKF will be presenting information about their new program which includes the scorecard and annual report. One member asked if there was a way to consolidate the number of emails regarding training that is available and it was suggested a matrix that shows where different training options are available.

I. Town Hall Open Discussion on Member Issues

There were no discussion items.

J. INFORMATION ITEMS

- J1. CAJPA Conference – September 13-16, 2016 in South Lake Tahoe**
- J2. FY 2016/17 Resource Contact Guide**
- J3. Certificate Request Form**
- J4. Glossary of Terms**
- J5. SCORE Travel Reimbursement Form**



Items J1., J2., J3., J4. and J5. were provided as information items only.

K. CLOSING COMMENTS

There were no closing comments.

L. AJOURNMENT

The meeting was adjourned at 1:43 P.M.

NEXT MEETING DATE: August 26, 2016 TELECONFERENCE

Respectfully Submitted,

Brooke Woodcox, Secretary

Date

DRAFT



ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
June 1, 2016 to June 30, 2016

000001165 02 SP 000638492519338 P

SMALL CITIES ORGANIZED RISK EFFORT
2180 HARVARD STREET, SUITE 460
SACRAMENTO, CA 95815-3329

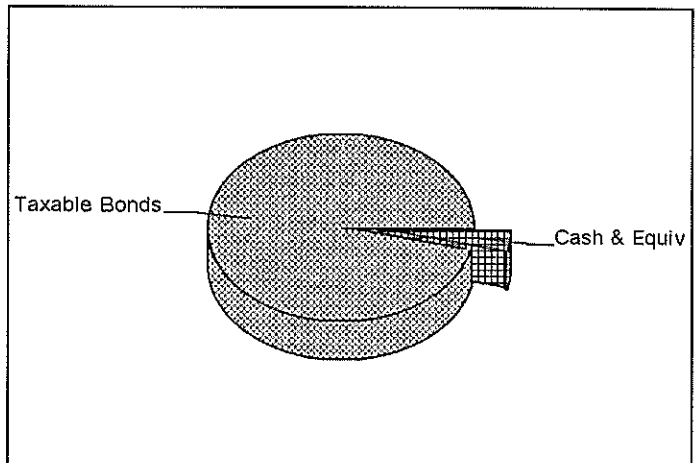
QUESTIONS?

If you have any questions regarding
your account or this statement, please
call your Relationship Manager:

Christopher Lee Stewart
CN-OH-W5IT
6225 Lusk Boulevard
San Diego, CA
92121
Phone 513-632-4194
E-mail christopher.stewart3@usbank.com

ASSET SUMMARY AS OF 06/30/16

	<u>Market Value</u>	<u>% of Total</u>	<u>Est Annual Income</u>
Taxable Bonds	\$10,772,191.69	97.0	\$163,104.58
Cash & Equivalents	\$335,714.81	3.0	\$1,657.71
Total Market Value	\$11,107,906.50	100.0	\$164,762.29



ASSET DETAIL

<u>Shares/ Par</u>	<u>Security Description</u>	<u>CUSIP</u>	<u>Market Value/ Price</u>	<u>Cost Basis</u>	<u>Yield At Market</u>	<u>Est Annual Inc</u>
Taxable Bonds						
300,000.000	F H L M C M T N 2.000 08/25/2016	3137EACW7	\$300,702.00 100.234	\$312,151.20	1.99	\$6,000.00
65,000.000	F N M A Deb 1.375 11/15/2016	3135G0ES8	65,224.25 100.345	65,514.15	1.37	893.75
250,000.000	Federal Home Loan Bks 1.625 12/09/2016	313371PV2	251,247.50 100.499	256,575.00	1.62	4,082.50
175,000.000	F N M A M T N 1.250 01/30/2017	3135G0GY3	175,791.00 100.452	174,983.73	1.24	2,187.50
200,000.000	F H L M C M T N 1.000 03/08/2017	3137EADC0	200,656.00 100.328	196,430.40	1.00	2,000.00
150,000.000	US Bancorp Medium Term Note 1.650 05/15/2017	91159HHD5	150,718.50 100.479	152,167.50	1.64	2,475.00



ASSET DETAIL (continued)

Shares/ Par	Security Description	CUSIP	Market Value/ Price	Cost Basis	Yield At Market	Est Annual Inc
Taxable Bonds						
105,000.000	Berkshire Hathaway Fin 1.600 05/15/2017	084664BS9	105,871.50 100.830	29,976.90	1.59	1,680.00
200,000.000	Federal Home Loan Bks 1.000 06/09/2017	313379FW4	200,782.00 100.391	199,758.00	1.00	2,000.00
3,984.950	John Deere Owner Trust A B S Ser 2013 B CI A3 0.870 08/15/2017	477879AC4	3,984.43 99.987	3,984.41	0.87	34.67
200,000.000	U S Treasury Note 0.625 08/31/2017	912828TM2	200,180.00 100.090	124,580.49	0.62	1,250.00
160,000.000	Federal Farm Credit Bks 0.830 09/21/2017	3133EAY28	160,395.20 100.247	160,000.00	0.83	1,328.00
105,000.000	F N M A Deb 1.000 09/27/2017	3135G0ZL0	105,480.90 100.458	104,625.15	0.99	1,050.00
120,000.000	General Electric CO 5.250 12/06/2017	369604BC6	127,132.80 105.944	136,032.00	4.95	6,300.00
135,000.000	Intel Corp 1.350 12/15/2017	458140AL4	135,800.55 100.593	134,711.10	1.34	1,822.50
40,259.790	Toyota Auto Reveivables Owner Trust A B S Ser 2014 A CI A3 0.670 12/15/2017	89231MAC9	40,232.82 99.933	40,252.36	0.67	269.74
150,000.000	F N M A Deb 0.875 12/20/2017	3135G0RT2	150,529.50 100.353	149,523.00	0.87	1,312.50
125,000.000	John Deere Capital Corp Medium Term Note 1.350 01/16/2018	24422EST7	125,900.00 100.720	124,937.50	1.34	1,687.50
48,894.660	Toyota Auto Receivables Owner Tr A B S Ser 15 C CI A2A 0.930 02/15/2018	89231TAB6	48,913.73 100.039	48,890.72	0.93	454.72
300,000.000	F H L M C 0.875 03/07/2018	3137EADP1	300,552.00 100.184	225,281.25	0.87	2,625.00
215,000.000	Federal Home Loan Bks 1.375 03/09/2018	313378A43	217,506.90 101.166	213,970.15	1.36	2,956.25
52,868.540	Honda Auto Receivables Owner Trust A B S Ser 2014 2 CI A3 0.770 03/19/2018	43814GAC4	52,841.58 99.949	52,862.19	0.69	366.38
67,725.240	John Deere Owner Trust C M O Ser 2014 A CI A3 0.920 04/16/2018	47787VAC5	67,713.73 99.983	67,714.40	0.92	623.07
135,000.000	Apple Inc 1.000 05/03/2018	037833AJ9	135,332.10 100.246	109,594.10	1.00	1,350.00
250,000.000	F N M A Deb 0.875 05/21/2018	3135G0WJ8	250,990.00 100.396	245,652.50	0.87	2,187.50
150,000.000	Federal Home Loan Bks 1.250 06/08/2018	313379DT3	151,693.50 101.129	150,552.00	1.24	1,875.00
250,000.000	U S Treasury Note 1.500 08/31/2018	912828RE2	254,717.50 101.887	247,725.45	1.47	3,750.00
200,000.000	Federal Home Loan Bks 2.000 09/14/2018	313375K48	205,670.00 102.835	204,446.00	1.94	4,000.00
400,000.000	F N M A Deb 1.625 11/27/2018	3135G0YT4	408,516.00 102.129	400,556.00	1.59	6,500.00





ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
June 1, 2016 to June 30, 2016

ASSET DETAIL (continued)

Shares/ Par	Security Description	CUSIP	Market Value/ Price	Cost Basis	Yield At Market	Est Annual Inc
Taxable Bonds						
135,000.000	Wells Fargo Company Medium Term Note 2.150 01/15/2019	94974BFQ8	137,824.20 102.092	135,160.65	2.11	2,902.50
350,000.000	U S Treasury Note 1.500 01/31/2019	912828B33	357,315.00 102.090	350,803.91	1.47	5,250.00
100,000.000	Toyota Auto Receivables Owner Trust A B S Ser 2015 A CI A3 1.440 02/15/2019	89236WAC2	100,180.00 100.180	99,984.88	1.44	1,440.00
125,000.000	Honda Auto Receivables Owner Trust A B S Ser 2015 2 CI A3 1.040 02/21/2019	43813NAC0	125,103.75 100.083	124,980.81	1.04	1,300.00
225,000.000	U S Treasury Note 1.500 02/28/2019	912828C24	229,817.25 102.141	224,490.99	1.47	3,375.00
135,000.000	Cisco Systems Inc 2.125 03/01/2019	17275RAR3	138,653.10 102.706	135,315.90	2.07	2,868.75
150,000.000	Eli Lilly CO 1.950 03/15/2019	532457BF4	153,519.00 102.346	149,341.50	1.90	2,925.00
150,000.000	F H L M C M T N 1.750 05/30/2019	3137EADG1	154,125.00 102.750	150,455.70	1.70	2,625.00
175,000.000	U S Treasury Note 1.500 05/31/2019	912828WL0	178,951.50 102.258	172,977.15	1.47	2,625.00
200,000.000	U S Treasury Note 1.625 07/31/2019	912828WW6	205,398.00 102.699	199,586.61	1.58	3,250.00
135,000.000	American Honda Finance Medium Term Note 2.250 08/15/2019	02665WAH4	139,394.25 103.255	136,318.95	2.18	3,037.50
135,000.000	Bank Of NY Mellon Medium Term Note 2.300 09/11/2019	06406HCW7	137,752.65 102.039	135,334.80	2.25	3,105.00
250,000.000	F N M A 1.750 09/12/2019	3135G0ZG1	256,922.50 102.769	249,452.50	1.70	4,375.00
135,000.000	Hsbc Usa Inc 2.375 11/13/2019	40428HPN6	136,081.35 100.801	135,329.40	2.36	3,206.25
250,000.000	U S Treasury Note 1.500 11/30/2019	912828G61	255,820.00 102.328	252,325.06	1.47	3,750.00
135,000.000	Jpmorgan Chase CO 2.250 01/23/2020	46625HKA7	136,856.25 101.375	134,410.05	2.22	3,037.50
150,000.000	U S Treasury Note 1.250 01/31/2020	912828H52	152,191.50 101.461	147,846.21	1.23	1,875.00
85,000.000	John Deere Owner Trust A B S Ser 2016 A CI A3 1.360 04/15/2020	47788MAC4	85,311.95 100.367	84,986.62	1.35	1,156.00
60,000.000	Honda Auto Recievables Owner Tr C M O Ser 2016 2 CI A3 1.390 04/15/2020	43814QAC2	60,438.00 100.730	59,998.84	1.38	834.00
150,000.000	U S Treasury Note 1.375 04/30/2020	912828K58	152,824.50 101.883	148,729.02	1.35	2,062.50
110,000.000	Pepsico Inc 1.850 04/30/2020	713448CS5	111,604.90 101.459	109,937.30	1.82	2,035.00
100,000.000	Qualcomm Inc 2.250 05/20/2020	747525AD5	102,782.00 102.782	99,276.00	2.19	2,250.00

This statement is for the period from
June 1, 2016 to June 30, 2016**ASSET DETAIL (continued)**

Shares/ Par	Security Description	CUSIP	Market Value/ Price	Cost Basis	Yield At Market	Est Annual Inc
Taxable Bonds						
250,000.000	U S Treasury Note 1.500 05/31/2020	912828XE5	255,820.00 102.328	247,973.49	1.47	3,750.00
225,000.000	Federal Home Loan Bks 1.750 06/12/2020	313383HU8	230,987.25 102.661	227,929.50	1.70	3,937.50
225,000.000	F N M A Deb 1.500 06/22/2020	3135G0D75	229,322.25 101.921	223,287.75	1.47	3,375.00
125,000.000	U S Treasury Note 1.625 07/31/2020	912828XM7	128,540.00 102.832	125,635.18	1.58	2,031.25
350,000.000	U S Treasury Note 1.375 10/31/2020	912828L99	356,331.50 101.809	345,124.22	1.35	4,812.50
200,000.000	F N M A 1.500 11/30/2020	3135G0F73	203,392.00 101.696	196,460.00	1.47	3,000.00
150,000.000	U S Treasury Note 1.375 01/31/2021	912828N89	152,655.00 101.770	149,162.61	1.35	2,062.50
225,000.000	Federal Home Loan Bks 1.375 02/18/2021	3130A7CV5	227,652.75 101.179	224,140.60	1.36	3,093.75
500,000.000	F N M A Deb 1.375 02/26/2021	3135G0J20	505,180.00 101.036	503,455.50	1.36	6,875.00
150,000.000	Exxon Mobil Corporation 2.222 03/01/2021	30231GAV4	154,657.50 103.105	151,124.80	2.15	3,333.00
145,000.000	Chevron Corp 2.100 05/16/2021	166764BG4	147,768.05 101.909	144,150.30	2.06	3,045.00
75,000.000	State Street Corp 1.950 05/19/2021	857477AV5	75,942.75 101.257	74,961.00	1.93	1,462.50
	Total Taxable Bonds		\$10,772,191.69	\$10,383,895.45		\$163,104.58
Cash & Equivalents						
220,000.000	Bank Of Tokyo Mitsubis C P 10/26/2016	06538BKS1	219,485.20 99.766	219,457.33	0.75	1,650.62
116,229.610	First American Government Obligation Fund Cl Y	31846V203	116,229.61 1.000	116,229.61	0.01	7.09
	Income Cash		\$465,885.42	\$465,885.42		\$0.00
	Principal Cash		- \$465,885.42	- \$465,885.42		\$0.00
	Total Cash & Equivalents		\$335,714.81	\$335,686.94		\$1,657.71
	Total Investments		\$11,107,906.50	\$10,719,582.39		\$164,762.29

Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.





This statement is for the period from
June 1, 2016 to June 30, 2016

CASH SUMMARY

	<u>Income Cash</u>	<u>Principal Cash</u>	<u>Total</u>
Beginning Cash Balance	\$451,831.71	- \$451,831.71	\$0.00
Receipts			
Interest	14,053.71	0.00	14,053.71
Sales/Maturities	0.00	443,134.74	443,134.74
Cash Equivalent Sales	0.00	525,692.33	525,692.33
Total Cash Receipts	\$14,053.71	\$968,827.07	\$982,880.78
Disbursements			
Trust & Investment Fees	0.00	- 1,211.17	- 1,211.17
Purchases	0.00	- 523,060.33	- 523,060.33
Cash Equivalent Purchases	0.00	- 458,609.28	- 458,609.28
Total Cash Disbursements	\$0.00	- \$982,880.78	- \$982,880.78
Ending Cash Balance	\$465,885.42	- \$465,885.42	\$0.00



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Page 6 of 9

ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
June 1, 2016 to June 30, 2016

TRANSACTION DETAIL

<u>Date Posted</u>	<u>Description</u>	<u>Income Cash</u>	<u>Principal Cash</u>	<u>Balance</u>
06/01/16	Beginning Cash Balance	\$451,831.71	- \$451,831.71	\$0.00
06/01/16	Interest Earned On First Amer Govt Oblig Fund Cl Y Interest From 5/1/16 To 5/31/16	0.33		0.33
06/06/16	Cash Disbursement Paid To Chandler Asset Management Investment Counsel Fee Mgmt Fee For The Pe Ending 5/31/16		- 1,107.00	- 1,106.67
06/06/16	Interest Earned On General Electric CO 5.250% 12/06/17 0.02625 USD/\$1 Pv On 120,000 Par Value Due 6/6/16	3,150.00		2,043.33
06/08/16	Interest Earned On F H L B Deb 1.250% 6/08/18 0.00625 USD/\$1 Pv On 150,000 Par Value Due 6/8/16	937.50		2,980.83
06/09/16	Interest Earned On F H L B Deb 1.000% 6/09/17 0.005 USD/\$1 Pv On 200,000 Par Value Due 6/9/16	1,000.00		3,980.83
06/09/16	Interest Earned On F H L B Deb 1.625% 12/09/16 0.008125 USD/\$1 Pv On 250,000 Par Value Due 6/9/16	2,031.25		6,012.08
06/10/16	Matured 200,000 Par Value Of F H L B Deb 2.125% 6/10/16 Trade Date 6/10/16 200,000 Par Value At 100 %		200,000.00	206,012.08
06/10/16	Interest Earned On F H L B Deb 2.125% 6/10/16 0.010625 USD/\$1 Pv On 200,000 Par Value Due 6/10/16	2,125.00		208,137.08
06/13/16	Interest Earned On F H L B Deb 1.750% 6/12/20 0.00875 USD/\$1 Pv On 225,000 Par Value Due 6/12/16	1,968.75		210,105.83
06/15/16	Interest Earned On Honda Auto 1.390% 4/15/20 0.000579 USD/\$1 Pv On 60,000 Par Value Due 6/15/16	34.75		210,140.58
06/15/16	Interest Earned On John Deere Owner 0.870% 8/15/17 \$0.00073/Pv On 5,567.76 Pv Due 6/15/16	4.04		210,144.62
06/15/16	Paid Down 1,582.81 Par Value Of John Deere Owner 0.870% 8/15/17 Trade Date 6/15/16		1,582.81	211,727.43
06/15/16	Interest Earned On John Deere Owner 0.920% 4/16/18 \$0.00077/Pv On 72,726.42 Pv Due 6/15/16	55.76		211,783.19
06/15/16	Paid Down 5,001.18 Par Value Of John Deere Owner 0.920% 4/16/18 Trade Date 6/15/16		5,001.18	216,784.37





ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
June 1, 2016 to June 30, 2016

TRANSACTION DETAIL (continued)

<u>Date Posted</u>	<u>Description</u>	<u>Income Cash</u>	<u>Principal Cash</u>	<u>Balance</u>
06/15/16	Interest Earned On John Deere Owner 1.360% 4/15/20 \$0.00113/Pv On 85,000.00 Pv Due 6/15/16	96.33		216,880.70
06/15/16	Interest Earned On Toyota Auto 0.670% 12/15/17 \$0.00056/Pv On 45,934.76 Pv Due 6/15/16	25.65		216,906.35
06/15/16	Paid Down 5,674.97 Par Value Of Toyota Auto 0.670% 12/15/17 Trade Date 6/15/16		5,674.97	222,581.32
06/15/16	Interest Earned On Toyota Auto 0.930% 2/15/18 \$0.00077/Pv On 54,888.68 Pv Due 6/15/16	42.08		222,623.40
06/15/16	Paid Down 5,994.02 Par Value Of Toyota Auto 0.930% 2/15/18 Trade Date 6/15/16		5,994.02	228,617.42
06/15/16	Interest Earned On Toyota Auto 1.440% 2/15/19 \$0.00093/Pv On 100,000.00 Pv Due 6/15/16	93.33		228,710.75
06/15/16	Interest Earned On Intel Corp 1.350% 12/15/17 0.00675 USD/\$1 Pv On 135,000 Par Value Due 6/15/16	911.25		229,622.00
06/20/16	Interest Earned On Honda Auto 0.693% 3/19/18 \$0.00064/Pv On 58,259.36 Pv Due 6/18/16	37.38		229,659.38
06/20/16	Paid Down 5,390.82 Par Value Of Honda Auto 0.693% 3/19/18 Trade Date 6/18/16		5,390.82	235,050.20
06/20/16	Interest Earned On F N M A Deb 0.875% 12/20/17 0.004375 USD/\$1 Pv On 150,000 Par Value Due 6/20/16	656.25		235,706.45
06/21/16	Interest Earned On Honda Auto 1.040% 2/21/19 \$0.00087/Pv On 125,000.00 Pv Due 6/21/16	108.33		235,814.78
06/22/16	Interest Earned On F N M A Deb 1.500% 6/22/20 0.0075 USD/\$1 Pv On 225,000 Par Value Due 6/22/16	1,687.50		237,502.28
06/24/16	Matured 220,000 Par Value Of Bank Of Tokyo Mitsubis C P 6/24/16 Trade Date 6/24/16 220,000 Par Value At 100 %		219,490.94	456,993.22
06/24/16	Interest Earned On Bank Of Tokyo Mitsubis C P 6/24/16 220,000 Par Value At 100 %	509.06		457,502.28
06/27/16	Trust Fees Collected Charged For Period 05/01/2016 Thru 05/31/2016		- 104.17	457,398.11



ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
June 1, 2016 to June 30, 2016

TRANSACTION DETAIL (continued)

<u>Date Posted</u>	<u>Description</u>	<u>Income Cash</u>	<u>Principal Cash</u>	<u>Balance</u>
06/28/16	Purchased 220,000 Par Value Of Bank Of Tokyo Mitsubis C P 10/26/16 Trade Date 6/27/16 Purchased Through Bank Of New York (The)/lpa 220,000 Par Value At 99.753333 %		- 219,457.33	237,940.78
06/30/16	Purchased 300,000 Par Value Of F N M A Deb 1.375% 2/26/21 Trade Date 6/29/16 Purchased Through Goldman, Sachs & CO. Purchased On The OTC Bulletin Board 300,000 Par Value At 101.201 %		- 303,603.00	- 65,662.22
06/30/16	Paid Accrued Interest On Purchase Of F N M A Deb 1.375% 2/26/21 Income Debit 1,420.83- USD	- 1,420.83		- 67,083.05
	Combined Purchases For The Period 6/ 1/16 - 6/30/16 Of First Amer Govt Oblig Fund Cl Y		- 458,609.28	- 525,692.33
	Combined Sales For The Period 6/ 1/16 - 6/30/16 Of First Amer Govt Oblig Fund Cl Y		525,692.33	0.00
06/30/16	Ending Cash Balance	\$465,885.42	- \$465,885.42	\$0.00





ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
June 1, 2016 to June 30, 2016

SALE/MATURITY SUMMARY

<u>Trade Date</u>	<u>Asset</u>	<u>Description</u>	<u>Cost Basis</u>	<u>Proceeds</u>	<u>Estimated Gain/Loss</u>
06/10/16	F H L B Deb 2.125% 6/10/16	Matured 200,000	- 209,390.00	200,000.00	- 9,390.00
06/15/16	John Deere Owner 0.870% 8/15/17	Paid Down 1,582.81	- 1,582.60	1,582.81	0.21
06/15/16	John Deere Owner 0.920% 4/16/18	Paid Down 5,001.18	- 5,000.38	5,001.18	0.80
06/15/16	Toyota Auto 0.670% 12/15/17	Paid Down 5,674.97	- 5,673.92	5,674.97	1.05
06/15/16	Toyota Auto 0.930% 2/15/18	Paid Down 5,994.02	- 5,993.54	5,994.02	0.48
06/18/16	Honda Auto 0.693% 3/19/18	Paid Down 5,390.82	- 5,390.17	5,390.82	0.65
06/24/16	Bank Of Tokyo Mitsubis C P 6/24/16	Matured 220,000	- 219,490.94	219,490.94	0.00
Total Assets Disposed			- \$452,521.55	\$443,134.74	- \$9,386.81
		- Cost Basis			
		- Proceeds			
		- Estimated Gain/Loss			

For information only. Not intended for tax purposes.

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ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
July 1, 2016 to July 31, 2016

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SMALL CITIES ORGANIZED RISK EFFORT
2180 HARVARD STREET, SUITE 460
SACRAMENTO, CA 95815-3329

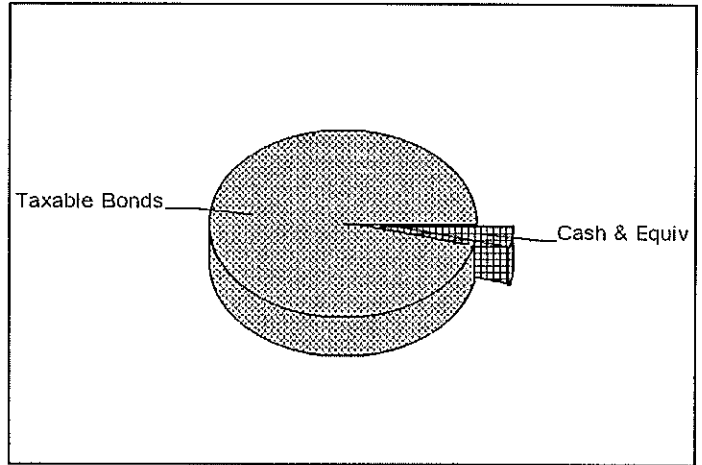
QUESTIONS?

If you have any questions regarding
your account or this statement, please
call your Relationship Manager:

Christopher Lee Stewart
CN-OH-W5IT
6225 Lusk Boulevard
San Diego, CA
92121
Phone 513-632-4194
E-mail christopher.stewart3@usbank.com

ASSET SUMMARY AS OF 07/31/16

	<u>Market Value</u>	<u>% of Total</u>	<u>Est Annual Income</u>
Taxable Bonds	\$10,876,125.11	97.9	\$164,237.08
Cash & Equivalents	\$228,407.00	2.1	\$1,651.14
Total Market Value	\$11,104,532.11	100.0	\$165,888.22



ASSET DETAIL

<u>Shares/ Par</u>	<u>Security Description</u>	<u>CUSIP</u>	<u>Market Value/ Price</u>	<u>Cost Basis</u>	<u>Yield At Market</u>	<u>Est Annual Inc</u>
Taxable Bonds						
300,000.000	F H L M C M T N 2.000 08/25/2016	3137EACW7	\$300,348.00 100.116	\$312,151.20	2.00	\$6,000.00
250,000.000	Federal Home Loan Bks 1.625 12/09/2016	313371PV2	251,065.00 100.426	256,575.00	1.62	4,062.50
175,000.000	F N M A M T N 1.250 01/30/2017	3135G0GY3	175,680.75 100.389	174,983.73	1.24	2,187.50
200,000.000	F H L M C M T N 1.000 03/08/2017	3137EADC0	200,568.00 100.284	196,430.40	1.00	2,000.00
150,000.000	US Bancorp Medium Term Note 1.650 05/15/2017	91159HHD5	150,787.50 100.525	152,167.50	1.64	2,475.00
105,000.000	Berkshire Hathaway Fin 1.600 05/15/2017	084664BS9	105,607.95 100.579	29,976.90	1.59	1,680.00

This statement is for the period from
July 1, 2016 to July 31, 2016

ASSET DETAIL (continued)

Shares/ Par	Security Description	CUSIP	Market Value/ Price	Cost Basis	Yield At Market	Est Annual Inc
Taxable Bonds						
200,000.000	Federal Home Loan Bks 1.000 06/09/2017	313379FW4	200,578.00 100.289	199,758.00	1.00	2,000.00
2,948.620	John Deere Owner Trust A B S Ser 2013 B CI A3 0.870 08/15/2017	477879AC4	2,948.38 99.992	2,948.22	0.87	25.65
200,000.000	U S Treasury Note 0.625 08/31/2017	912828TM2	200,008.00 100.004	124,580.49	0.63	1,250.00
160,000.000	Federal Farm Credit Bks 0.830 09/21/2017	3133EAY28	160,289.60 100.181	160,000.00	0.83	1,328.00
105,000.000	F N M A Deb 1.000 09/27/2017	3135G0ZL0	105,385.35 100.367	104,625.15	1.00	1,050.00
120,000.000	General Electric CO 5.250 12/06/2017	369604BC6	126,814.80 105.679	136,032.00	4.97	6,300.00
135,000.000	Intel Corp 1.350 12/15/2017	458140AL4	135,838.35 100.621	134,711.10	1.34	1,822.50
34,616.370	Toyota Auto Reveivables Owner Trust A B S Ser 2014 A CI A3 0.670 12/15/2017	89231MAC9	34,590.75 99.926	34,609.98	0.67	231.93
150,000.000	F N M A Deb 0.875 12/20/2017	3135G0RT2	150,340.50 100.227	149,523.00	0.87	1,312.50
125,000.000	John Deere Capital Corp Medium Term Note 1.350 01/16/2018	24422EST7	125,626.25 100.501	124,937.50	1.34	1,687.50
43,107.550	Toyota Auto Receivables Owner Tr A B S Ser 15 C CI A2A 0.930 02/15/2018	89231TAB6	43,109.27 100.004	43,104.08	0.93	400.90
300,000.000	F H L M C 0.875 03/07/2018	3137EADP1	300,519.00 100.173	225,281.25	0.87	2,625.00
215,000.000	Federal Home Loan Bks 1.375 03/09/2018	313378A43	216,997.35 100.929	213,970.15	1.36	2,956.25
47,435.740	Honda Auto Receivables Owner Trust A B S Ser 2014 2 CI A3 0.770 03/19/2018	43814GAC4	47,411.07 99.948	47,430.04	0.69	328.73
62,241.700	John Deere Owner Trust C M O Ser 2014 A CI A3 0.920 04/16/2018	47787VAC5	62,219.29 99.964	62,231.74	0.92	572.62
135,000.000	Apple Inc 1.000 05/03/2018	037833AJ9	135,238.95 100.177	109,594.10	1.00	1,350.00
250,000.000	F N M A Deb 0.875 05/21/2018	3135G0WJ8	250,522.50 100.209	245,652.50	0.87	2,187.50
150,000.000	Federal Home Loan Bks 1.250 06/08/2018	313379DT3	151,216.50 100.811	150,552.00	1.24	1,875.00
250,000.000	U S Treasury Note 1.500 08/31/2018	912828RE2	254,227.50 101.691	247,725.45	1.47	3,750.00
200,000.000	Federal Home Loan Bks 2.000 09/14/2018	313375K48	204,854.00 102.427	204,446.00	1.95	4,000.00
400,000.000	F N M A Deb 1.625 11/27/2018	3135G0YT4	407,528.00 101.882	400,556.00	1.59	6,500.00
135,000.000	Wells Fargo Company Medium Term Note 2.150 01/15/2019	94974BFQ8	137,706.75 102.005	135,160.65	2.11	2,902.50





ASSET DETAIL (continued)

Shares/ Par	Security Description	CUSIP	Market Value/ Price	Cost Basis	Yield At Market	Est Annual Inc
Taxable Bonds						
350,000.000	U S Treasury Note 1.500 01/31/2019	912828B33	356,727.00 101.922	350,803.91	1.47	5,250.00
100,000.000	Toyota Auto Receivables Owner Trust A B S Ser 2015 A CI A3 1.440 02/15/2019	89236WAC2	100,097.00 100.097	99,984.88	1.44	1,440.00
100,000.000	John Deere Owner Trust C M O Ser 2016 B CI A2 1.090 02/15/2019	47788NAB4	99,994.00 99.994	99,993.90	1.09	1,090.00
125,000.000	Honda Auto Receivables Owner Trust A B S Ser 2015 2 CI A3 1.040 02/21/2019	43813NAC0	125,005.00 100.004	124,980.81	1.04	1,300.00
225,000.000	U S Treasury Note 1.500 02/28/2019	912828C24	229,473.00 101.988	224,490.99	1.47	3,375.00
135,000.000	Cisco Systems Inc 2.125 03/01/2019	17275RAR3	138,670.65 102.719	135,315.90	2.07	2,868.75
150,000.000	Eli Lilly CO 1.950 03/15/2019	532457BF4	153,504.00 102.336	149,341.50	1.90	2,925.00
150,000.000	F H L M C M T N 1.750 05/30/2019	3137EADG1	153,744.00 102.496	150,455.70	1.71	2,625.00
175,000.000	U S Treasury Note 1.500 05/31/2019	912828WL0	178,678.50 102.102	172,977.15	1.47	2,625.00
200,000.000	U S Treasury Note 1.625 07/31/2019	912828VW6	205,024.00 102.512	199,586.61	1.58	3,250.00
135,000.000	American Honda Finance Medium Term Note 2.250 08/15/2019	02665WAH4	139,151.25 103.075	136,318.95	2.18	3,037.50
135,000.000	Bank Of NY Mellon Medium Term Note 2.300 09/11/2019	06406HCW7	138,869.10 102.866	135,334.80	2.24	3,105.00
250,000.000	F N M A 1.750 09/12/2019	3135G0ZG1	256,432.50 102.573	249,452.50	1.71	4,375.00
135,000.000	Hsbc Usa Inc 2.375 11/13/2019	40428HPN6	136,875.15 101.389	135,329.40	2.34	3,206.25
250,000.000	U S Treasury Note 1.500 11/30/2019	912828G61	255,470.00 102.188	252,325.06	1.47	3,750.00
135,000.000	Jpmorgan Chase CO 2.250 01/23/2020	46625HKA7	137,668.95 101.977	134,410.05	2.21	3,037.50
150,000.000	U S Treasury Note 1.250 01/31/2020	912828H52	152,004.00 101.336	147,846.21	1.23	1,875.00
85,000.000	John Deere Owner Trust A B S Ser 2016 A CI A3 1.360 04/15/2020	47788MAC4	85,239.70 100.282	84,986.62	1.36	1,156.00
60,000.000	Honda Auto Recievables Owner Tr C M O Ser 2016 2 CI A3 1.390 04/15/2020	43814QAC2	60,282.00 100.470	59,998.84	1.38	834.00
150,000.000	U S Treasury Note 1.375 04/30/2020	912828K58	152,643.00 101.762	148,729.02	1.35	2,062.50
110,000.000	Pepsico Inc 1.850 04/30/2020	713448CS5	112,262.70 102.057	109,937.30	1.81	2,035.00
100,000.000	Qualcomm Inc 2.250 05/20/2020	747525AD5	103,111.00 103.111	99,276.00	2.18	2,250.00

This statement is for the period from
July 1, 2016 to July 31, 2016**ASSET DETAIL (continued)**

Shares/ Par	Security Description	CUSIP	Market Value/ Price	Cost Basis	Yield At Market	Est Annual Inc
Taxable Bonds						
250,000.000	U S Treasury Note 1.500 05/31/2020	912828XE5	255,547.50 102.219	247,973.49	1.47	3,750.00
225,000.000	Federal Home Loan Bks 1.750 06/12/2020	313383HU8	230,955.75 102.647	227,929.50	1.70	3,937.50
225,000.000	F N M A Deb 1.500 06/22/2020	3135G0D75	229,005.00 101.780	223,287.75	1.47	3,375.00
125,000.000	U S Treasury Note 1.625 07/31/2020	912828XM7	128,378.75 102.703	125,635.18	1.58	2,031.25
350,000.000	U S Treasury Note 1.375 10/31/2020	912828L99	355,866.00 101.676	345,124.22	1.35	4,812.50
200,000.000	F N M A 1.500 11/30/2020	3135G0F73	203,528.00 101.764	196,460.00	1.47	3,000.00
150,000.000	U S Treasury Note 1.375 01/31/2021	912828N89	152,425.50 101.617	149,162.61	1.35	2,062.50
225,000.000	Federal Home Loan Bks 1.375 02/18/2021	3130A7CV5	227,373.75 101.055	224,140.60	1.36	3,093.75
500,000.000	F N M A Deb 1.375 02/26/2021	3135G0J20	505,380.00 101.076	503,455.50	1.36	6,875.00
150,000.000	Exxon Mobil Corporation 2.222 03/01/2021	30231GAV4	154,656.00 103.104	151,124.80	2.15	3,333.00
145,000.000	Chevron Corp 2.100 05/16/2021	166764BG4	148,233.50 102.230	144,150.30	2.05	3,045.00
75,000.000	State Street Corp 1.950 05/19/2021	857477AV5	76,186.50 101.582	74,961.00	1.92	1,462.50
100,000.000	Federal Home Loan Bks 1.125 07/14/2021	3130A8QS5	99,635.00 99.635	99,259.00	1.13	1,125.00
	Total Taxable Bonds		\$10,876,125.11	\$10,494,254.18		\$164,237.08
Cash & Equivalents						
220,000.000	Bank Of Tokyو Mitsubis C P 10/26/2016	06538BKS1	219,617.20 99.826	219,457.33	0.75	1,650.62
8,789.800	First American Government Obligation Fund Cl Y	31846V203	8,789.80 1.000	8,789.80	0.01	0.52
	Income Cash		\$470,355.93	\$470,355.93		\$0.00
	Principal Cash		- \$470,355.93	- \$470,355.93		\$0.00
	Total Cash & Equivalents		\$228,407.00	\$228,247.13		\$1,651.14
	Total Investments		\$11,104,532.11	\$10,722,501.31		\$165,888.22





ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
July 1, 2016 to July 31, 2016

ASSET DETAIL (continued)

<u>Shares/ Par</u>	<u>Security Description</u>	<u>CUSIP</u>	<u>Market Value/ Price</u>	<u>Cost Basis</u>	<u>Yield At Market</u>	<u>Est Annual Inc</u>
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Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.



ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
July 1, 2016 to July 31, 2016

CASH SUMMARY

	<u>Income Cash</u>	<u>Principal Cash</u>	<u>Total</u>
Beginning Cash Balance	\$465,885.42	- \$465,885.42	\$0.00
Receipts			
Interest	4,470.51	0.00	4,470.51
Sales/Maturities	0.00	88,556.75	88,556.75
Cash Equivalent Sales	0.00	200,400.40	200,400.40
Total Cash Receipts	\$4,470.51	\$288,957.15	\$293,427.66
Disbursements			
Trust & Investment Fees	0.00	- 104.17	- 104.17
Miscellaneous Disbursements	0.00	- 1,110.00	- 1,110.00
Purchases	0.00	- 199,252.90	- 199,252.90
Cash Equivalent Purchases	0.00	- 92,960.59	- 92,960.59
Total Cash Disbursements	\$0.00	- \$293,427.66	- \$293,427.66
Ending Cash Balance	\$470,355.93	- \$470,355.93	\$0.00





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ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
July 1, 2016 to July 31, 2016

TRANSACTION DETAIL

<u>Date Posted</u>	<u>Description</u>	<u>Income Cash</u>	<u>Principal Cash</u>	<u>Balance</u>
07/01/16	Beginning Cash Balance	\$465,885.42	- \$465,885.42	\$0.00
07/01/16	Interest Earned On First Amer Govt Oblig Fund CI Y Interest From 6/1/16 To 6/30/16	1.80		1.80
07/07/16	Cash Disbursement Paid To Chandler Asset Management, LLC Investment Counsel Fee Mgmt Fees For Pe Ending 6/30/16		- 1,110.00	- 1,108.20
07/15/16	Interest Earned On Honda Auto 1.390% 4/15/20 0.001158 USD/\$1 Pv On 60,000 Par Value Due 7/15/16	69.50		- 1,038.70
07/15/16	Interest Earned On John Deere Owner 0.870% 8/15/17 \$0.00073/Pv On 3,984.95 Pv Due 7/15/16	2.89		- 1,035.81
07/15/16	Paid Down 1,036.33 Par Value Of John Deere Owner 0.870% 8/15/17 Trade Date 7/15/16		1,036.33	0.52
07/15/16	Interest Earned On John Deere Owner 0.920% 4/16/18 \$0.00077/Pv On 67,725.24 Pv Due 7/15/16	51.92		52.44
07/15/16	Paid Down 5,483.54 Par Value Of John Deere Owner 0.920% 4/16/18 Trade Date 7/15/16		5,483.54	5,535.98
07/15/16	Interest Earned On John Deere Owner 1.360% 4/15/20 \$0.00113/Pv On 85,000.00 Pv Due 7/15/16	96.33		5,632.31
07/15/16	Interest Earned On Toyota Auto 0.670% 12/15/17 \$0.00056/Pv On 40,259.79 Pv Due 7/15/16	22.48		5,654.79
07/15/16	Paid Down 5,643.42 Par Value Of Toyota Auto 0.670% 12/15/17 Trade Date 7/15/16		5,643.42	11,298.21
07/15/16	Interest Earned On Toyota Auto 0.930% 2/15/18 \$0.00077/Pv On 48,894.66 Pv Due 7/15/16	37.49		11,335.70
07/15/16	Paid Down 5,787.11 Par Value Of Toyota Auto 0.930% 2/15/18 Trade Date 7/15/16		5,787.11	17,122.81
07/15/16	Interest Earned On Toyota Auto 1.440% 2/15/19 \$0.00093/Pv On 100,000.00 Pv Due 7/15/16	93.33		17,216.14
07/15/16	Interest Earned On Wells Fargo Com Mtn 2.150% 1/15/19 0.01075 USD/\$1 Pv On 135,000 Par Value Due 7/15/16	1,451.25		18,667.39



ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
July 1, 2016 to July 31, 2016

TRANSACTION DETAIL (continued)

Date Posted	Description	Income Cash	Principal Cash	Balance
07/18/16	Interest Earned On Honda Auto 0.693% 3/19/18 \$0.00064/Pv On 52,868.54 Pv Due 7/18/16	33.92		18,701.31
07/18/16	Paid Down 5,432.8 Par Value Of Honda Auto 0.693% 3/19/18 Trade Date 7/18/16		5,432.80	24,134.11
07/18/16	Interest Earned On John Deere M T N 1.350% 1/16/18 0.00675 USD/\$1 Pv On 125,000 Par Value Due 7/16/16	843.75		24,977.86
07/21/16	Interest Earned On Honda Auto 1.040% 2/21/19 \$0.00087/Pv On 125,000.00 Pv Due 7/21/16	108.33		25,086.19
07/25/16	Trust Fees Collected Charged For Period 06/01/2016 Thru 06/30/2016		- 104.17	24,982.02
07/25/16	Interest Earned On Jpmorgan Chase CO 2.250% 1/23/20 0.01125 USD/\$1 Pv On 135,000 Par Value Due 7/23/16	1,518.75		26,500.77
07/26/16	Sold 65,000 Par Value Of F N M A Deb 1.375% 11/15/16 Trade Date 7/25/16 Sold Through Mellon Bank/Mellon Financial M Sold On The OTC Bulletin Board 65,000 Par Value At 100.267 %		65,173.55	91,674.32
07/26/16	Received Accrued Interest On Sale Of F N M A Deb 1.375% 11/15/16 income Credit 176.27 USD	176.27		91,850.59
07/26/16	Purchased 100,000 Par Value Of F H L B Deb 1.125% 7/14/21 Trade Date 7/25/16 Purchased Through Jefferies LLC 100,000 Par Value At 99.259 %		- 99,259.00	- 7,408.41
07/26/16	Paid Accrued Interest On Purchase Of F H L B Deb 1.125% 7/14/21 Income Debit 37.50- USD	- 37.50		- 7,445.91
07/27/16	Purchased 100,000 Par Value Of John Deere Owner 1.090% 2/15/19 Trade Date 7/19/16 Purchased Through Rbc Capital Markets, LLC 100,000 Par Value At 99.9939 %		- 99,993.90	- 107,439.81
	Combined Purchases For The Period 7/ 1/16 - 7/31/16 Of First Amer Govt Oblig Fund Cl Y		- 92,960.59	- 200,400.40
	Combined Sales For The Period 7/ 1/16 - 7/31/16 Of First Amer Govt Oblig Fund Cl Y		200,400.40	0.00
07/31/16	Ending Cash Balance	\$470,355.93	- \$470,355.93	\$0.00





ACCOUNT NUMBER: 001050986308
SMALL CITIES ORGANIZED RISK EFFORT

This statement is for the period from
July 1, 2016 to July 31, 2016

SALE/MATURITY SUMMARY

Trade Date	Asset	Description	Cost Basis	Proceeds	Estimated Gain/Loss
07/15/16	John Deere Owner 0.870% 8/15/17	Paid Down 1,036.33	- 1,036.19	1,036.33	0.14
07/15/16	John Deere Owner 0.920% 4/16/18	Paid Down 5,483.54	- 5,482.66	5,483.54	0.88
07/15/16	Toyota Auto 0.670% 12/15/17	Paid Down 5,643.42	- 5,642.38	5,643.42	1.04
07/15/16	Toyota Auto 0.930% 2/15/18	Paid Down 5,787.11	- 5,786.64	5,787.11	0.47
07/18/16	Honda Auto 0.693% 3/19/18	Paid Down 5,432.8	- 5,432.15	5,432.80	0.65
07/25/16	F N M A Deb 1.375% 11/15/16	Sold 65,000	- 65,514.15	65,173.55	- 340.60
Total Assets Disposed			- \$88,894.17	\$88,556.75	- \$337.42
		- Cost Basis			
		- Proceeds			
		- Estimated Gain/Loss			

For information only. Not intended for tax purposes.

World Class Service Delivered by World Class Professionals-Guaranteed!



BETTY T. YEE
California State Controller

**LOCAL AGENCY INVESTMENT FUND
 REMITTANCE ADVICE**

Agency Name	S.C.O.R.E.
Account Number	40-04-001

As of 07/15/2016, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 06/30/2016.

Earnings Ratio		.00001495296852820
Interest Rate		0.55%
Dollar Day Total	\$	36,745,261.42
Quarter End Principal Balance	\$	403,865.72
Quarterly Interest Earned	\$	549.45



August 17, 2016

TREASURER'S REPORT

Attached is the investment report for the period ended 06-30-2016, in accordance with Government Code 53646(b) which requires the authority Treasurer to submit quarterly to the Chief Executive Officer and the legislative body (Board of Directors), a quarterly Investment Report within thirty (30) days following the end of the quarter covered by the report. The report shall contain the following elements; the type of investment, issuer, maturity, par and dollar amounts invested; for the funds managed by contracted parties including lending programs; the market value and source of valuation. The Treasurer must also include a description of the compliance with the stated investment policy. The description of the holdings and market value are not required if all of the Authority's funds are invested in LAIF or equivalent. The Treasurer must also include a statement regarding its ability to meet the next six (6) months cash expenditure requirements.

The Authority's funds are invested in LAIF and with Chandler Asset Management. The statements for those accounts are included as part of this Investment Report.

It is the belief of the Treasurer that the funds held in liquid investments are more than sufficient to meet the Authority's cash flow needs for the following six months, and that the investment in LAIF and other securities is in keeping with the investment policy of the Authority, as duly authorized by the Board of Directors.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "L. Romaine", is written over a horizontal line.

Linda Romaine, Treasurer

Monthly Account Statement

Small Cities Organized Risk Effort

June 1, 2016 through June 30, 2016

Chandler Team

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

Custodian

US Bank
April Bernhardt
(503)-464-3616

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.



PORTFOLIO CHARACTERISTICS

Average Duration	2.46
Average Coupon	1.50 %
Average Purchase YTM	1.44 %
Average Market YTM	0.89 %
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	2.62 yrs
Average Life	2.53 yrs

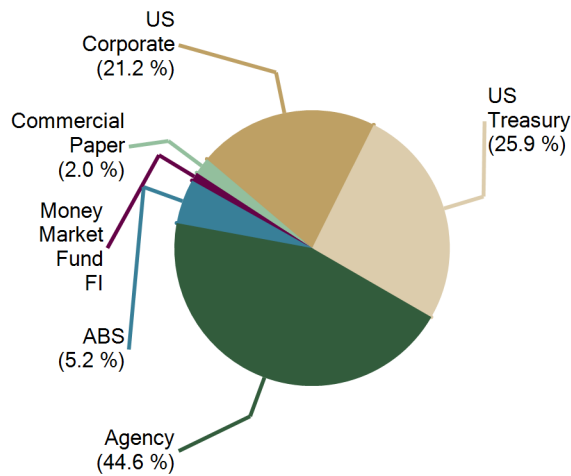
ACCOUNT SUMMARY

	Beg. Values as of 5/31/16	End Values as of 6/30/16
Market Value	11,023,936	11,107,870
Accrued Interest	37,426	36,780
Total Market Value	11,061,362	11,144,650
Income Earned	13,090	12,899
Cont/WD		-1,211
Par	10,940,690	10,949,963
Book Value	10,935,926	10,948,260
Cost Value	10,963,565	10,967,021

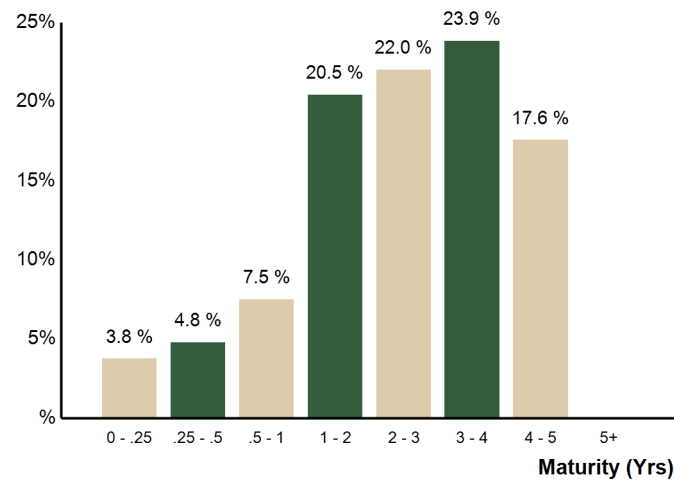
TOP ISSUERS

Issuer	% Portfolio
Government of United States	25.9 %
Federal National Mortgage Assoc	21.2 %
Federal Home Loan Bank	13.4 %
Federal Home Loan Mortgage Corp	8.6 %
Honda ABS	2.1 %
Bank of Tokyo-Mit UFJ	2.0 %
Toyota ABS	1.7 %
Federal Farm Credit Bank	1.4 %
Total	76.3 %

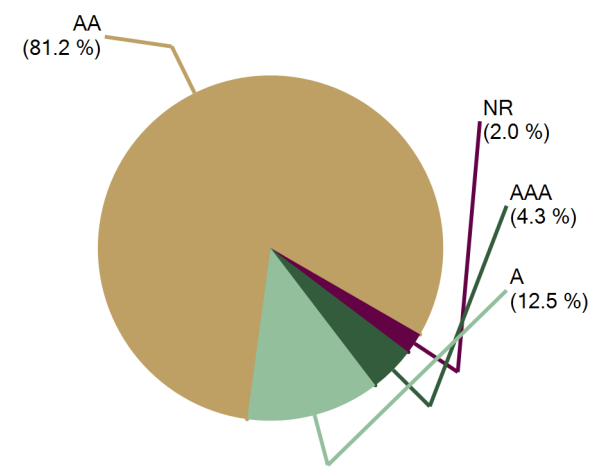
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 6/30/2016	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			3/31/2006	Since 3/31/2006
					3 Yrs	5 Yrs	10 Yrs		
Small Cities Organized Risk Effort	0.76 %	0.70 %	2.21 %	2.45 %	1.72 %	1.54 %	3.44 %	3.41 %	41.06 %
BAML 1-5 Yr US Treasury/Agency Index	0.94 %	0.79 %	2.35 %	2.39 %	1.65 %	1.42 %	3.22 %	3.19 %	37.98 %
BAML 1-5 Yr US Issuers Corp/Govt Rated AAA-A Index	0.93 %	0.83 %	2.42 %	2.53 %	1.80 %	1.57 %	3.28 %	3.25 %	38.78 %



**Small Cities Organized Risk Effort
Joint Powers Authority
June 30, 2016**

COMPLIANCE WITH INVESTMENT POLICY

Assets managed by Chandler Asset Management are in full compliance with State law and with the Authority's investment policy.

Category	Standard	Comment
U.S. Treasury Issues	No limitations	Complies
Government Agencies	No limitations	Complies
Municipal Securities	"A-" rated by a NRSRO; 20% maximum; 5% per issuer	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or higher by a NRSRO; 30% maximum; 10% per issuer	Complies
Negotiable CDs	"A" or better by a NRSRO; 30% maximum; 5% per issuer	Complies
Banker's Acceptances	A-1 rated or equivalent by a NRSRO; 30% maximum; 5% per issuer; 180 days max maturity	Complies
Commercial Paper	A-1 rated or equivalent by a NRSRO; 25% maximum; 5% per issuer; 270 days max maturity; Issuing Corp must be organized and operating within U.S., having total assets in excess of \$500 million.	Complies
Medium Term Notes	"A-" or better by a NRSRO; 30% maximum; 5% per issuer	Complies
Asset-Backed Securities	AAA rated or equivalent by a NRSRO; 20% maximum with Mort. Pass-Throughs; 5% per issuer	Complies
Mortgage Pass-Through Securities	AAA rated or equivalent by a NRSRO; 20% maximum with Asset Backs; 5% per issuer	Complies
Money Market Funds	AAA/Aaa rated by two NRSROs; 20% maximum; 10 per fund	Complies
Repurchase Agreements	5% per issuer; 1 year max maturity; Not used by investment adviser	Complies
LAIF	Not used by investment adviser	Complies
Max Per Issuer	5% (except US Government, Agencies, Supranationals, and LAIF)	Complies
Maximum maturity	5 years	Complies



Reconciliation Summary

As of 6/30/2016

BOOK VALUE RECONCILIATION	
Beginning Book Value	\$10,935,926.10
Acquisition	
+ Security Purchases	\$523,060.33
+ Money Market Fund Purchases	\$458,609.28
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
Total Acquisitions	\$981,669.61
Dispositions	
- Security Sales	\$0.00
- Money Market Fund Sales	\$524,481.16
- MMF Withdrawals	\$1,211.17
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$419,490.94
- Calls	\$0.00
- Principal Paydowns	\$23,643.80
Total Dispositions	\$968,827.07
Amortization/Accretion	
+/- Net Accretion	(\$508.61)
	(\$508.61)
Gain/Loss on Dispositions	
+/- Realized Gain/Loss	\$0.00
	\$0.00
Ending Book Value	\$10,948,260.03

CASH TRANSACTION SUMMARY	
BEGINNING BALANCE	\$183,312.66
Acquisition	
Contributions	\$0.00
Security Sale Proceeds	\$0.00
Accrued Interest Received	\$0.00
Interest Received	\$14,965.15
Dividend Received	\$0.33
Principal on Maturities	\$419,490.94
Interest on Maturities	\$509.06
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$23,643.80
Total Acquisitions	\$458,609.28
Disposition	
Withdrawals	\$1,211.17
Security Purchase	\$523,060.33
Accrued Interest Paid	\$1,420.83
Total Dispositions	\$525,692.33
Ending Book Value	\$116,229.61

Monthly Account Statement

Small Cities Organized Risk Effort

July 1, 2016 through July 31, 2016

Chandler Team

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

Custodian

US Bank
April Bernhardt
(503)-464-3616

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.



PORTFOLIO CHARACTERISTICS

Average Duration	2.43
Average Coupon	1.51 %
Average Purchase YTM	1.45 %
Average Market YTM	0.91 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.60 yrs
Average Life	2.50 yrs

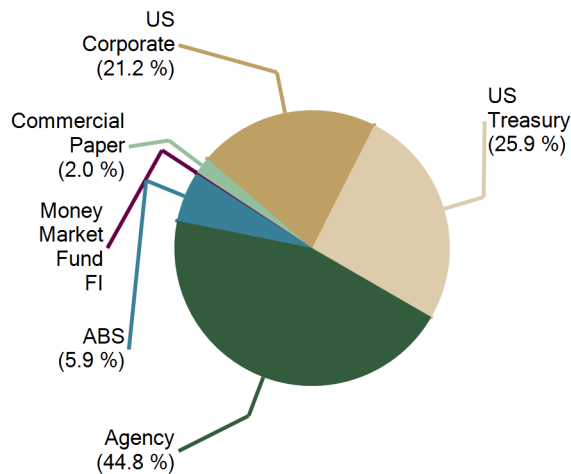
ACCOUNT SUMMARY

	Beg. Values as of 6/30/16	End Values as of 7/31/16
Market Value	11,107,870	11,112,688
Accrued Interest	36,780	37,752
Total Market Value	11,144,650	11,150,441
Income Earned	12,899	13,237
Cont/WD		-1,214
Par	10,949,963	10,962,468
Book Value	10,948,260	10,959,451
Cost Value	10,967,021	10,978,268

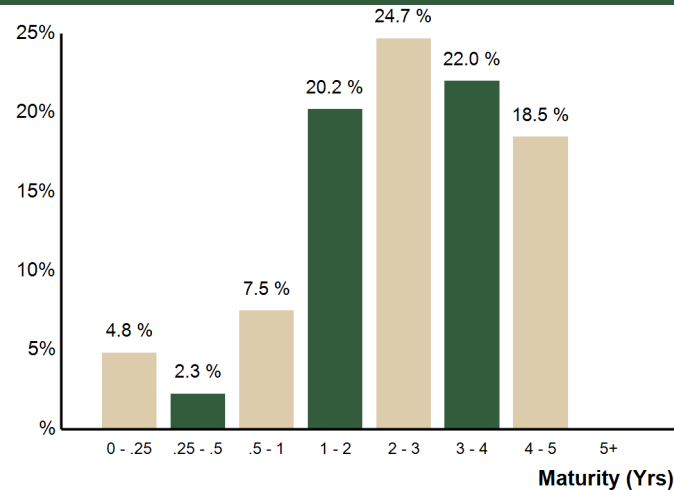
TOP ISSUERS

Issuer	% Portfolio
Government of United States	25.9 %
Federal National Mortgage Assoc	20.6 %
Federal Home Loan Bank	14.2 %
Federal Home Loan Mortgage Corp	8.6 %
John Deere ABS	2.2 %
Honda ABS	2.1 %
Bank of Tokyo-Mit UFJ	2.0 %
Toyota ABS	1.6 %
Total	77.2 %

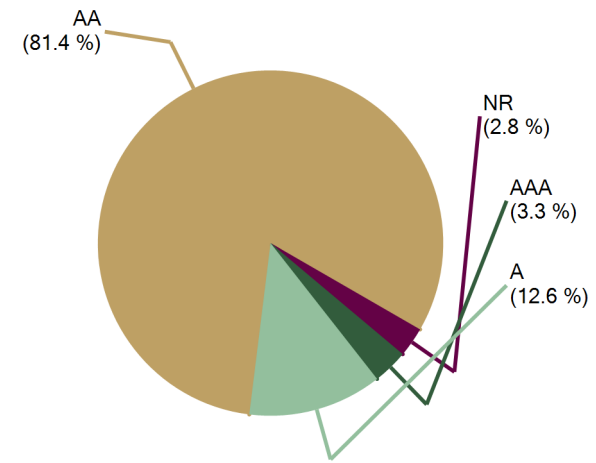
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 7/31/2016	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 3/31/2006	Since 3/31/2006
					3 Yrs	5 Yrs	10 Yrs		
Small Cities Organized Risk Effort	0.06 %	0.72 %	2.28 %	2.33 %	1.65 %	1.43 %	3.35 %	3.39 %	41.15 %
BAML 1-5 Yr US Treasury/Agency Index	-0.04 %	0.76 %	2.31 %	2.16 %	1.56 %	1.27 %	3.12 %	3.16 %	37.92 %
BAML 1-5 Yr US Issuers Corp/Govt Rated AAA-A Index	0.00 %	0.80 %	2.42 %	2.34 %	1.70 %	1.43 %	3.19 %	3.22 %	38.78 %



Small Cities Organized Risk Effort
Joint Powers Authority
July 31, 2016

COMPLIANCE WITH INVESTMENT POLICY

Assets managed by Chandler Asset Management are in full compliance with State law and with the Authority's investment policy.

Category	Standard	Comment
U.S. Treasury Issues	No limitations	Complies
Government Agencies	No limitations	Complies
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LAIF	Not used by investment adviser	Complies
Max Per Issuer	5% (except US Government, Agencies, Supranationals, and LAIF)	Complies
Maximum maturity	5 years	Complies



Reconciliation Summary

As of 7/31/2016

BOOK VALUE RECONCILIATION	
Beginning Book Value	\$10,948,260.03
Acquisition	
+ Security Purchases	\$199,252.90
+ Money Market Fund Purchases	\$36,043.07
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
Total Acquisitions	\$235,295.97
Dispositions	
- Security Sales	\$65,173.55
- Money Market Fund Sales	\$133,940.58
- MMF Withdrawals	\$1,214.17
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$0.00
- Calls	\$0.00
- Principal Paydowns	\$23,383.20
Total Dispositions	\$223,711.50
Amortization/Accretion	
+/- Net Accretion	(\$534.63)
	(\$534.63)
Gain/Loss on Dispositions	
+/- Realized Gain/Loss	\$141.38
	\$141.38
Ending Book Value	\$10,959,451.25

CASH TRANSACTION SUMMARY	
BEGINNING BALANCE	\$116,229.61
Acquisition	
Contributions	\$0.00
Security Sale Proceeds	\$65,173.55
Accrued Interest Received	\$176.27
Interest Received	\$12,658.07
Dividend Received	\$1.80
Principal on Maturities	\$0.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$23,383.20
Total Acquisitions	\$101,392.89
Disposition	
Withdrawals	\$1,214.17
Security Purchase	\$199,252.90
Accrued Interest Paid	\$37.50
Total Dispositions	\$200,504.57
Ending Book Value	\$17,117.93

4/1/2016 - 6/30/2016

Employee Assistance Program Utilization Report Utilization Summary and Analysis



SCORE

April 1, 2016 - June 30, 2016

Projected Annual Rate:

0.9%

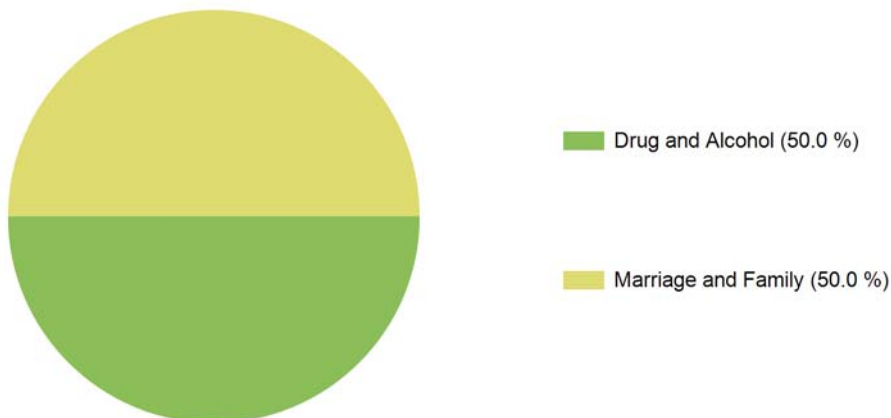
Previous Utilization Rate: 2.6%

Overall Utilization

There were 2 new contacts. 1 was referred by Human Resources, 1 had Used Before.

The presenting problems were: Alcohol and Family / Child.

2 new contacts were self-initiated.



4/1/2016 - 6/30/2016

Employee Assistance Program Utilization Report

Work/Life Utilization

In this time period there were 0 cases that were opened.

ACI Specialty Benefits has been recognized for walking the walk when it comes to work-life balance. From receiving the 2016 When Work Works Award and the WorldatWork Seal of Distinction, to appearing on Workforce's EAP Hot List, ACI understands modern employees. To address the needs of today's flexible, tech-savvy workforce, ACI offers 24/7 access to services and resources through mobile apps, employee landing pages, social media messaging, online videos and blogs. From highly-customized child, pet and elder care referrals to legal and financial services, ACI's comprehensive work-life benefits support a new generation of employees and family members.

Training and Onsite Services

April 2016

Topic	Date	Start	Duration	Type	Location
Time Management	4/8/2016	11:00 AM	1.00	Webinar	Webinar, .
Managing Conflict	4/14/2016	11:00 AM	1.00 ~	Webinar	Webinar, .
Effectively Communicating with Customers	4/14/2016	11:00 AM	1.00 ~	Webinar	Webinar, .

May 2016

Topic	Date	Start	Duration	Type	Location
*Preventing Back Injury	5/13/2016	11:00 AM	0.00	Just-Do-It	Mt. Shasta, CA
Passing the Torch	5/18/2016	10:00 AM	1.00	Webinar	

June 2016

Topic	Date	Start	Duration	Type	Location
EAP Orientation	6/24/2016	12:00 PM	0.50	Onsite	Anderson, CA

Training Comment:

ACI is pleased to have provided training services that met organizational needs during the first quarter of 2016. This quarter, ACI delivered the Quarterly Management Training Series webinar "Passing the Torch: Generational Changes in the Workplace." Next quarter, look for the upcoming "Efficiency in the Workplace" training. Visit ACI's YouTube channel for 24/7 access to more trainings and popular videos. For consultation, support services and flexible training options tailored to your workplace, contact ACI at 800-932-0034 and ask to speak with a member of the training team, or email ACI at training@acispecialtybenefits.com.

Newsletters

ACI provided the following HealthYmails this quarter: Spring Clean Your Life in 5 Simple Steps; 9 Ways to Maximize Family Time; 7 Apps for Emotional Wellness.

Formal Referrals

The Supervisory Referral process is a powerful yet easy-to-use tool for managers to address employee behavior concerns. Examples of workplace issues that can be resolved through this process include: difficulty working with others, anger management, substance abuse, loss of productivity, absenteeism, and more.

The Supervisory Referral process reduces the amount of time managers spend dealing with workplace issues and maximizes the potential for issues to be resolved.

To begin a Supervisory Referral, or for more information or consultation, contact the ACI Clinical Department at 800-932-0034.

Number of Formal Referrals: 0

Number of Informal Referrals: 0

4/1/2016 - 6/30/2016

Employee Assistance Program Utilization Report**Utilization Hours**

Onsite Services and Webinars	4.50
Employee Assessment	4.00
Consultation: Supervisor, Management and Outside Consultants	39.00
Total Program Hours this Period:	47.50

Utilization Comments

Today's workforce is known for being tech-savvy, socially motivated and multi-generational. By 2025, 75% of the workforce will be millennials. With 50% of ACI Specialty Benefits made up of millennials, ACI understands the needs of modern employees and is proud to be your partner for the new workforce. By utilizing the latest mobile, global and social technology, ACI engages users in every way possible. From videos on Youtube to live chat, online intake, mobile app and text access to services, ACI provides on-demand benefits and resources to meet global employees needs 24/7.

From 4/1/2016 to 6/30/2016, SCORE achieved an annualized utilization rate of 0.9%. With ACI 's data calculated in real-time, annualized utilization rates presented in this report may be subject to a <2% variation.

This decreased from the previous Utilization period which was 2.6%.

4/1/2016 - 6/30/2016

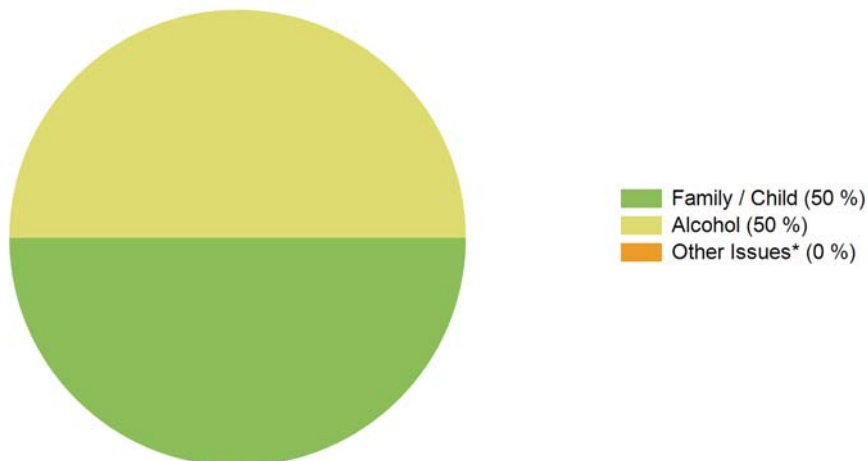
Employee Assistance Program Utilization Report

Primary Issue for Assessment

Primary Issue	New	Previous Quarter	Year To Date
Alcohol	1	0	1
Emotional	0	1	1
Family / Child	1	0	1
Job Performance	0	2	2
Marital / Relationship	0	1	1

Alcoholics and problem drinkers are absent from work up to 8.3 times more often than normal. Annual U.S. productivity losses attributed to alcohol were estimated at \$184.6 billion in 2006. Up to 40% of industrial fatalities can be linked to alcohol abuse and alcoholism. ACI's Employee Assistance Program provides effective and results-oriented assessment, intervention, and treatment recommendations for alcohol-related issues affecting employees, family members, and the workplace.

New Issues this Quarter



*Any WorkLife and Personal Services cases are detailed later in the report, and 'Other Issues' includes issues <1%.

4/1/2016 - 6/30/2016

Employee Assistance Program Utilization Report

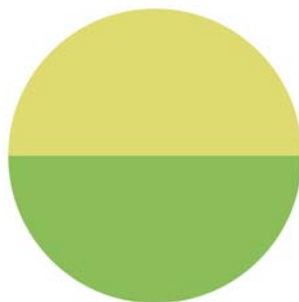
Demographic Data

Gender	New	Previous Quarter	Year To Date
Female	0	1	1
Male	2	5	7



Female (0 %)
 Male (100 %)

Age Range	New	Previous Quarter	Year To Date
0-9	0	0	0
10-19	0	0	0
20-29	1	3	4
30-39	0	1	1
40-49	1	2	3
50-59	0	0	0
60-69	0	0	0
70-79	0	0	0
80-89	0	0	0
90-99	0	0	0



20-29 (50 %)

40-49 (50 %)

Who is Initiating Contact with ACI	New	Previous Quarter	Year To Date
Self	2	5	7
Family Member	0	1	1
Other	0	0	0



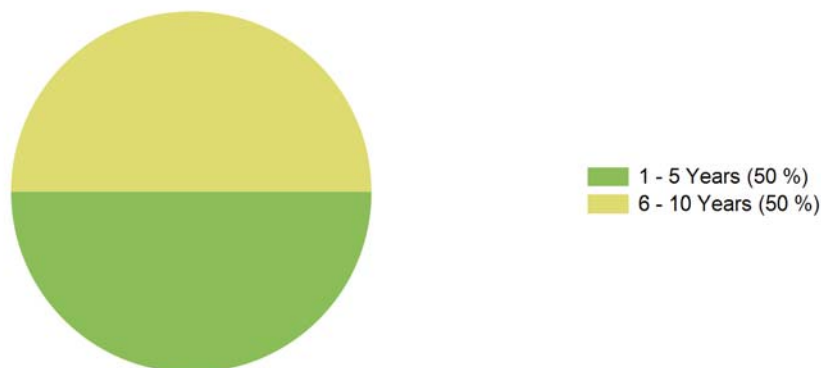
Self (100 %)
 Family Member (0 %)
 Other (0 %)

4/1/2016 - 6/30/2016

Employee Assistance Program Utilization Report

Employment Data

Years Employed	New	Previous Quarter	Year To Date
< 6 Months	0	0	0
< 1 Year	0	0	0
1 - 5 Years	1	2	3
6 - 10 Years	1	4	5
11 - 15 Years	0	0	0
16 - 20 Years	0	0	0
20+ Years	0	0	0



Job Category	New	Previous Quarter	Year To Date
Clerical	0	0	0
Labor	0	0	0
Management	0	0	0
Other	0	0	0
Production	0	0	0
Professional	2	5	7
Sales	0	0	0
Service	0	1	1
Supervisor	0	0	0
Technical	0	0	0

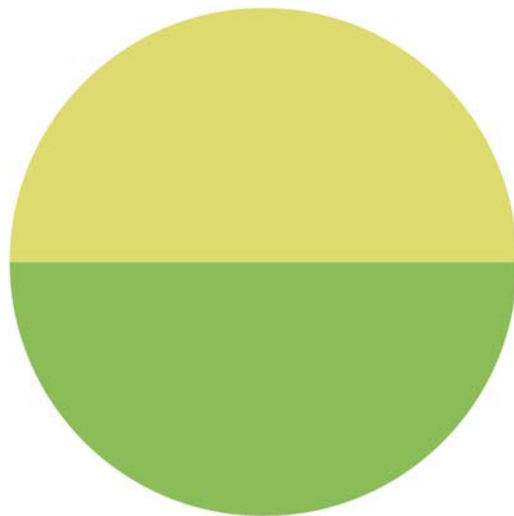


4/1/2016 - 6/30/2016

Employee Assistance Program Utilization Report

Referral Source

Referral Source	New	Previous Quarter	Year To Date
Supervisor - Formal	0	1	1
Supervisor - Informal	0	0	0
Other Employee	0	0	0
Family Member	0	1	1
Human Resources	1	1	2
Orientation / Training	0	0	0
Poster / Brochure	0	2	2
Health Fair	0	0	0
Intranet	0	0	0
Email	0	0	0
Website	0	1	1
Used Before	1	0	1
Onsite Event	0	0	0



■ Human Resources (50 %)

■ Used Before (50 %)

From: support@TargetSolutions.com
To: [Michelle Minnick](#)
Subject: SCORE - Small Cities Organized Risk Effort TargetSolutions Administrative Summary
Date: Friday, July 01, 2016 12:59:59 PM

Administrative Summary - June		
Assignments		
Completions (June 1-30)		
Users with completions:	0	0%
Total completions:	0	
Overdue Assignments (as of June 30)		
Users with assignment(s) that are overdue:	0	0%
Total overdue assignments:	0	
No Assignments (as of June 30)		
Users with no assignments:	6	100%
Users		
Log-ins (June 1-30)		
Users who have logged in:	4	67%
Credentials		
Users with credentials expiring next month (July):	0	0%



TargetSolutions has sent you this email because you have been designated as an administrator of SCORE - Small Cities Organized Risk Effort's TargetSolutions account.

If you would prefer not to receive this email in the future, please contact TargetSolutions' Client Services Department at 800.840.8048 or support@TargetSolutions.com.

For additional help or questions please contact us at:
10805 Rancho Bernardo Road, Suite 200
San Diego, CA 92127-5703



Administrative Summary - July

Assignments		
Completions (July 1-31)		
Users with completions:	0	0%
Total completions:	0	
Overdue Assignments (as of July 31)		
Users with assignment(s) that are overdue:	0	0%
Total overdue assignments:	0	
No Assignments (as of July 31)		
Users with no assignments:	6	100%

Users		
Log-ins (July 1-31)		
Users who have logged in:	2	33%
Credentials		
Users with credentials expiring next month (August):	0	0%



TargetSolutions has sent you this email because you have been designated as an administrator of SCORE - Small Cities Organized Risk Effort's TargetSolutions account.

If you would prefer not to receive this email in the future, please contact TargetSolutions' Client Services Department at 800.840.8048 or support@TargetSolutions.com.

For additional help or questions please contact us at:
10805 Rancho Bernardo Road, Suite 200
San Diego, CA 92127-5703

Small Cities Organized Risk Effort Check Detail June 2016

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt ...	2723	06/13/2016	City of Montague	100-01 - Scott Valley Bank		0.00
TOTAL					0.00	0.00
Bill Pmt ...	2724	06/13/2016	City of Montague	100-01 - Scott Valley Bank		-2,131.39
Bill	Grant ...	04/25/2016		Grant Fund Program	-423.58	423.58
Bill	Grant ...	06/09/2016		Grant Fund Program	-1,707.81	1,707.81
TOTAL					-2,131.39	2,131.39
Bill Pmt ...	2725	06/13/2016	DKF Soutlions Group, LLC	100-01 - Scott Valley Bank		-23,333.33
Bill	12513	06/01/2016		675 - Loss Control Services - DKF	-5,333.33	5,333.33
Bill	12508	05/16/2016		675 - Loss Control Services - DKF	-18,000.00	18,000.00
TOTAL					-23,333.33	23,333.33
Bill Pmt ...	2726	06/13/2016	PARMA	100-01 - Scott Valley Bank		-150.00
Bill	069460	06/06/2016		615 - Dues & Subs - CAJPA & PARMA	-150.00	150.00
TOTAL					-150.00	150.00
Bill Pmt ...	2727	06/13/2016	Gaia Hotel	100-01 - Scott Valley Bank		-500.00
Bill	10/12 ...	06/13/2016		174 - Prepaid Expenses	-500.00	500.00
TOTAL					-500.00	500.00
Bill Pmt ...	2728	06/13/2016	Gilbert Associates, Inc.	100-01 - Scott Valley Bank		-8,500.00
Bill	313906	05/31/2016		505 - Accounting Services- Gilbert	-4,250.00	4,250.00
Bill	June	06/30/2016		505 - Accounting Services- Gilbert	-4,250.00	4,250.00
TOTAL					-8,500.00	8,500.00
Bill Pmt ...	2729	06/14/2016	York Insurance Services Group, In...	100-01 - Scott Valley Bank		-16,500.80
Bill	June ...	06/01/2016		721 - Claims Admin - WC	-8,375.80	8,375.80
				830 - Claims Service - Vouchers	-8,125.00	8,125.00
TOTAL					-16,500.80	16,500.80

Small Cities Organized Risk Effort Check Detail June 2016

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt ...	2730	06/14/2016	Alliant	100-01 - Scott Valley Bank		-3,699.90
Bill	476454	06/13/2016		172 - Prepaid Insurance	-3,124.90	3,124.90
Bill	460188	05/02/2016		174 - Prepaid Expenses	-575.00	575.00
TOTAL					-3,699.90	3,699.90
Check	2731	06/20/2016	City of Tulelake	100-01 - Scott Valley Bank		-1,063.00
				Grant Fund Program	-1,063.00	1,063.00
TOTAL					-1,063.00	1,063.00
Check	2732	06/24/2016	Gaia Hotel	100-01 - Scott Valley Bank		-1,529.28
				605 - BOD Activities	-1,529.28	1,529.28
TOTAL					-1,529.28	1,529.28
Check	2733	06/24/2016	Gaia Hotel	100-01 - Scott Valley Bank		-90.72
				605 - BOD Activities	-90.72	90.72
TOTAL					-90.72	90.72
Check	2734	06/24/2016	CAJPA	100-01 - Scott Valley Bank		-450.00
				174 - Prepaid Expenses	-450.00	450.00
TOTAL					-450.00	450.00
Check	2735	06/24/2016	Seward, Marilyn	100-01 - Scott Valley Bank		-143.64
				605 - BOD Activities	-143.64	143.64
TOTAL					-143.64	143.64
Check	2739	06/29/2016	Muriel Terrell	100-01 - Scott Valley Bank		-144.00
				605 - BOD Activities	-144.00	144.00
TOTAL					-144.00	144.00
Check	2740	06/29/2016	Brooke Woodcox	100-01 - Scott Valley Bank		-284.54
				605 - BOD Activities	-284.54	284.54
TOTAL					-284.54	284.54

**Small Cities Organized Risk Effort
Check Detail
June 2016**

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Check	2742	06/30/2016	Farley Consulting Services	100-01 - Scott Valley Bank		-7,500.00
				511 - Claims Audit	-7,500.00	7,500.00
TOTAL					<u>-7,500.00</u>	<u>7,500.00</u>
Check	2743	06/30/2016	Wes Heathcock	100-01 - Scott Valley Bank		0.00
TOTAL					0.00	0.00
Check	2749	06/30/2016	Wes Heathcock	100-01 - Scott Valley Bank		-503.59
				605 - BOD Activities	-503.59	503.59
TOTAL					<u>-503.59</u>	<u>503.59</u>
Check	2750	06/30/2016	Town of Loomis	100-01 - Scott Valley Bank		-3,533.28
				Grant Fund Program	-3,533.28	3,533.28
TOTAL					<u>-3,533.28</u>	<u>3,533.28</u>

Small Cities Organized Risk Effort
Check Detail
 July 2016

<u>Type</u>	<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Paid Amount</u>
Check	2736	07/01/2016	CSAC Excess Insurance	100-01 · Scott Valley Bank	
				General Liability	-6,614.00
TOTAL					-6,614.00
Check	2737	07/01/2016	Crescent City	100-01 · Scott Valley Bank	
				Dividends Payable	-112,674.00
TOTAL					-112,674.00
Check	2738	07/01/2016	Williams	100-01 · Scott Valley Bank	
				Dividends Payable	-116,720.00
TOTAL					-116,720.00
Check	2741	07/01/2016	Alliant	100-01 · Scott Valley Bank	
				710 · Program Administration	-238,873.00
TOTAL					-238,873.00
Check	2744	07/14/2016	Employment Risk Management Authority	100-01 · Scott Valley Bank	
				EPLI	-68,523.00
TOTAL					-68,523.00
Check	2745	07/14/2016	DKF Soutlions Group, LLC	100-01 · Scott Valley Bank	
				675 · Loss Control Services - DKF	-8,333.33
TOTAL					-8,333.33
Check	2746	07/14/2016	LAWCX	100-01 · Scott Valley Bank	
				875 · Ins Premiums	-245,662.00
TOTAL					-245,662.00
Check	2747	07/18/2016	Crescent City	100-01 · Scott Valley Bank	
				Dividends Payable	-10,000.00
TOTAL					-10,000.00

Small Cities Organized Risk Effort Check Detail July 2016

Type	Num	Date	Name	Account	Paid Amount
Check	2748	07/18/2016	Lexipol LLC	100-01 · Scott Valley Bank	
				676 · Lexipol Law Enforce. Policy Man	-21,873.00
TOTAL					-21,873.00
Check	2751	07/22/2016	Alliant	100-01 · Scott Valley Bank	
				Property	-319,842.54
				Property	-3,290.00
TOTAL					-323,132.54
Check	2752	07/22/2016	John Busch	100-01 · Scott Valley Bank	
				605 · BOD Activities	-95.04
TOTAL					-95.04
Check	2753	07/22/2016	ACI Specialty Benefits (Corp)	100-01 · Scott Valley Bank	
				EAP	-9,369.00
TOTAL					-9,369.00



**Small Cities Organized Risk Effort
Board of Directors Teleconference Meeting August 26, 2016**

Agenda Item G.1.

QUARTERLY FINANCIALS FOR QE JUNE 30, 2016

ACTION ITEM

ISSUE: The Board of Directors receives a quarterly report on the financial status of SCORE. Gilbert Associates will present SCORE's Financials for Quarter ending June 30, 2016 to the Board of Directors for their review.

RECOMMENDATION: Receive and file the Quarterly Financials as presented.

FISCAL IMPACT: Unknown.

BACKGROUND: Each quarter the Board of Directors reviews the quarterly financials for accuracy and refers questions for follow-up, or receives and files the report as presented.

ATTACHMENT(S): Quarterly Financial Reports as of 06/30/16

Small Cities Organized Risk Effort
Statement of Net Position
As of June 30, 2016 and June 30, 2015

	<u>Jun 30, '16</u>	<u>Jun 30, '15</u>
ASSETS		
Current Assets		
Checking/Savings		
Scott Valley Bank - General	\$ 667,075.92	\$ 246,150.32
Scott Valley Bank Claims Accounts		
Scott Valley Bank - Liability	35,747.49	29,993.42
Scott Valley Bank - Workers' Comp	41,187.98	49,322.58
LAIF		
LAIF	403,865.72	402,387.31
Total Checking/Savings	<u>1,147,877.11</u>	<u>727,853.63</u>
Other Current Assets		
Chandler - Investment Account		
Chandler - Investments	10,631,333.72	10,407,468.06
Chandler - Unrealized Gain (Loss)	140,849.58	16,702.38
US Bank	335,686.94	434,583.27
Total Chandler - Investment Account	<u>11,107,870.24</u>	<u>10,858,753.71</u>
Due from ERMA	30,040.00	52,913.00
Due from Members - Adj Premiums		12,285.00
Interest Receivable	37,329.30	34,301.86
Member Accounts Receivable	682,444.37	427,880.00
Claim Recovery Receivable	86,540.13	63,986.20
Prepaid Expenses	14,678.07	23,318.29
Total Other Current Assets	<u>11,958,902.11</u>	<u>11,473,438.06</u>
Total Current Assets	<u>13,106,779.22</u>	<u>12,201,291.69</u>
TOTAL ASSETS	<u>\$ 13,106,779.22</u>	<u>\$ 12,201,291.69</u>

Small Cities Organized Risk Effort
Statement of Net Position
As of June 30, 2016 and June 30, 2015

	Jun 30, '16	Jun 30, '15
LIABILITIES		
Current Liabilities		
Claims Reserves - Current		
Claims Reserves - W/C	798,932.00	933,356.00
Claims Reserves - Liability	172,154.01	791,394.00
Total Claims Payable - Current	971,086.01	1,724,750.00
Accounts Payable	41,177.40	8,394.47
Dividend Payable to Members	387,811.00	359,550.00
Total Current Liabilities	1,400,074.41	2,092,694.47
Long Term Liabilities		
Claims Reserves - Non-Current		
Claims Reserves - W/C	1,270,228.00	1,135,250.00
Claims Reserves - Liability	237,736.00	350,966.00
Total Claims Payable - Non-Current	1,507,964.00	1,486,216.00
IBNR		
IBNR Reserves - W/C	1,343,641.00	1,581,576.00
IBNR Reserves - Liability	851,118.00	556,523.00
Total IBNR	2,194,759.00	2,138,099.00
ULAE		
ULAE - W/C	170,640.00	182,509.00
ULAE - Liability	63,050.00	84,944.00
Total ULAE	233,690.00	267,453.00
Total Long Term Liabilities	3,936,413.00	3,891,768.00
Total Liabilities	5,336,487.41	5,984,462.47
NET POSITION		
Net Position - Workers' Compensation		
Board Designated - W/C	1,250,000.00	1,250,000.00
Workers' Compensation Banking Layer	1,344,858.66	1,118,916.56
Net Position - Liability		
Board Designated - Liability	2,500,000.00	2,500,000.00
Liability Banking Layer	742,482.57	495,945.45
Undesignated Net Position		
Unrestricted 393-02	379,487.99	(207,946.37)
Net Revenues Over (Under) Expenditures	1,553,462.59	1,059,913.58
Total Net Position	\$ 7,770,291.81	\$ 6,216,829.22

Small Cities Organized Risk Effort
Statement of Revenue, Expenses, and Changes in Net Position
For the Quarter and Year Ended June 30, 2016 and June 30, 2015

	<u>Apr '16 - Jun '16</u>	<u>Jul '15 - Jun '16</u>	<u>Jul '14 -Jun '15</u>
Ordinary Revenue			
Revenue			
Member Contributions	\$ 818,242.78	\$ 3,383,415.00	\$ 3,087,858.00
Member Assessment/Refunds	33,669.00	211,428.00	-
Bank/LAIF Interest	675.79	2,326.91	1,939.35
Managed Portfolio	41,022.87	161,122.73	155,076.59
Miscellaneous Income	30,040.00	67,350.00	146,631.00
Total Operating Revenue	<u>923,650.44</u>	<u>3,825,642.64</u>	<u>3,391,504.94</u>
Operating Expenses			
General and Administrative Expenses			
Bank Service Charges	-	-	60.00
B of D Activities	3,331.46	19,479.28	18,499.05
Cash Over/Short	-	-	11.00
Conference			2,463.46
Dues & Subscriptions	150.00	1,750.00	325.00
Insurance		575.00	575.00
Meeting Expense			135.84
Member Conference Reimbursement		1,907.05	
Miscellaneous Expenses			
Office Supplies	-	-	52.03
Safety Services	31,356.57	90,456.54	82,207.17
Safety Training	6,289.25	37,116.12	34,267.04
Treasury Services (Fort Jones)			
User Funding Assessment (WC)		18,543.23	31,813.15
Total Administration	<u>41,127.28</u>	<u>169,827.22</u>	<u>170,408.74</u>
Consulting Services			
Accounting Services	12,750.00	51,000.00	51,000.00
Actuarial Study	9,800.00	9,800.00	12,700.00
Administration Costs	58,260.75	233,043.00	225,811.00
Audit Services			
Claims Audit	7,500.00	7,500.00	2,000.00
Audit - Financial	-	20,300.00	20,300.00
Total Audit Services	<u>7,500.00</u>	<u>27,800.00</u>	<u>22,300.00</u>
Claims Services			
Claims Management -WC	16,752.40	100,509.60	100,507.20
Claims Management - Liability	16,250.00	105,625.00	97,500.00
Consulting Services		-	
TPA - Annual Fees	7,250.00	29,000.00	31,142.15
Total Claims Services	<u>40,252.40</u>	<u>235,134.60</u>	<u>229,149.35</u>

Small Cities Organized Risk Effort
Statement of Revenue, Expenses, and Changes in Net Position
For the Quarter and Year Ended June 30, 2016 and June 30, 2015

	<u>Apr '16 - Jun '16</u>	<u>Jul '15 - Jun '16</u>	<u>Jul '14 -Jun '15</u>
Investment Fees	3,631.51	14,412.04	14,239.13
Legal	-	-	6,303.77
Total Consulting Services	<u>132,194.66</u>	<u>571,189.64</u>	<u>561,503.25</u>
Total General and Administrative Expenses	<u>173,321.94</u>	<u>741,016.86</u>	<u>731,911.99</u>
Insurance Expenses			
Insurance Premiums	194,164.47	776,513.94	689,446.61
Total Insurance Expenses	<u>194,164.47</u>	<u>776,513.94</u>	<u>689,446.61</u>
Claims Expenses			
Claims Payments			
Claim Payments - WC	104,925.00	549,008.23	799,473.21
Claim Payments - Liability	104,568.97	244,092.81	1,106,093.28
Total Claim Payments	<u>209,493.97</u>	<u>793,101.04</u>	<u>1,905,566.49</u>
Changes in Claims Liabilities			
Change in Reserves	(240,074.21)	(731,915.99)	(515,155.00)
Changes in IBNR	56,660.00	56,660.00	(503,610.00)
Changes in ULAE	(33,763.00)	(33,763.00)	(50,939.00)
Total Change in Claims Liabilities	<u>(217,177.21)</u>	<u>(709,018.99)</u>	<u>(1,069,704.00)</u>
Total Claims Expenses	<u>(7,683.24)</u>	<u>84,082.05</u>	<u>835,862.49</u>
Grant Fund Program	47,537.67	88,625.53	60,249.69
Dividends	-	687,141.00	-
General Contingency	-	-	-
Total Expenses	<u>407,340.84</u>	<u>2,377,379.38</u>	<u>2,317,470.78</u>
Net Operating Revenue	516,309.60	1,448,263.26	1,074,034.16
Other Revenue (Expense)			
Investment Gain/Loss	36,088.30	105,199.33	(14,120.58)
Net Revenue Over (Under) Expenses	<u>\$ 552,397.90</u>	<u>\$ 1,553,462.59</u>	<u>\$ 1,059,913.58</u>
Net Position, Beginning		<u>\$ 6,216,829.22</u>	<u>\$ 5,156,915.64</u>
Net Position Ending		<u>\$ 7,770,291.81</u>	<u>\$ 6,216,829.22</u>

Small Cities Organized Risk Effort
Statement of Revenue, Expenses Budget to Actual
For the Year to Date Ended June 30, 2016

	<u>Jul '15 - Jun '16</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Revenue				
Revenue				
Member Contributions	\$ 3,383,415.00	\$ 3,322,913.00	\$ 60,502.00	101.8%
Member Assessment/Refunds	211,428.00	-	\$ 211,428.00	100.0%
Bank/LAIF Interest	2,326.91	-	2,326.91	100.0%
Managed Portfolio	161,122.73	-	161,122.73	100.0%
Miscellaneous Income	67,350.00	-	67,350.00	100.0%
Total Operating Revenue	<u>3,825,642.64</u>	<u>3,322,913.00</u>	<u>502,729.64</u>	<u>115.1%</u>
Operating Expenses				
Bank Service Charges		500.00	(500.00)	0.0%
B of D Activities	19,479.28	25,000.00	(5,520.72)	77.9%
Conference		19,000.00	(19,000.00)	0.0%
Contingency Reserve		25,000.00	(25,000.00)	0.0%
Dues & Subscriptions	1,750.00	1,000.00	750.00	175.0%
Insurance	575.00	500.00	75.00	115.0%
Member Conference Reimbursemen	1,907.05	-	1,907.05	100.0%
Miscellaneous Expenses		1,000.00	(1,000.00)	0.0%
Safety Services	90,456.54	96,000.00	(5,543.46)	94.2%
Safety Training	37,116.12	45,000.00	(7,883.88)	82.5%
User Funding Assessment (WC)	18,543.23	23,760.00	(5,216.77)	78.0%
Total Administration	<u>169,827.22</u>	<u>236,760.00</u>	<u>(66,932.78)</u>	<u>71.7%</u>
Consulting Services				
Accounting Services	51,000.00	51,000.00	-	100.0%
Actuarial Study	9,800.00	10,000.00	(200.00)	98.0%
Administration Costs	233,043.00	233,043.00	-	100.0%
Audit Services				
Claims Audit	7,500.00	10,000.00	(2,500.00)	75.0%
Audit - Financial	20,300.00	20,300.00	-	100.0%
Total Audit Services	<u>27,800.00</u>	<u>30,300.00</u>	<u>(2,500.00)</u>	<u>91.7%</u>
Bookkeeping Services	-	1,000.00	-	0.0%
Claims Services				
Claims Management -WC	100,509.60	100,510.00	(0.40)	100.0%
Claims Management - Liability	105,625.00	97,500.00	8,125.00	108.3%
TPA - Annual Fees	29,000.00	26,000.00	3,000.00	111.5%
Total Claims Services	<u>235,134.60</u>	<u>224,010.00</u>	<u>11,124.60</u>	<u>105.0%</u>

Small Cities Organized Risk Effort
Statement of Revenue, Expenses Budget to Actual
For the Year to Date Ended June 30, 2016

	<u>Jul '15 - Jun '16</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Investment Fees	14,412.04	14,100.00	312.04	102.2%
Legal	-	7,000.00	(7,000.00)	0.0%
Total Consulting Services	<u>571,189.64</u>	<u>570,453.00</u>	<u>1,736.64</u>	<u>100.1%</u>
Total General and Administrative Expense	<u>741,016.86</u>	<u>807,213.00</u>	<u>(65,196.14)</u>	<u>91.8%</u>
Insurance Expenses				
Insurance Premiums	776,513.94	730,141.00	46,372.94	106.4%
Total Insurance Expenses	<u>776,513.94</u>	<u>730,141.00</u>	<u>46,372.94</u>	<u>106.4%</u>
Claims Expenses				
Claims Payments				
Claim Payments - WC	549,008.23	956,795.00	(407,786.77)	57.4%
Claim Payments - Liability	244,092.81	768,846.00	(524,753.19)	31.7%
Total Claim Payments	<u>793,101.04</u>	<u>1,725,641.00</u>	<u>(932,539.96)</u>	<u>46.0%</u>
Changes in Claims Liabilities				
Change in Reserves	(731,915.99)	-	(731,915.99)	100.0%
Change in IBNR	56,660.00	-	56,660.00	100.0%
Change in ULAE	(33,763.00)	-	(33,763.00)	100.0%
Total Claims Expenses	<u>84,082.05</u>	<u>1,725,641.00</u>	<u>(1,664,455.95)</u>	<u>4.9%</u>
Grant Fund Program	88,625.53	-	88,625.53	100.0%
Dividends	687,141.00	-	687,141.00	100.0%
General Contingency				
Total Expenses	<u>2,377,379.38</u>	<u>3,262,995.00</u>	<u>(907,512.62)</u>	<u>72.9%</u>
Net Operating Revenue	1,448,263.26	59,918.00	1,410,242.26	
Other Revenue (Expense)				
Investment Gain/Loss	105,199.33	-	105,199.33	100.0%
Net Revenue Over (Under) Expenses	<u><u>\$ 1,553,462.59</u></u>	<u><u>\$ 59,918.00</u></u>	<u><u>\$ 1,515,441.59</u></u>	

**Small Cities Organized Risk Effort
Supplemental Schedule
Liability Banking Layer Equity by Member
July 2015 through June 2016**

	<u>Biggs</u>	<u>Colfax</u>	<u>Crescent City</u>	<u>Dorris</u>	<u>Dunsmuir</u>	<u>Etna</u>
Member Contributions						
Banking Layer Liability Contributions	\$ 5,895.00	\$ 6,503.00	\$ -	\$ -	\$ 11,944.00	\$ 4,894.00
Banking Layer Member Assessments	-	-	-	-	13,683.25	-
Total Member Contributions	<u>5,895.00</u>	<u>6,503.00</u>	<u>-</u>	<u>-</u>	<u>25,627.25</u>	<u>4,894.00</u>
Total Contributions	<u>5,895.00</u>	<u>6,503.00</u>	<u>-</u>	<u>-</u>	<u>25,627.25</u>	<u>4,894.00</u>
Claims Cost						
Banking Layer Incurred Expense	-	(24,349.00)	-	-	300.96	-
Liability Claim Incurred Expenses	-	-	-	-	-	-
Total Claims Cost	<u>-</u>	<u>(24,349.00)</u>	<u>-</u>	<u>-</u>	<u>300.96</u>	<u>-</u>
Net Contributions over Expenses	<u>5,895.00</u>	<u>30,852.00</u>	<u>-</u>	<u>-</u>	<u>25,326.29</u>	<u>4,894.00</u>
Beginning Banking Layer Equity: July 1, 2015	13,237.12	3,000.00	25,174.00	14,903.00	(65,353.06)	7,562.00
Ending Banking Layer Equity: June 30, 2016	<u>\$ 19,132.12</u>	<u>\$ 33,852.00</u>	<u>\$ 25,174.00</u>	<u>\$ 14,903.00</u>	<u>\$ (40,026.77)</u>	<u>\$ 12,456.00</u>

**Small Cities Organized Risk Effort
Supplemental Schedule
Liability Banking Layer Equity by Member
July 2015 through June 2016**

	<u>Fort Jones</u>	<u>lone</u>	<u>Isleton</u>	<u>Live Oak</u>	<u>Loomis</u>	<u>Loyalton</u>
Member Contributions						
Banking Layer Liability Contributions	\$ 4,300.00	\$ -	\$ 4,862.00	\$ 14,769.00	\$ 11,118.00	\$ 2,140.00
Banking Layer Member Assessments	-	-	32,337.50	-	-	2,424.50
Total Member Contributions	<u>4,300.00</u>	<u>-</u>	<u>37,199.50</u>	<u>14,769.00</u>	<u>11,118.00</u>	<u>4,564.50</u>
Total Contributions	<u>4,300.00</u>	<u>-</u>	<u>37,199.50</u>	<u>14,769.00</u>	<u>11,118.00</u>	<u>4,564.50</u>
Claims Cost						
Banking Layer Incurred Expense	-	-	2,300.00	11,516.00	(54,520.02)	(1.00)
Liability Claim Incurred Expenses						
Total Claims Cost	<u>-</u>	<u>-</u>	<u>2,300.00</u>	<u>11,516.00</u>	<u>(54,520.02)</u>	<u>(1.00)</u>
Net Contributions over Expenses	<u>4,300.00</u>	<u>-</u>	<u>34,899.50</u>	<u>3,253.00</u>	<u>65,638.02</u>	<u>4,565.50</u>
Beginning Banking Layer Equity: July 1, 2015	19,195.00	36,923.00	(50,289.93)	59,986.88	(91,717.46)	16,597.00
Ending Banking Layer Equity: June 30, 2016	<u>\$ 23,495.00</u>	<u>\$ 36,923.00</u>	<u>\$ (15,390.43)</u>	<u>\$ 63,239.88</u>	<u>\$ (26,079.44)</u>	<u>\$ 21,162.50</u>

**Small Cities Organized Risk Effort
Supplemental Schedule
Liability Banking Layer Equity by Member
July 2015 through June 2016**

	<u>Montague</u>	<u>Mt. Shasta</u>	<u>Portola</u>	<u>Rio Dell</u>	<u>Shasta Lake</u>	<u>Susanville</u>
Member Contributions						
Banking Layer Liability Contributions	\$ 4,568.00	\$ 34,586.00	\$ 8,794.00	\$ 13,438.00	\$ 34,118.00	\$ 42,256.00
Banking Layer Member Assessments	-	1,021.00	-	-	-	-
Total Member Contributions	<u>4,568.00</u>	<u>35,607.00</u>	<u>8,794.00</u>	<u>13,438.00</u>	<u>34,118.00</u>	<u>42,256.00</u>
Total Contributions	<u>4,568.00</u>	<u>35,607.00</u>	<u>8,794.00</u>	<u>13,438.00</u>	<u>34,118.00</u>	<u>42,256.00</u>
Claims Cost						
Banking Layer Incurred Expense	7,639.92	60,760.79	2,703.89	(4,250.25)	22,501.00	43,750.27
Liability Claim Incurred Expenses						
Total Claims Cost	<u>7,639.92</u>	<u>60,760.79</u>	<u>2,703.89</u>	<u>(4,250.25)</u>	<u>22,501.00</u>	<u>43,750.27</u>
Net Contributions over Expenses	<u>(3,071.92)</u>	<u>(25,153.79)</u>	<u>6,090.11</u>	<u>17,688.25</u>	<u>11,617.00</u>	<u>(1,494.27)</u>
Beginning Banking Layer Equity: July 1, 2015	<u>14,507.25</u>	<u>(22,794.98)</u>	<u>60,570.04</u>	<u>38,112.13</u>	<u>127,993.72</u>	<u>107,939.69</u>
Ending Banking Layer Equity: June 30, 2016	<u>\$ 11,435.33</u>	<u>\$ (47,948.77)</u>	<u>\$ 66,660.15</u>	<u>\$ 55,800.38</u>	<u>\$ 139,610.72</u>	<u>\$ 106,445.42</u>

**Small Cities Organized Risk Effort
Supplemental Schedule
Liability Banking Layer Equity by Member
July 2015 through June 2016**

	<u>Tulelake</u>	<u>Weed</u>	<u>Williams</u>	<u>Yreka</u>	<u>Total Liability Banking Layer</u>
Member Contributions					
Banking Layer Liability Contributions	\$ 4,955.00	\$ 37,799.00	\$ -	\$ 45,333.00	\$ 292,272.00
Banking Layer Member Assessments	-	-	-	-	49,466.25
Total Member Contributions	<u>4,955.00</u>	<u>37,799.00</u>	<u>-</u>	<u>45,333.00</u>	<u>341,738.25</u>
Total Contributions	<u>4,955.00</u>	<u>37,799.00</u>	<u>-</u>	<u>45,333.00</u>	<u>341,738.25</u>
Claims Cost					
Banking Layer Incurred Expense	9.00	(9,650.00)	-	36,489.57	95,201.13
Liability Claim Incurred Expenses					-
Total Claims Cost	<u>9.00</u>	<u>(9,650.00)</u>	<u>-</u>	<u>36,489.57</u>	<u>95,201.13</u>
Net Contributions over Expenses	<u><u>4,946.00</u></u>	<u><u>47,449.00</u></u>	<u><u>-</u></u>	<u><u>8,843.43</u></u>	<u><u>246,537.12</u></u>
Beginning Banking Layer Equity: July 1, 2015	<u>18,628.00</u>	<u>7,503.54</u>	<u>20,461.00</u>	<u>133,807.51</u>	<u>495,945.45</u>
Ending Banking Layer Equity: June 30, 2016	<u><u>\$ 23,574.00</u></u>	<u><u>\$ 54,952.54</u></u>	<u><u>\$ 20,461.00</u></u>	<u><u>\$ 142,650.94</u></u>	<u><u>\$ 742,482.57</u></u>

**Small Cities Organized Risk Effort
Supplemental Schedule
Workers' Compensation Banking Layer Equity by Member
July 2015 through June 2016**

	<u>Biggs</u>	<u>Colfax</u>	<u>Crescent City</u>	<u>Dorris</u>	<u>Dunsmuir</u>	<u>Etna</u>
Member Contributions						
Banking Layer Work Comp Contributions	\$ 6,869.00	\$ 7,973.00	\$ -	\$ -	\$ 9,092.00	\$ 6,204.00
Banking Layer Member Assessment	-	-	12,330.00	-	-	-
Total Member Contributions	<u>6,869.00</u>	<u>7,973.00</u>	<u>12,330.00</u>	<u>-</u>	<u>9,092.00</u>	<u>6,204.00</u>
Total Contributions	<u>6,869.00</u>	<u>7,973.00</u>	<u>12,330.00</u>	<u>-</u>	<u>9,092.00</u>	<u>6,204.00</u>
Claims Cost						
Banking Layer Incurred Expense	-	(5,628.74)	14,756.39	-	9.50	-
Work Comp Incurred Expenses	<u>-</u>	<u>(5,628.74)</u>	<u>14,756.39</u>	<u>-</u>	<u>9.50</u>	<u>-</u>
Total Claims Cost	<u>-</u>	<u>(5,628.74)</u>	<u>14,756.39</u>	<u>-</u>	<u>9.50</u>	<u>-</u>
Net Contributions over Expenses	<u>6,869.00</u>	<u>13,601.74</u>	<u>(2,426.39)</u>	<u>-</u>	<u>9,082.50</u>	<u>6,204.00</u>
Beginning Banking Layer Equity: July 1, 2015	<u>22,595.00</u>	<u>38,711.23</u>	<u>(9,231.42)</u>	<u>5,577.21</u>	<u>35,892.96</u>	<u>17,890.00</u>
Ending Banking Layer Equity: June 30, 2016	<u>\$ 29,464.00</u>	<u>\$ 52,312.97</u>	<u>\$ (11,657.81)</u>	<u>\$ 5,577.21</u>	<u>\$ 44,975.46</u>	<u>\$ 24,094.00</u>

**Small Cities Organized Risk Effort
Supplemental Schedule
Workers' Compensation Banking Layer Equity by Member
July 2015 through June 2016**

	<u>Fort Jones</u>	<u>Ione</u>	<u>Live Oak</u>	<u>Loomis</u>	<u>Loyalton</u>	<u>Montague</u>
Member Contributions						
Banking Layer Work Comp Contributions	\$ 5,407.00	\$ -	\$ 17,463.00	\$ 12,663.00	\$ 2,430.00	\$ 5,593.00
Banking Layer Member Assessment	-	-	-	-	-	-
Total Member Contributions	<u>5,407.00</u>	<u>-</u>	<u>17,463.00</u>	<u>12,663.00</u>	<u>2,430.00</u>	<u>5,593.00</u>
Total Contributions	<u>5,407.00</u>	<u>-</u>	<u>17,463.00</u>	<u>12,663.00</u>	<u>2,430.00</u>	<u>5,593.00</u>
Claims Cost						
Banking Layer Incurred Expense	697.77	-	2,649.96	-	-	-
Work Comp Incurred Expenses	-	-	-	-	-	-
Total Claims Cost	<u>697.77</u>	<u>-</u>	<u>2,649.96</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Contributions over Expenses	<u>4,709.23</u>	<u>-</u>	<u>14,813.04</u>	<u>12,663.00</u>	<u>2,430.00</u>	<u>5,593.00</u>
Beginning Banking Layer Equity: July 1, 2015	<u>(14,203.17)</u>	<u>17,334.67</u>	<u>107,142.85</u>	<u>40,068.00</u>	<u>7,331.00</u>	<u>(23,505.50)</u>
Ending Banking Layer Equity: June 30, 2016	<u>\$ (9,493.94)</u>	<u>\$ 17,334.67</u>	<u>\$ 121,955.89</u>	<u>\$ 52,731.00</u>	<u>\$ 9,761.00</u>	<u>\$ (17,912.50)</u>

**Small Cities Organized Risk Effort
Supplemental Schedule
Workers' Compensation Banking Layer Equity by Member
July 2015 through June 2016**

	<u>Mt. Shasta</u>	<u>Portola</u>	<u>Rio Dell</u>	<u>Shasta Lake</u>	<u>Susanville</u>	<u>Tuleleake</u>
Member Contributions						
Banking Layer Work Comp Contributions	\$ 47,546.00	\$ 11,083.00	\$ 17,257.00	\$ 35,596.00	\$ 65,061.00	\$ 5,568.00
Banking Layer Member Assessment	14,840.50	-	-	-	-	-
Total Member Contributions	<u>62,386.50</u>	<u>11,083.00</u>	<u>17,257.00</u>	<u>35,596.00</u>	<u>65,061.00</u>	<u>5,568.00</u>
Total Contributions	<u>62,386.50</u>	<u>11,083.00</u>	<u>17,257.00</u>	<u>35,596.00</u>	<u>65,061.00</u>	<u>5,568.00</u>
Claims Cost						
Banking Layer Incurred Expense	23,771.01	21,121.90	1,726.32	19,397.46	31,982.91	-
Work Comp Incurred Expenses						
Total Claims Cost	<u>23,771.01</u>	<u>21,121.90</u>	<u>1,726.32</u>	<u>19,397.46</u>	<u>31,982.91</u>	<u>-</u>
Net Contributions over Expenses	<u><u>38,615.49</u></u>	<u><u>(10,038.90)</u></u>	<u><u>15,530.68</u></u>	<u><u>16,198.54</u></u>	<u><u>33,078.09</u></u>	<u><u>5,568.00</u></u>
Beginning Banking Layer Equity: July 1, 2015	<u>(46,177.00)</u>	<u>17,687.02</u>	<u>22,980.29</u>	<u>249,382.00</u>	<u>244,813.99</u>	<u>-</u>
Ending Banking Layer Equity: June 30, 2016	<u><u>\$ (7,561.51)</u></u>	<u><u>\$ 7,648.12</u></u>	<u><u>\$ 38,510.97</u></u>	<u><u>\$ 265,580.54</u></u>	<u><u>\$ 277,892.08</u></u>	<u><u>\$ 5,568.00</u></u>

**Small Cities Organized Risk Effort
Supplemental Schedule
Workers' Compensation Banking Layer Equity by Member
July 2015 through June 2016**

	<u>Weed</u>	<u>Williams</u>	<u>Yreka</u>	<u>Total Work Comp Banking Layer</u>
Member Contributions				
Banking Layer Work Comp Contributions	\$ 32,182.00	\$ -	\$ 53,606.00	\$ 341,593.00
Banking Layer Member Assessment	3,235.00	-	-	30,405.50
Total Member Contributions	<u>35,417.00</u>	<u>-</u>	<u>53,606.00</u>	<u>371,998.50</u>
Total Contributions	<u>35,417.00</u>	<u>-</u>	<u>53,606.00</u>	<u>371,998.50</u>
Claims Cost				
Banking Layer Incurred Expense	9.50	-	35,562.42	\$ 146,056.40
Work Comp Incurred Expenses				-
Total Claims Cost	<u>9.50</u>	<u>-</u>	<u>35,562.42</u>	<u>146,056.40</u>
Net Contributions over Expenses	<u>35,407.50</u>	<u>-</u>	<u>18,043.58</u>	<u>225,942.10</u>
Beginning Banking Layer Equity: July 1, 2015	<u>81,760.11</u>	<u>53,759.00</u>	<u>249,108.32</u>	<u>1,118,916.56</u>
Ending Banking Layer Equity: June 30, 2016	<u>\$ 117,167.61</u>	<u>\$ 53,759.00</u>	<u>\$ 267,151.90</u>	<u>\$ 1,344,858.66</u>



Small Cities Organized Risk Effort
Board of Directors Teleconference Meeting August 26, 2016

Agenda Item H.1.

SCORE WORKERS' COMPENSATION AUDIT REPORT

ACTION ITEM

ISSUE: Marcus Beverly will present the SCORE Workers' Compensation claims audit recently conducted by Tim Farley. Mr. Farley audited 79 claims in June of this year and issued his report on July 8, 2016. York performed very well in the audit, with overall performance meeting or exceeding industry standards, with exceptions noted in just three categories.

The most notable category with exceptions was Diary, with no activity noted on three claims from October, November and December of 2015 to April of 2016. This was due to an examiner on a leave of absence and subsequent turnover of staff. Since that time a new examiner, Ariel Leonhard, has been managing SCORE claims. Case reserves were accurate, with only one claim requiring adjustment. Two claims were noted in the area of claim documentation with minor deficiencies.

Otherwise the audit noted timely and thorough investigation and litigation management, accurate payment and reserve calculations, and effective cost containment that is slightly below average but not unexpected given SCORE member limitations on treatment options. Caseloads are manageable and below the goal of 150 pending claims, at 142 for Ariel Leonhard.

RECOMMENDATION: Accept and file the audit report.

FISCAL IMPACT: None. Budgeted amount is \$8,000.

BACKGROUND: A claims audit is done every two years per SCORE's Workers' Compensation Master Plan Document (Article VI, Section 5A) to assure the reserving practices are financially sound and are compliant with the industry best practices. Obtaining a claims audit can identify improvements the JPA should make and can also lower risk of high cost claims. In addition, CAJPA accreditation standards recommend a claims audit every two years on self-funded programs.

ATTACHMENTS: SCORE Workers' Compensation Claims Audit – 2016



July 8, 2016

Mr. Marcus Beverly
First Vice President
Small Cities Organized Risk Effort
c/o Alliant Insurance Services
2180 Harvard Street, Suite 460
Sacramento, CA 95815

by e-mail: marcus.beverly@alliant.com

**Small Cities Organized Risk Effort (SCORE)
Workers' Compensation Claims Audit – 2016**

Dear Mr. Beverly:

Enclosed is the report of the recent audit of workers' compensation claims for the Small Cities Organized Risk Effort (SCORE). This report will be presented during the 8/26/16 Board of Directors meeting.

Thank you for allowing FCS to assist SCORE with this important project.

Sincerely,

A handwritten signature in black ink that reads "Tim Farley". The signature is written in a cursive style.

Timothy P. Farley, CPCU
President

Encl.

**Workers' Compensation
Claims Audit
2016**

for

**Small Cities Organized
Risk Effort (SCORE)**

July 8, 2016



July 8, 2016

Alliant Insurance Services
2180 Harvard Street, Suite 460
Sacramento, CA 95815

Attn: Mr. Marcus Beverly
by email: marcus.beverly@alliant.com

Small Cities Organized Risk Effort (SCORE) Workers' Compensation Claims Audit – 2016

This report summarizes the results of an audit of workers' compensation claims for the Small Cities Organized Risk Effort (SCORE). Farley Consulting Services (FCS) reviewed 79 claims administered by York Risk Services Group (York) in Roseville, California. The audit sample breakdown is:

- 60 open indemnity claims
- 15 closed indemnity claims
- 4 open medical only claims (entire open medical only caseload)

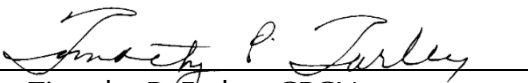
The review was conducted June 7, 2016-June 14, 2016. FCS's primary contact throughout the audit process was Ms. Doriene Zumwalt, Senior Account Manager. An exit discussion of audit findings was conducted via teleconference with Ms. Zumwalt, Ms. Lori Phillips, Unit Manager and Mr. Jeff Ponta, Vice President of York on June 15, 2016.

York provided a written response to the exit meeting on June 27, 2016. That response was considered when preparing this report.

FCS appreciates the opportunity to complete this important project for SCORE.

Respectfully submitted,

FARLEY CONSULTING SERVICES

by 
Timothy P. Farley, CPCU
President

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Appendix

Audit Lists

I. Executive Summary

FCS's review of 79 workers' compensation claims for the Small Cities Organized Risk Effort (SCORE) reveals that York continues to provide competent claims administration services. This was a conclusion after the prior audit completed in 2014. Notable deficiencies are identified in the areas of diary maintenance, but York's overall performance meets or exceeds industry standards.

FCS makes the following observations and recommendations based on the review:

1. York is adequately staffed to handle SCORE claims. Both the indemnity examiner and the future medical examiner have caseloads below the recommended maximum of 175. Exhibit 1 on page 4 displays the organizational structure of York staff assigned to the SCORE account and their respective caseloads.
2. Case reserves are accurate. Only one claim requires reserve adjustment. That claim is discussed in Exhibit 2 on page 6.
3. The audit identified no inaccurately calculated disability benefit rates.
Many member employees qualify for *Labor Code 4850* benefits. Those benefits are consistently calculated accurately and were disbursed timely.
4. Investigation is thorough on all the claims reviewed. No investigation deficiencies are identified.
5. Four claims involve subrogation pursuit issues. York is aggressively pursuing the responsible party on all four claims.
6. Cost containment is effective. Medical bill review efforts by WellComp resulted in a net savings of 52% of the original amount billed for the one-year period 6/1/15-5/31/16. Other similar entities experience a similar average net savings of 62%.
7. Medical management is effective. York retains nurse case manager vendors and utilization review (UR) vendors only when these mitigating activities cannot be provided by the York examiner. The audit confirms that these key components of claims management are competently performed.
8. Twenty-four (32%) of the indemnity claims reviewed involve some element of litigation. Litigation management is effective. Status updates from defense counsel are timely. Referrals to defense counsel are also timely.
9. York is maintaining timely diary on most of the claims reviewed, but several claims exhibit gaps in claim administration activity during the same period (late 2015-mid 2016). The deficient claims are discussed in Exhibit 3 on page 10.
10. All material reviewed for this audit was obtained via access to York's claims management information system. That system is accurately recording daily claim management information, including financial data, daily examiner activity notes,

medical documentation, and legal correspondence on all but two claims. Those claims are discussed in Exhibit 4 on page 11.

11. Supervisory activity is consistently documented to the information system. No claims supervision deficiencies are identified.
12. Eighteen claims qualify for reporting to excess insurers. All of these qualifying claims were reported to SCORE timely. No excess reporting deficiencies are identified.

These and other elements of the study are discussed in more detail in the remainder of this report.

II. Audit Results

A. Background

SCORE seeks a comprehensive audit of its workers' compensation claims currently administered by York to ensure effective claims administration and adherence to California workers' compensation statutory guidelines.

FCS reviewed 79 claims remotely via access to the York Claims Connect information system.

York provided a list of all open indemnity claims electronically. FCS chose the open indemnity claims from that list. Closed indemnity and open medical only claims were chosen randomly by York.

An exit discussion of audit findings was conducted with York staff on 6/15/16. York issued a written response to those findings, electronically, on 6/27/16.

B. Claims Handling Analysis

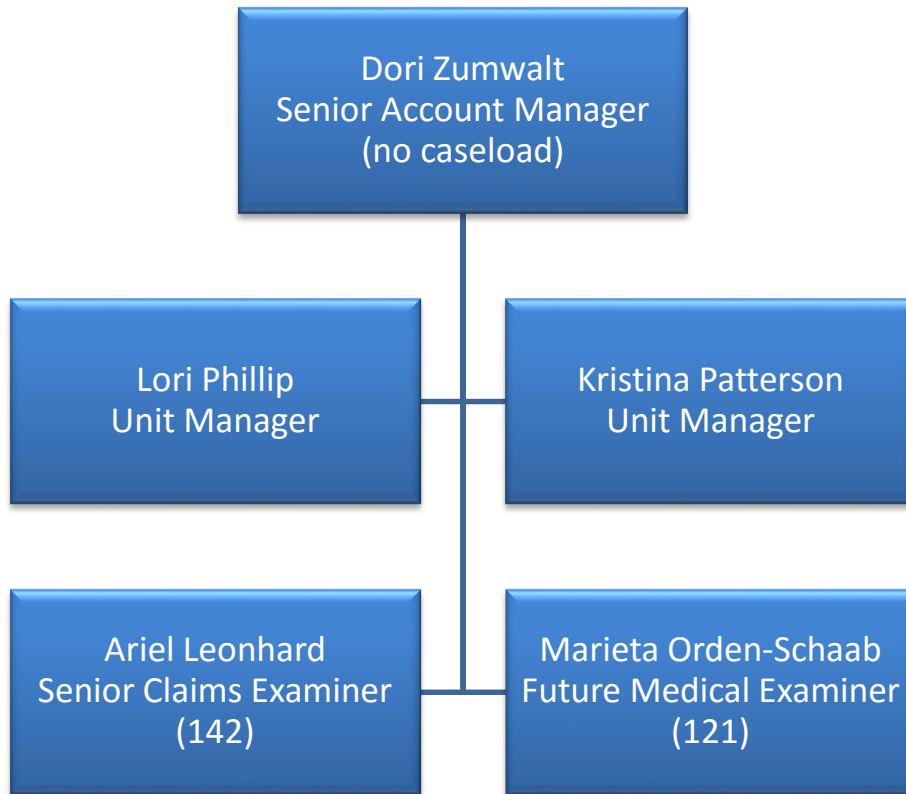
This section of the report discusses specific elements of workers' compensation claims handling. Recommendations for improvement are incorporated into the discussion of each element.

1. Staffing/Caseloads

York is adequately staffed to administer SCORE claims. Exhibit 1 displays the current organizational structure of York claims handling staff assigned to the SCORE account. Total open caseload is listed below the name.

Exhibit 1 reflects that all examiner caseloads comply with the recommended maximum of 175.

Exhibit 1 – Claims Handling Personnel/Caseloads Analysis – York



2. Accuracy of Case Reserves

SCORE claim reserves should anticipate the ultimate probable cost and should be based on:

- Information contained in Form 5020 (Employer's Report of Occupational Injury or Illness)
- Information contained in Form 5021 (Physician's First Report of Injury or Illness)
- Anticipated temporary disability (TD) benefits
- Anticipated medical costs
- Employee's wage information
- Anticipated vocational rehabilitation (VR)/Supplemental Job Displacement Benefits (SJDB)
- Anticipated permanent disability (PD) benefits
- Consideration of *Labor Code 4850* benefits
- Life expectancy and average annual medical costs for future medical claims

York is considering these and other factors and is accurately establishing reserves on most claims. Only one claim requires adjustment. That claim is discussed in Exhibit 2 on the next page.

3. Payments

The audit evaluated the following key elements of claim payments activity:

- The accuracy of York's calculation of permanent disability and temporary disability rates.
- The timeliness of the distribution of temporary disability and permanent disability payments.
- Confirmation that payments and settlements did not exceed the individual examiner's or York's settlement authority levels.
- The identification and timely payment of penalties.

York is accurately calculating temporary disability and permanent disability benefit rates on all claims reviewed. No payment calculation or distribution deficiencies are identified. FCS re-rated the permanent disability exposure for 11 of the open indemnity claims reviewed.

Eight claims reviewed generated permanent disability advances (PDA) that exceeded the ultimate PD award. This is not uncommon. In all eight instances, York identified the overpayment and communicated the member's right to apply a credit to the employee.

Exhibit 2 – Reserve Analysis – SCORE

Claim No.	Current Outstanding Reserve	Recommended Outstanding Reserve*	Comments
SCWA-138934	\$840 (medical)	\$50,000 (medical)	A City of Yreka firefighter sustained a knee injury. The claim was settled by stipulated award in 2003. The only remaining issue is future medical benefits. The most recent claim management review (CMR) documented to York's information system accurately calculated the future medical exposure at \$50,000. That reserve was not established.

* Reserve recommendations are based on the review of files for similar municipal pooling entities in California.

4. Quality of Investigation

Proper investigation for SCORE workers' compensation claims includes:

- Making prompt contact with the injured employee, the treating physician, and the employee's direct supervisor (3-point contact).
- Verifying the injury is work related.
- Securing injury history (indexing) to determine potential for apportionment.
- Canvassing for possible witnesses to the industrial accident.
- Obtaining recorded or written statements regarding the incident from injured employees or witnesses when possible.
- Follow-up contact with medical providers to gain a clear understanding of the severity of the injury and the anticipated duration of disability.
- Obtaining accurate, wage information from the employer.
- Obtaining police accident reports when the industrial injury is the result of a traffic accident.
- Obtaining updated wage information to accurately calculate benefits.
- Identifying claims with rehabilitation potential and effectively monitoring rehabilitation progress.

York is thoroughly investigating SCORE claims. No investigation deficiencies are identified.

The analysis of investigation includes the clarity of the documentation of investigative activity. York claims administration activity viewed via access to its information system is organized and chronological.

5. Subrogation

Four of the claims reviewed involve situations where the SCORE member may recover funds expended for benefits from another responsible party. York established contact with and aggressively pursued the responsible party on all four claims.

6. Cost Containment

Thorough scrutiny of all medical bills to identify charges not in compliance with California's fee schedule and charges or treatments that are not work related is a vital element of a fiscally responsible workers' compensation program. A complacent cost containment policy can result in thousands of dollars in unnecessary payments on a single claim. Multiplied by a substantial claim volume, this faulty policy can change a cost-effective program into a matter of great fiscal concern.

Bill review activity is performed by WellComp, a York affiliate. The table below documents the results of WellComp's fee schedule compliance efforts. SCORE's 52% net savings is lower than the 59% net savings experienced by similar entities.

SCORE Fee Schedule Savings – WellComp (6/1/15-5/31/16)

A	Number of bills processed	676
B	Original amount billed	\$316,123
C	Amount paid	\$145,120
D	Gross savings (B) – (C)	\$171,003
E	Bill review fees	\$7,014
F	Net savings (D) – (E)	\$163,989 or 52% of original amount billed (B)

7. Return-to-Work Policy

Any success in implementing a return-to-work program relies significantly on the individual member's ability to accommodate work restrictions.

Claim administration material consistently documents York's attempt to communicate work restrictions to the member site representative. The material also consistently document job analyses instrumental in assisting in the evaluation of the injured employee's ability to perform specific tasks.

Return-to-work efforts are a vital cost-mitigating activity. York's competent administration of this was also a finding in the 2014 audit.

8. Medical Management

York is complying with industry standards for medical management. WellComp also facilitates this cost mitigating service. Medical management review confirms the following:

- Outside nurse case management vendors were utilized at appropriate times. The fees charged by these vendors are similar to fees for nurse case management vendors for similar programs.
- The timeliness of payments/objections to medical bills is evident in all of the claims where medical bill processing is an issue.
- Utilization review is evident when necessary.

9. Litigation Management

This category seeks to verify that:

- Defense attorneys and the employee's attorney are responded to timely.
- Defense counsel fees are within industry averages.

- Claim examiners are performing routine activities and not assigning defense counsel to perform tasks that the examiner should be performing.

Twenty-four of the 75 indemnity claims reviewed involve some degree of litigation. York is effectively managing litigation on the claims reviewed. This is based on the following key findings:

- Referrals to defense counsel are timely in all instances. SCORE is bound by statutory requirements for filing answers to applications for adjudication of claims. The referrals also clearly set forth the facts of the claim and communicate the expectation of counsel. These expectations include submission of a proposed budget and plan of action.
- Communication between the York examiner and the assigned defense counsel is timely and thorough.
- Litigation expense rates are within the industry average for the handling of public entity claims.

10. Diary/Case Closure

Active, unresolved claims require some adjusting activity every 30 to 45 days. Resolved claims for which the only remaining issue is the processing of medical benefits should be reviewed roughly every 90 days. York is complying with these standards. Several claims exhibit deficiencies. They are discussed in Exhibit 3. Three of the claims generated no administration activity during roughly the same period (late 2015-mid 2016). This was discussed during the June 15, 2016 exit meeting. York indicated it was utilizing a temporary examiner during this period and was experienced some inconsistency.

11. Documentation and Risk Management Information System (RMIS) Clarity

All material reviewed for this project was accessed remotely using the York Claims Connect system. That system is efficiently recording routine claims administration activity such as reserve/payment data, daily examiner activity notes, medical documentation, and state-required form documentation. Exhibit 4 discusses two claims with documentation/RMIS deficiencies.

12. Supervision

All claims reviewed exhibit timely, instructive input from the York supervisor. No supervisory deficiencies are identified.

13. Excess Notification

Eighteen of the claims reviewed meet excess reporting requirements. Notification to SCORE's excess provider was made timely in all instances. Follow-up reports are also timely.

Exhibit 3 – Diary Analysis – SCORE

Claim No.	Comments
SCWA-555866 (Susanville)	Permanent disability was denied on 2/27/15, but the qualified medical examiner (QME) process was not initiated until early this year (2016).
SCWA-555957	No claims administration activity is apparent from October 2015-April 2016.
SCWA-555963	No claims administration activity is apparent from December 2015-April 2016.
SCWA-555971	No claims administration activity is apparent from November 2015-April 2016.

Exhibit 4 – Claim Documentation Analysis – SCORE

Claim No.	Comments
SCWA-555810	This claim is open for future medical only. The most recent plan of action does not provide a detailed calculation for the outstanding medical reserve.
SCWA-555969	The employee was bitten by a dog. There is no lost time, and minimal medical treatment/cost has been incurred. It is unclear why this is designated as an indemnity claim.

Appendix Audit Lists

Open Claims

(Includes 4 open medical only claims)

Claim No.
1. SCWA-138934
2. SCWA-141519
3. SCWA-158552
4. SCWA-159149
5. SCWA-176366
6. SCWA-176713
7. SCWA-231393
8. SCWA-268050
9. SCWA-271297
10. SCWA-285249
11. SCWA-285952
12. SCWA-343776
13. SCWA-387190
14. SCWA-426755
15. SCWA-454885
16. SCWA-503501
17. SCWA-510617

Claim No.
18. SCWA-530470
19. SCWA-540951
20. SCWA-546806
21. SCWA-549063
22. SCWA-552274
23. SCWA-552593
24. SCWA-554038
25. SCWA-555704
26. SCWA-555750
27. SCWA-555810
28. SCWA-555832
29. SCWA-555835
30. SCWA-555845
31. SCWA-555847
32. SCWA-555849
33. SCWA-555854
34. SCWA-555863

Claim No.
35. SCWA-555866
36. SCWA-555894
37. SCWA-555898
38. SCWA-555920
39. SCWA-555925
40. SCWA-555929
41. SCWA-555908
42. SCWA-555937
43. SCWA-555957
44. SCWA-555963
45. SCWA-555967
46. SCWA-555968
47. SCWA-555969
48. SCWA-555971
49. SCWA-555972
50. SCWA-555973
51. SCWA-555974

Claim No.
52. SCWA-555975
53. SCWA-555978
54. SCWA-61038
55. SCWA-63332
56. SCWA-64374
57. SCWA-65667
58. SCWA-68045
59. SCWA-75498
60. SCWA-83898
61. SCWA-555964
62. SCWA-555965
63. SCWA-555970
64. SCWA-555977

Closed Indemnity Claims

Claim No.
1. SCWA-554454
2. SCWA-554520
3. SCWA-555827
4. SCWA-555859
5. SCWA-555865
6. SCWA-555883

Claim No.
7. SCWA-555903
8. SCWA-555909
9. SCWA-555918
10. SCWA-555922
11. SCWA-555930
12. SCWA-555942

Claim No.
13. SCWA-555948
14. SCWA-555949
15. SCWA-555951



Small Cities Organized Risk Effort
Board of Directors Teleconference Meeting August 26, 2016

Agenda Item H.2.

REVIEW AND APPROVAL OF THE SCORE CONFLICT OF INTEREST CODE

ACTION ITEM

ISSUE: The Board of Directors should review and re-adopt SCORE's Conflict of Interest Code without changes.

RECOMMENDATION: The Program Administrator recommends the Conflict of Interest Code as presented.

FISCAL IMPACT: None.

BACKGROUND: The Conflict of Interest Code was last amended in March 2015 to comply with the updated Fair Political Practices Commission (FPPC) filing requirements. Prior to 2012, Alliant Insurance Services, as the JPA administrator, kept the original Form 700s and filed copies with the FPPC. The FPPC has changed that requirement and now the original Form 700s are filed with the FPPC.

The Political Reform Act, Government Code Sections 81000, et. Seq. requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Conflict of Interest Code for the public agency must be reviewed by the governing Board every even numbered year. Any changes, or a statement that it has been reviewed and no changes required, must be filed with FPPC prior to October 1st.

ATTACHMENTS: SCORE Conflict of Interest Code

**SMALL CITIES ORGANIZED RISK EFFORT
CONFLICT OF INTEREST CODE**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Small Cities Organized Risk Effort Joint Powers Authority (SCORE)**.

Individuals holding designated positions shall file statements of economic interests with **SCORE**, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) Upon receipt of the statements, **SCORE** shall make and retain copies and forward the originals of these statements to the **Fair Political Practices Commission**. All original statements shall be retained by the **Fair Political Practices Commission**.

SMALL CITIES ORGANIZED RISK EFFORT
APPENDIX A- DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Category</u>
Members and Alternates of the Board of Directors	1, 2, 3, and 4
Administrator	1, 2, 3, and 4
Accountant	1, 2, 3, and 4
Consultants/New Positions	*

Note: The positions of Administrator and Accountant are filled by outside consultants, but act in a staff capacity.

*Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Administrator may determine in writing that a particular consultant or new positions, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Administrator’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. (Gov. Code Sec. 81008.)

The following positions are not covered by the conflict-of-interest code because they must file under Government Code Section 87200 and, therefore, are listed for informational purposes only:

Treasurer

An individual holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Section 87200.

SMALL CITIES ORGANIZED RISK EFFORT
APPENDIX B-DISCLOSURE CATEGORIES

1. Investments and business positions in business entities, and income (including receipt of loans, gifts, and travel payments), from sources of the type that contract with SCORE to supply goods, services, materials, or supplies.
2. Investments and business positions in business entities, and income (including receipt of loans, gifts, and travel payments), from sources that are engaged in the performance of work or services of the type utilized by SCORE, including insurance companies, carriers, holding companies, underwriters, brokers, solicitors, agents, adjusters, claims managers, and actuaries.
3. Investments and business positions in business entities, and income (including receipt of loans, gifts, and travel payments), from sources that have filed a claim or have a claim pending that are reviewed and administered by SCORE.
4. Investments and business positions in business entities, and income (including receipt of loans, gifts, and travel payments), which are financial institutions including banks, savings and loan associations and credit unions.



Small Cities Organized Risk Effort
Board of Directors Teleconference Meeting August 26, 2016

Agenda Item H.3.

LOSS CONTROL GRANT FUND REQUESTS

ACTION ITEM

ISSUE: Several members have recently requested loss control grant funds after the deadline of June 15th and the Program Administrators are requesting Board review and clarification regarding treatment of late submissions.

Two of the late submissions came within a week of the deadline and were approved after consultation with the Board President, Roger Carroll. However, one request was received on July 28 and is pending Board review and action. The City of Dunsmuir has requested a grant totaling \$2,176.34 from the FY 15/16 funding for neon safety shirts and two amber light bars for public works trucks.

We are also awaiting invoices for several other requests and this brings up a point of clarification – does the request for reimbursement as of June 15 each year also require an invoice or other proof of payment prior to that time? The policy emphasizes reimbursement but the deadline is for submitting a request for reimbursement, not the actual invoice for payment. Most members will request the approval ahead of purchase to insure reimbursement and submit the invoices later, and that sometimes extends into the next fiscal year.

The Program Administrators will begin including an update on the status of grant requests as part of each Board agenda packet so members will be aware of the funds available, what has been approved, and what is still pending payment in order to remind members of this benefit and encourage them to submit invoices.

RECOMMENDATION: Review and make decision on late grant request for Dunsmuir and confirm members may submit invoices for payment after the June 15 deadline as long as they have requested the funds before that time.

FISCAL IMPACT: TBD. Funds are allocated for member benefit and they are encouraged to apply.

BACKGROUND: The program is in its third year for FY 16/17, having begun in 2014. **A total of \$100,000 is allocated to members, \$50,000 from each program.**

ATTACHMENTS:

1. Administrative Policy and Procedure – Loss Control Grant Funds
2. SCORE Loss Control Grant Fund Member Utilization FY 2015/16

ADMINISTRATIVE POLICY AND PROCEDURE

SUBJECT: LOSS CONTROL GRANT FUNDS

Policy Statement:

This policy is effective when adopted by the Board of Directors and expires June 30, 2015, unless renewed on an annual basis by the Board of Directors. It shall be the policy of the Small Cities Organized Risk Effort to establish a "Loss Control Grant Fund" to reimburse members for costs of activities undertaken to:

- Bring member facilities into compliance with Americans with Disabilities Act (ADA) standards,
- Purchase equipment that promotes employee or premises safety,
- Purchase equipment, materials, training and professional services that facilitate OSHA or other regulatory compliance,
- Address other top frequency and/or severity risk management issues as needed.

Within the Loss Control Services (previously Safety Services) annual budget, a line item will contain the total amount of funds available for Loss Control Grants.

1. Funding will be secured from the Liability and Workers' Compensation program's equity. As such, members of the Liability Program will share the annual allocation for that program, and members of the Workers' Compensation Program will share the allocation for that program. The Authority will adopt the amount of funds available for this budgeted line item on an annual basis.
2. Allocation of funds will be based on percentage of contributions annually made by members to each program, with a minimum of \$1,000 per program for each member.
3. The funds will be available for use on a combined basis.
4. Projects can span multiple years as long as approved in advance and funds continue to be available.
5. A Member may make up to three (3) requests per year, and each request needs to be comprehensive - - specifically stating how funds will be used to the benefit of the Member to achieve a reduction in losses.
6. Any unused funds will ultimately be rolled back into available equity for the Program where the fund allocation originated from. The deadline for submitting a request for reimbursement shall be **June 15th** of each fiscal year.
7. In addition, the Program Administrator shall monitor the use of grant funds throughout the year and present a usage summary to the Board of Directors on a quarterly basis.

Funding that is converted to this program shall be secured from surplus available equity, prior to declaration and distribution of dividends. (*Unused funds ultimately return to Members' Equity in each of the programs*).

Procedure:

A Member Agency may apply for Loss Control Grant Funds by following these procedures:

1. A Member will write a request to the Program Administrators for the use of grant funds involving an expenditure. The Request will:
 - a. Include a justification of the funds, and
 - b. How these funds will lead to the reduction of frequency or severity or will mitigate liability risks of the Member Agency.
 - c. State the specific amount needed and not just request their full allocation.
2. The Program Administrator will determine if the funding request is within the member's fund allocation for the program year and facilitates the return of money to another good purpose – that of reducing future claims. If the requested amount is determined to fall within the member's grant fund allocation, the administrator and Board President (or the Executive Committee if requested or if the President has a conflict) will review each request and, if found to be appropriate and consistent with the purpose of the Grant Program, will approve the request and funds will be disbursed to the member agency. ***If funds requested exceed a member's allocation, continue to #3 below, otherwise move on to #4.***
3. In the event that the requested amount exceeds the member's total or remaining allocated grant funds, the Administrator will contact the Member to advise them that their request exceeds their allocation and ask if they:
 - a) Wish to submit a revised request; or
 - b) Request that SCORE consider payment over multiple years as outlined in the Policy Item #4 above.
4. Once approved, the Member Agency will become eligible for reimbursement by SCORE upon submitting the supplier or service provider invoice to the Program Administrator.
5. The Program Administrator will submit the reimbursement request and appropriate documentation to SCORE's accountant and/or treasurer.
6. SCORE's accountant and/or Treasurer will reimburse the Member up to the maximum allowable amount and debit the reimbursement expense from the Grant Program Budget within the Loss Control Services Budget.

- a) If a request exceeds the grant funds available to a member, only the amount available for reimbursement will be paid.
7. If any request is denied, the member may submit a new or amended request, or appeal the denial to the Board of Directors, which will make the final determination on whether the request should be granted. The Board decision shall be final.
8. After the funds are put to use, the Member should provide a brief verbal report to the Board (as agenda item) confirming this and relaying any information that may be helpful to the Board, so that it can monitor the Grant Program and consider the merits of future additions of funds.

The Loss Control Grant Fund Program will begin as a standalone program, with no matching contribution required from the requesting Member. Its composition may change, at the Board's discretion, to include a requirement for the requesting Member to co-finance or share the cost of the good or service being reimbursed.

Adopted on: January 24, 2014
Effective Date: January 24, 2014

SCORE Loss Control Grant Fund Member Utilization FY 2015/16 as of 8/22/2016

Member Entity	TOTAL Grant Fund Allocation	Amount requested	Remaining amount available	Notes
Biggs *	\$2,305.95		\$2,305.95	
Colfax *	\$2,484.40		\$2,484.40	
Dunsmuir	\$3,808.15		\$3,808.15	
Etna *	\$2,179.00		\$2,179.00	
Fort Jones *	\$2,098.56		\$2,098.56	
Isleton	\$1,117.27		\$1,117.27	
Live Oak	\$5,625.37	\$9,870.00	-\$4,244.63	*Request made 7/21/2016 by Jim Goodwin (SD400 hitch mounted \$9,870) *FUNDS from FY 14/15 (\$4,244.63) used to reach total request of \$9,870*
Loomis *	\$3,735.95	\$3,533.28	\$202.67	*Request made 3/18/2016 by Roger Carroll (Ergonomic Chairs \$3,533.28)
Loyalton *	\$2,000.00		\$2,000.00	
Montague *	\$2,131.39	\$2,137.47	-\$6.08	*Request made 3/25/2016 by Don Kincade (Safety Equipment \$1,707.81) *2nd Req made 4/7/16 by Shelly Gray (Ergonomic Office Supplies \$423.58)
Mt. Shasta	\$11,319.90	\$11,319.90	\$0.00	*Request made 7/23/2016 by Muriel Howarth Terrell (2 standing desks, Consultant Sewer System Management Plan, Emergency Sidewalk replacement)
Portola *	\$3,238.97	\$405.95	\$2,833.02	*Request made 10/21/2015 by Staci Conn (ADA League Field \$405.95)
Rio Dell *	\$4,746.35		\$4,746.35	
Shasta Lake	\$11,300.72	\$11,301.00	\$0.00	*Request made 8/5/2015 by Jessaca Lugo (John Beaudet Community Center Improvements \$11,301)
Susanville	\$15,633.69	\$15,633.69	\$0.00	*Request made 6/28/2016 by Jared Hancock (Police Department Evidence Room Remodel)
Tulelake*	\$2,242.46	\$1,063.00	\$1,179.46	*Request made 6/14/2016 by Jenny Coelho (Hearing/Fire Extinguisher testing \$1,063)
Weed	\$9,884.81		\$9,884.81	
Yreka	\$14,159.91	\$14,159.91	\$0.00	*Request made 1/12/2016 by Debbie Ramirez (Jack, Headset, Roll-up door \$14,159.91)
Total:	\$100,012.87			



Small Cities Organized Risk Effort
Board of Directors Teleconference Meeting August 26, 2016

Agenda Item H.4.

ERMA DIVIDEND

ACTION ITEM

ISSUE: ERMA provides the Employment Practices Liability Coverage for many SCORE members, and each year the ERMA Board determines if there will be a refund or assessment allocation to members. This year we have received confirmation that most SCORE members received a *dividend* distribution.

Based upon the losses for the program years 2006 through 2010, ERMA has approved a dividend to SCORE Members totaling \$30,040 that was paid to SCORE in July, 2016. ERMA also provided an allocation of those funds among the participating SCORE members. Most members will receive a *dividend*, but two members, Loomis and Tulelake, are allocated *assessments*.

RECOMMENDATION: Accept and distribute the refund allocations as provided by ERMA for the June 2016 *dividend/assessments*.

FISCAL IMPACT: Total net member dividend for 2016 is \$30,040.

BACKGROUND: None.

ATTACHMENT(S): ERMA June 2016 Dividend Release SCORE

Employment Risk Management Authority

Approved Release of Dividends to the ERMA Membership

Based on the Annual Retrospective Adjustment as of March 31, 2016

Member	~ Program Years Approved for Dividend Release ~						Subtotal Member Dividend	Capital Fund Contribution **	Net Member Dividend
	Distribution of Pool Equity at the 90% Confidence Level								
	2006/07 Program Year	2007/08 Program Year	2008/09 Program Year	2009/10 Program Year	2010/11 Program Year				
BCJPIA	\$ 4,606	\$ 43,057	\$ (1,203)	\$ 32,224	\$ 233,535	\$ 312,220	(\$44,449)	\$267,771	
CHARMA *	2,074	5,173	(170)	4,863		11,940		\$11,940	
CSJVRMA	6,095	25,060	(1,245)	33,348	315,173	378,431	(106,698)	\$271,733	
ERMAC							(9,008)	(\$9,008)	
MBASIA							(4,470)	(\$4,470)	
MPA	12,111	84,939	(2,188)	38,863	313,591	447,316	(74,363)	\$372,953	
PARSAC	8,363	63,011	(1,283)	28,119	257,226	355,436	(80,047)	\$275,389	
PERMA	4,240	38,487	(1,276)	32,714	275,646	349,811	(46,631)	\$303,180	
SCORE	466	821	(128)	3,520	29,891	34,569	(4,529)	\$30,040	
VCJPA	1,169	9,932	(257)	6,207	51,044	68,095	(20,241)	\$47,853	
Oakland HA		6,116	(138)	2,748	25,932	34,659	(7,955)	\$26,704	
Contra Costa County HA					7,524	7,524	(1,610)	\$5,914	
Totals:									
Equity at 90% C.L.	\$39,123	\$ 276,597	\$ (7,887)	\$ 182,605	\$ 1,509,562	\$ 2,000,000	(\$400,000)	\$1,600,000	

<i>Information Only:</i>							
Equity at Expected C.L.	<u>\$ 39,123</u>	<u>\$ 276,597</u>	<u>\$ (7,887)</u>	<u>\$ 303,258</u>	<u>\$ 5,207,973</u>	<u>\$ 5,819,064</u>	

* As CHARMA has been dissolved, CHARMA's previous individual members will receive dividends directly.

** Capital Fund contribution is funded based on premium allocation of the 2016/17 program year.

Employment Risk Management Authority

SCORE ~ Allocation of Dividend Release ~ June, 2016

Individual Member	Program Year					Subtotal Member Dividend	Capital Fund Contribution	NET MEMBER DIVIDEND
	2006/07	2007/08	2008/09	2009/10	2010/11			
Colfax	\$ 16	\$ 23	\$ (3)	\$ 86	\$ 698	\$ 820	\$ (116)	\$ 704
Crescent City		143	(23)	705	6,727	7,551		7,551
Dorris	4	6	(1)	19	162	190		190
Isleton	18	29	(3)			44		44
Live Oak	31	50	(7)	162	1,292	1,528	(334)	1,194
Loomis							(193)	(193)
Mt. Shasta	47	67	(9)	331	3,228	3,664	(460)	3,204
Portola	17	24	(3)	96	828	962	(188)	774
Rio Dell	15	26	(4)	104	863	1,004	(255)	749
Shasta Lake	85	117	(15)	418	3,662	4,267	(895)	3,372
Susanville	114	166	(38)	992	7,533	8,767	(958)	7,809
Tulelake							(91)	(91)
Williams	36	52	(7)	209	1,577	1,867	(301)	1,566
Yreka	83	118	(15)	398	3,321	3,905	(737)	3,168
TOTALS	\$ 466	\$ 821	\$ (128)	\$ 3,520	\$ 29,891	\$ 34,569	\$ (4,529)	\$ 30,040



Small Cities Organized Risk Effort
Board of Directors Teleconference Meeting August 26, 2016

Agenda Item H.5.

SCORE TRAVEL EXPENSE RESOLUTION 01-04

ACTION ITEM

ISSUE: The SCORE Travel Expense Resolution 01-04 indicates that members are only reimbursed for travel expenses directly related to SCORE's programs, policies, operations and activities but this does not include the SCORE Board of Directors meetings. However, our past practice has been to reimburse members for travel related expenses to all SCORE meetings including Board of Directors meetings.

RECOMMENDATION: Revise the prior Resolution 01-04 to include travel related expenses to SCORE Board Meetings.

FISCAL IMPACT: Anticipated increase to FY 18/19 budget to include additional \$2,000

BACKGROUND: SCORE provides reimbursement for Conference Related Expenses and travel related to SCORE meetings as defined by Resolution 01-04 and is included as part of the Administrative Expenses Budget – current budgeted amount for FY 16/17 is \$19,000.

ATTACHMENTS:

1. Resolution 01-04 Travel-Expense Procedure 3-30-2001 original
2. Resolution 01-04 Travel-Expense Procedure with changes

**RESOLUTION OF THE SMALL CITIES ORGANIZED RISK EFFORT (SCORE)
ESTABLISHING A TRAVEL EXPENSE REIMBURSEMENT POLICY AND
PROCEDURE**

WHEREAS, members and officers of the Board of Directors of Small Cities Organized Risk Effort, hereinafter SCORE, are required from time to time to attend various conferences, meetings (excluding SCORE Board meetings), seminars, and institutes which relate directly to SCORE'S programs, policies, operations, and activities;

WHEREAS, SCORE recognizes that attendance at such functions serves a vital forum for the exchange of ideas and methods in all areas of the risk financing and risk management and the promotion of legislation for the benefit of SCORE; and

WHEREAS, SCORE encourages these activities; and

WHEREAS, in order that attendance at such functions be made possible without unreasonable personal financial sacrifice, policies and procedures for the reimbursement of travel expenses need to be established.

NOW, THEREFORE, BE IT RESOLVED that:

1. It is the responsibility of director or officer to accomplish SCORE's travel as economically as is practical. The Treasurer shall administer the provisions of this travel policy and shall determine if the requested travel expenses are within this travel policy. If the Treasurer rejects any or all of the request, the director or officer may appeal to the Board of Directors.
2. Directors and officers, while scheduling flights to meetings and conferences, should consider savings offered by airlines for early reservations and possible savings for flights into other airports, if not inconvenient.
3. Directors and officers using their own automobile to attend SCORE business related meetings, conferences, seminars, etc. shall be reimbursed for mileage at the then current IRS rate.
4. SCORE recognizes that attendance by spouses at certain SCORE related activities is recognized but additional expenses incurred because of the spouse's attendance shall not be reimbursed by SCORE.
5. SCORE will pay for related conference, meeting, or seminar expenditures (excluding expenses for spouse). These expenditures include the following:
 - Airfare
 - Registration
 - Lodging
 - Meals
 - Tips*
 - Bus/Taxi fares

- Car Rental
- Parking fees
- Toll bridges
- Fuel
- SCORE Business calls

**In the range of 15%, but no more than 15%.*

Ineligible expenses, or non-conference-related costs, include the following:

- In-room movies
- Laundry services (for conferences of less than a four day duration)
- Non-SCORE related phone calls
- Entertainment outside of those activities offered as a part of the conference registration package
- Personal services, such as beauty parlor, hair cuts, etc.
- Alcoholic Beverages

6. The cost of meals (no alcoholic beverages) should be reasonable and only reimbursed with receipts.

7. After returning from a conference, meeting, or seminar, the attendee is to complete a travel expense form available from SCORE. The signed expense form with all receipts attached is to be submitted to the Treasurer no later than one month following such travel.

8. If the travel expenses are incurred by the Treasurer, the expenses shall be submitted to the President for a determination of the appropriateness of the reimbursement request. If any or the entire request is determined inappropriate for reimbursement, the Treasurer may appeal to the Board of Directors.

This Resolution was adopted by the Board of Directors at a regular meeting of the Board held on March 30, 2001 in the City of Redding, California, by the following vote:

AYES

NOES

ABSTAIN

ABSENT

PRESIDENT

ATTEST:

SECRETARY

RESOLUTION NO. 01-04

**RESOLUTION OF THE SMALL CITIES ORGANIZED RISK EFFORT (SCORE)
ESTABLISHING A TRAVEL EXPENSE REIMBURSEMENT POLICY AND
PROCEDURE**

WHEREAS, members and officers of the Board of Directors of Small Cities Organized Risk Effort, hereinafter SCORE, are required from time to time to attend various conferences, meetings (~~excluding~~ including SCORE Board meetings), seminars, and institutes which relate directly to SCORE'S programs, policies, operations, and activities;

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WHEREAS, SCORE recognizes that attendance at such functions serves a vital forum for the exchange of ideas and methods in all areas of the risk financing and risk management and the promotion of legislation for the benefit of SCORE; and

WHEREAS, SCORE encourages these activities; and

WHEREAS, in order that attendance at such functions be made possible without unreasonable personal financial sacrifice, policies and procedures for the reimbursement of travel expenses need to be established.

NOW, THEREFORE, BE IT RESOLVED that:

1. It is the responsibility of director or officer to accomplish SCORE's travel as economically as is practical. The Treasurer shall administer the provisions of this travel policy and shall determine if the requested travel expenses are within this travel policy. If the Treasurer rejects any or all of the request, the director or officer may appeal to the Board of Directors.
2. Directors and officers, while scheduling flights to meetings and conferences, should consider savings offered by airlines for early reservations and possible savings for flights into other airports, if not inconvenient.
3. Directors and officers using their own automobile to attend SCORE business related meetings, conferences, seminars, etc. shall be reimbursed for mileage at the then current IRS rate.
4. SCORE recognizes that attendance by spouses at certain SCORE related activities is recognized but additional expenses incurred because of the spouse's attendance shall not be reimbursed by SCORE.
5. SCORE will pay for related conference, meeting, or seminar expenditures (excluding expenses for spouse). These expenditures include the following:
 - Airfare
 - Registration
 - Lodging
 - Meals
 - Tips*
 - Bus/Taxi fares
 - Car Rental
 - Parking fees

- Toll bridges
- Fuel
- SCORE Business calls

**In the range of 15%, but no more than 15%.*

Ineligible expenses, or non-conference-related costs, include the following:

- In-room movies
- Laundry services (for conferences of less than a four day duration)
- Non-SCORE related phone calls
- Entertainment outside of those activities offered as a part of the conference registration package
- Personal services, such as beauty parlor, hair cuts, etc.
- Alcoholic Beverages

6. The cost of meals (no alcoholic beverages) should be reasonable and only reimbursed with receipts.

7. After returning from a conference, meeting, or seminar, the attendee is to complete a travel expense form available from SCORE. The signed expense form with all receipts attached is to be submitted to the Treasurer no later than one month following such travel.

8. If the travel expenses are incurred by the Treasurer, the expenses shall be submitted to the President for a determination of the appropriateness of the reimbursement request. If any or the entire request is determined inappropriate for reimbursement, the Treasurer may appeal to the Board of Directors.

This Resolution was ~~adopted~~ **amended** by the Board of Directors at a regular meeting of the Board held on ~~March 30, 2001 in the City of Redding, California~~ **August 26, 2016 via Telecon-**
ference, by the following vote:

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AYES

NOES

ABSTAIN

ABSENT

PRESIDENT

ATTEST:

SECRETARY



BACK TO AGENDA

**Small Cities Organized Risk Effort
Board of Directors Teleconference Meeting August 26, 2016**

Agenda Item H.6.

DKF 2016/17 WORK PLAN STATUS AND ROADMAP

INFORMATION ITEM

ISSUE: DKF will present the Board with information related to the DKF 2016/17 Work Plan and Roadmap.

RECOMMENDATION: None at this time.

FISCAL IMPACT: None.

BACKGROUND:

ATTACHMENTS: None.



Small Cities Organized Risk Effort
Board of Directors Teleconference Meeting August 26, 2016

Agenda Item H.7.

UPDATE ON AD HOC COMMITTEE

INFORMATION ITEM

ISSUE: The SCORE Board assigned an Ad Hoc Committee to review the current mix of Mini-Cities in the Workers' Compensation Program and how that Program's administrative expenses are allocated among the members. After several reviews and revisions of the proposed changes and their impacts the committee has reached consensus on the major elements of the planned changes.

Attached is a draft of a Board agenda item for the October meeting that outlines the issues and the recommendations of the Committee. We are providing it now to give members time to review and consider the recommendations in advance of the meeting, to be better prepared to discuss and take action in October.

RECOMMENDATION: None at this time – review the attached and be prepared to discuss and take action at the October meeting.

FISCAL IMPACT: TBD. The changes will likely result in increased administrative expense for the current Mini-Cities members.

BACKGROUND: The issue of the Mini-Cities composition has been discussed at previous Board meetings, with the Board directing the Program Administrators to study options for Mini-Cities membership and the impact on funding. Several members have been added to the Mini-Cities since it was formed in 2001, including Tulelake (2015), Etna, (2005), Montague (2006), and Loyalton (2011). No formal criteria was used to place them in the Mini-Cities other than comparing their size and payroll to the members of the Mini-Cities at the time of their admission.

ATTACHMENTS: Mini-Cities Draft Agenda Item for October Board Meeting

MINI-CITIES CRITERIA AND FUNDING OPTIONS ACTION ITEM

ISSUES: The Board appointed an Ad Hoc Committee to address issues related to the Mini-Cities group within the Workers' Compensation (WC) Program, including that SCORE has no established criteria for Mini-Cities admission (per language in the Workers' Compensation Master Plan documents). In addition, the Mini-Cities have grown to be the largest member of the WC Program, and this may not be in keeping with SCORE's mission and objectives. **The Mini-Cities group may have grown too large, outlived its function, or outlived the funding formula.** These issues have also raised questions regarding whether or not the Mini-Cities mix of members:

1. Is appropriate regarding allocation of administrative costs,
2. How members of similar size and/or risks are treated,
3. Whether or not the risk sharing within the Mini-Cities is equitable.

The Program Administrators have evaluated various options, and based on feedback from the Board present the following analysis of proposed changes to how the administrative expenses are allocated and to the mix of Mini-Cities members.

ISSUE #1: Administrative Expense Allocation

Currently the administrative expenses are allocated **50% fixed** (equal shares to each member) and **50% variable** (based on payroll), *with the Mini-Cities treated as one member*. The proposed change is to allocate the expenses without treating the Mini-Cities as one member, but phase in the change over three years.

- In the First Year the expenses would be allocated 30% fixed and 70% variable.
- In the Second Year the allocation would be 40% fixed and 60% variable,
- And, in the Third Year the expenses would be allocated 50% fixed and 50% variable.

Attachment #1 illustrates the change in the current administrative expenses, using the allocation method described above. The increases to the current Mini-Cities in the first year range from \$4,604 to \$7,671, or 69% to 132%, with corresponding decreases in the remaining members from <\$2,761> to <\$14,382>, or <5%> to <53%>. The changes then trend in the same direction in the 2nd year, and in the 3rd year (when the allocation reaches 50-50%) each of the Mini-Cities Member's administrative expense have **increased by \$8,344** - - and each *regular* member's expense have **decreased by <\$11,919>** from the current level.

ISSUE #2: Mini-Cities Member Participation

Based on feedback from the Board the Program Administrators have developed a *loss allocation formula* based on a Mini-Cities Members with fiscal year DE-9 payroll averaging below \$500,000 for the last three years. This results in three of the current Mini-Cities Members, Loomis, Portola and Rio Dell, moving out of the group. **Attachment #2** illustrates the changes in loss allocation and includes a column comparing each member's Experience Modification Factor (Ex-Mod) before and after the change. Because the three members moving have a better Ex-Mod than the remaining members, the Ex-Mod for the Mini-Cities increases from 1.25 to 1.47, further exacerbating the proposed increase in the administrative expenses. This

is due to the impact (and importance) of the Relative Loss Rate.¹ The change also impacts the regular members' Ex-Mods, with those above .90 increasing and the others decreasing.

Attachment #3 illustrates the changes if the Ex-Mods were capped at no more than 1.25. This limitation would help to ease the transition to a different administrative expense formula and could be reevaluated once the change has been fully implemented. This capping must be phased out over time, as discussed directly below in the RECOMMENDATION section.

RECOMMENDATION:

ISSUE #1 - Administrative Expense Allocation: Change the administrative expense allocation to treat **all members** the same, phasing in the change over three years.

ISSUE #2a - Mini-Cities Member Participation: Set criteria for the Mini-Cities to consist of members with three-year average payroll below \$500,000 (*and noting that any Member can leave the Mini-Cities with proper notice so as not to negatively impact the remaining Members – with deadlines to be determined.*)

ISSUE #2b - Ex-Mods: To ease the impact of the transition by setting limits on **all member** Ex-Mods for the following three years and then re-evaluate, with the goal to increase the CAP until it has no impact in the future for any member.

Cap Roll out	
Year	Maximum Ex-Mod
• FY 17/18	1.25
• FY 18/19	1.30
• FY 19/20	1.35

FISCAL IMPACT: Increase in administrative expenses for Mini-Cities Members and decrease for the remaining members. See attached spreadsheets for details.

BACKGROUND: The issue of the Mini-Cities composition has been discussed at previous Board meetings, with the Board directing the Program Administrators to study options for Mini-Cities membership and the impact on funding. Several members have been added to the Mini-Cities since it was formed in 2001, including Tulelake (2015), Etna, (2005), Montague (2006), and Loyalton (2011). No formal criteria was used to place them in the MC other than comparing their size and payroll to the members of the Mini-Cities at the time of their admission.

ATTACHMENTS:

- **Attachment #1:** Proposed administrative expense allocations
- **Attachment #2:** Proposed Mini-Cities < \$500,000 payroll allocations
- **Attachment #3:** Proposed Mini-Cities < \$500,000 payroll allocations with capped Ex-Mods

¹ The Ex-Mod for any group is influenced by the size of the Membership. As a result, the Relative Loss Rate will change as the number of members being compared changes. With fewer members in the Mini-Cities there are more members overall whose loss rates are being compared. The group changes from 8 members being compared, 7 regular and 1 Mini-cities, to 11 members, 10 regular and 1 Mini-Cities.



**Small Cities Organized Risk Effort
Board of Directors Teleconference Meeting August 26, 2016**

Agenda Item H.8.

**OCTOBER TRAINING DAY AND BOARD OF DIRECTORS MEETING TOPICS
INFORMATION ITEM**

ISSUE: The Program Administrators are requesting Board input on topics for the bi-annual Long Range Planning Meeting which will be held on October 13, 2016 followed by the Board of Directors Meeting on October 14, 2016.

The Program Administrators offer the following suggestions:

- Pre-meeting: New Member Orientation
- Mini-Cities composition and cost allocation
- EPL Training (ERMA sponsored) – Accommodating Disabled Employees &/or Updating Policies and Procedures; Case Law Update
- Risk Management Update – Sewer Audit Results and status of Online OSHA training
- Risk Management Scorecard – initial review of where we are with respect to meeting best practices and plans to address areas of need. Form RM committee?
- Annual Report – present contents of annual report – financial condition, benchmarks/ratios, review of coverage and services, plans for future

RECOMMENDATION: Discuss and provide direction regarding agenda topics.

FISCAL IMPACT: Not to exceed \$20,000.

BACKGROUND: Every other year, SCORE holds a Long Range Planning Meeting to provide Board members with an opportunity to discuss the coverage programs, risk management and loss control services available to members as well as any topics that Members may want to address. Presentations will also be provided by the Program Administrators and SCORE partners. The Gaia Hotel in Anderson was selected as the destination for this year's meeting on October 13 and 14, 2016.

ATTACHMENTS: Draft Agenda for the meeting on October 13, 2016



President
Mr. Roger Carroll
Town of Loomis

Vice President
Mr. Steve Baker
City of Yreka

Secretary
Ms. Brooke Woodcox
City of Rio Dell

Treasurer
Ms. Linda Romaine
Town of Fort Jones

SMALL CITIES ORGANIZED RISK EFFORT TRAINING & LONG RANGE PLANNING BOARD MEETING AGENDA

A	Action
I	Information
1	Attached
2	Hand Out
3	Separate Cover
4	Verbal
5	Previously Mailed

Location: Gaia Hotel
4125 Riverside Pl
Anderson, CA 96007
Date: Thursday, October 13, 2016
Time: Breakfast available at 8:00am

MORNING TRAINING SESSION

Time Certain

8:00 am – **Breakfast & Training - SCORE Orientation for New Members and Review** I 2
9:00 am **for Established Board Members**

The Program Administrators will provide an orientation for new members and review of SCORE services, policies and procedures for established members over breakfast. Come to meet your fellow members and get your questions answered about SCORE.

BOARD SESSION

- PAGE
- A. **CALL TO ORDER - 9:00 am**
 - 9:00 am B. **ROLL CALL**
 - C. **APPROVAL OF AGENDA AS POSTED** A 1
 - D. **PUBLIC COMMENTS**
 - E. **OPENING COMMENTS**
 - 1. **President’s Report** I 4
Roger Carroll will address the Board on items pertaining to SCORE.
 - F. **IMPORTANT FUNDING ITEMS**
 - 1. **Mini-Cities Pool Funding** A 1
 - 9:15 am – a. **Mini-Cities Composition**
9:45 am *The Board will receive analysis regarding the current composition of the Mini-Cities Pool for the Workers’ Compensation Program and may make a recommendation to change the composition of the Mini-Cities Pool.*
 - 9:45 am – b. **Administrative Expense Allocation**
10:15 am
Pg.

The Board will receive analysis regarding proposed changes in the allocation of administrative expenses for the Workers' Compensation Program and may make a recommendation to change the allocation.

10:15 am –
10:45 am
Pg.

c. Experience Modification Factors

The Board will receive analysis regarding the current method of calculating member Experience Modification Factors and how they are applied and may make a recommendation to change the method.

10:45 a.m. -
11:00 a.m.

BREAK

G. TRAINING PRESENTATIONS

11:00 am –
12:00 pm
Pg.

1. EPL Update & Trends

I 2

Michael Christian from Jackson Lewis will provide an update on recent legislation and case law related to Employment Practices Liability (EPL) and trends regarding EPL litigation, with time for Q&A from the members.

12:00 pm –
1:00 pm

LUNCH

1:00 pm –
1:30 pm
Pg.

2. Sewer Staffing – Benchmarking Report Presentation

I 1

Randy Musgraves will present an overview of the Sewer Staffing Benchmarking report completed for SCORE members.

1:30 pm –
1:45 pm
Pg.

3. DKF Website Resources

I 4

DKF will present the Board with a demo of the new Website Resources available to SCORE members

1:45 pm –
2:15 pm
Pg.

4. DKF Scorecard Update

I 1

DKF will present the Board with an update of the Scorecard and recent member visits.

2:15 pm –
2:30 pm

BREAK

2:30 pm –
3:30 pm
Pg.

5. 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.

H. CLOSING COMMENTS

I. ADJOURNMENT

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.

DRAFT



TOWN HALL OPEN DISCUSSION ON MEMBER ISSUES

INFORMATION ITEM

ISSUE: Time is reserved for members to discuss items of concern or interest to other members.

RECOMMENDATION: None – information only.

FISCAL IMPACT: None

BACKGROUND: None

ATTACHMENTS: None



Small Cities Organized Risk Effort
Board of Directors Teleconference Meeting August 26, 2016

Agenda Item J.

CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95
ACTION ITEM

ISSUE: Pursuant to Government Code Section 54956.95, the Board will hold a Closed Session to discuss the following claims for payment of a tort liability loss or a public liability loss:

**Request for Authority

1. Liability

- a. Brashear v. City of Dunsmuir**

2. Workers' Compensation

- a. SCWA-555750 v. Montague
- b. SCWA-530470 v. Crescent City
- c. SCWA-555894 v. Susanville

FISCAL IMPACT: Unknown

RECOMMENDATION: The Program Administrator cannot make a recommendation at this time, as the subject matter is confidential.

BACKGROUND: Confidential

ATTACHMENTS: None



INFORMATION ITEMS

INFORMATION ITEM

ISSUE: The following items are being presented as information for SCORE members.

RECOMMENDATION: None. This item is offered as information only.

BACKGROUND: None

FISCAL IMPACT: None

ATTACHMENT(S):

1. SCORE Resource Contact Guide
2. SCORE Certificate Request Form
3. SCORE Glossary of Terms

PROGRAM ADMINISTRATION

Alliant Insurance Services, Inc.
 2180 Harvard Street Ste 460
 Sacramento, CA 95815
 Main: (916) 643-2700 Fax: (916) 643-2750
www.Alliant.com

SUBJECT	MAIN CONTACT	PHONE	EMAIL
<p>JPA MANAGEMENT ISSUES –coverage questions, quotations, new members, development of shared risk program coverage agreements, RFPs for actuarial services, actuary liaison, excess insurance/additional coverage marketing (Crime coverage, etc.), program development; program budget/funding, financial analysis, coordination w/financial auditor/JPA accountant</p>	<p>Marcus Beverly Michael Simmons Michelle Minnick Joan Crossley</p>	<p>(916) 643-2704 (916) 660-2725 (cell) (415) 403-1425 (925) 708-3374 (cell) (916) 643-2715 (916) 643-2712</p>	<p>Marcus.Beverly@alliant.com MSimmons@alliant.com Michelle.Minnick@alliant.com JCrossley@alliant.com</p>
<p>JPA ADMINISTRATIVE ISSUES – meeting agendas; minutes; development/maintenance of governing documents, development/interpretation of policies & procedures, JPA state compliance, Form 700, changes in Board members, website maintenance.</p>	<p>Michelle Minnick Marcus Beverly Joan Crossley</p>		
<p>COVERAGE / RISK MANAGEMENT ISSUES –</p> <ul style="list-style-type: none"> ➤ Certificates of coverage, additions/deletions of coverage’s, special events liability coverage, automobile identification cards, auto/mobile equipment physical damage programs ➤ Coverage questions, quotations, new members, development of shared risk program coverage agreements, RFPs for actuarial services, actuary liaison, excess insurance/additional coverage marketing (Crime coverage, etc.), program development ➤ Insurance Requirements in Contracts (IRIC), hold harmless agreements, indemnification clauses, safety program planning, RFPs for JPA services & audits, third party contract review 	<p>Michelle Minnick Marcus Beverly Joan Crossley</p>		

CLAIMS ADMINISTRATION
 York Risk Services Group, Inc.
 P.O. Box 619079
 Roseville, CA 95678
 Main: (800) 922-5020 Fax: (866) 548-2637
www.yorkrsg.com

SERVICES OFFERED	MAIN CONTACT	PHONE	EMAIL
<p>CLAIMS ADMINISTRATION – questions regarding liability and Workers’ Compensation claims handling can be forwarded to York Risk Services Group</p> <p>Property Recovery Program This program is designed to recover damages from a third party when a member has incurred a loss caused by a third party who was determined to be liable.</p> <p style="text-align: right;"><u>Liability Claims</u></p> <p style="text-align: right;"><u>Workers’ Compensation Claims</u></p> <p style="text-align: right;"><u>Subrogation</u></p>	<p style="text-align: center;">Cameron Dewey, Claims Manager Craig Nunn</p> <p style="text-align: center;">Ariel Leonhard, Claims Examiner Kristina Patterson, Unit Manager</p> <p style="text-align: center;">D’Ana Seivert, Subrogation Manager</p>	<p>(530) 243-3249 (925) 349-3891</p> <p>(916) 960-0974 (916) 746-6302</p> <p>(916) 960-0980</p>	<p>Cameron.Dewey@yorkrsg.com Craig.Nunn@yorkrsg.com</p> <p>ariel.leonhard@yorkrsg.com kristina.patterson@yorkrsg.com</p> <p>D’Ana.Seivert@yorkrsg.com</p>
<p>ADMINISTRATIVE ISSUES - annual contracts for services, IT issues, reports, service issues COMPUTER SERVICES, TRUST ACCOUNT SERVICES – loss runs, special reports, check registers, bank reconciliations</p>	<p style="text-align: center;">Dori Zumwalt, Sr. Account Manager</p>	<p>(916) 960-1017</p>	<p>dorienne.zumwalt@yorkrsg.com</p>

CLAIM REPORTING AND TRIAGE SERVICES

Company Nurse Injury Hotline

Main: (888) 817-9282

<https://companynurse.com/>

SERVICES OFFERED	MAIN CONTACT	PHONE	EMAIL
<p>CLAIM REPORTING AND TRIAGE SERVICES –Company Nurse strives to streamline injury reporting and reduce injury reporting lag time and overall cost</p> <ul style="list-style-type: none"> • Quick, easy, cost efficient way to immediately report workplace injuries • 24/7 Nurse Triage Hotline 1-888-545-9154 (Please ensure to use the city code specific to your member) 	<p>Carl Herman, Enrollment Services Manager</p>	<p>(480) 374-2441</p>	<p style="text-align: center;">info@companynurse.com</p> <p style="text-align: center;">service@companynurse.com</p>

ACCOUNTING SERVICES

Gilbert Associates, Inc.

Main: (916) 646-6464 Fax: (916) 929-6836

www.gilbertcpa.com

SERVICES OFFERED	MAIN CONTACT	PHONE	EMAIL
<p>ACCOUNTING SERVICES – any questions regarding accounting, accounts payable, invoicing, and checks can be forwarded to Gilbert Associates</p>	<p>Kevin Wong</p> <p>Cindy Conklin</p>	<p>(916) 646-6464</p>	<p style="text-align: center;">kswong@gilbertcpa.com</p> <p style="text-align: center;">Cindy.Conklin@gilbertcpa.com</p>

POLICE AND FIRE RISK MANAGEMENT SERVICES

Lexipol

Main: (949) 484-4444 Fax: (949) 484-4443

<http://www.lexipol.com/>

SERVICES OFFERED	MAIN CONTACT	PHONE	EMAIL
<p>POLICE RISK MANAGEMENT SERVICES – Lexipol helps to review members’ Police and Fire Risk Management policies and offers state-specific policy manuals that are integrated with scenario-based daily training on high-risk, low frequency events</p>			

ERMA POOL ADMINISTRATION/EXCESS PARTNER

Main: (800) 541-4591 Fax: (916) 244-1199

<http://www.ermajpa.org/>

SERVICES OFFERED	MAIN CONTACT	PHONE	EMAIL
<p>ERMA – provides loss prevention services designed to minimize employment practices liability (EPL) exposure of members</p> <p align="right">Board Member - John Duckett</p> <p align="right">Alternate - Roger Carroll</p> <p>Services Offered</p> <ul style="list-style-type: none"> • Employee Reporting line • Attorney Hotline • Employment Practices Training 			<p align="right">info@ermajpa.org</p> <p align="right">jduckett@cityofshastalake.org</p> <p align="right">rcarrol@loomis.ca.gov</p> <p align="right">rkramer@bickmore.net</p> <p align="right">gpreciado@bickmore.net</p>
	<p align="right">Rob Kramer, President</p> <p align="right">Gerry Preciado, Director of Litigation Management</p>	<p align="right">(530) 275-7427</p> <p align="right">(916) 652-1840</p> <p align="right">(916) 244-1117</p> <p align="right">(916) 244-1139</p>	

LAWCX POOL ADMINISTRATION/EXCESS PARTNER

Main: (800) 541-4591 Fax: (916) 244-1199

<http://www.lawcx.org/>

SERVICES OFFERED	MAIN CONTACT	PHONE	EMAIL
<p>LAWCX – Provides Excess Workers’ Compensation coverage and additional training resources</p> <p align="right">Board Member - Ron Stock</p> <p align="right">Alternate - John Duckett</p> <p>Online Risk Control Services</p> <ul style="list-style-type: none"> • Employees can access online training courses by registering online at www.lawcx.org. • Video/Webinars – There are over 300 Training videos and over 30 recorded webinars available. Live Webinars are also available • Training Tools – Sample Training Matrices, Safety Communications, Safe Practices Guidelines • Programs/Forms Comprehensive Sample Programs with implementation guides and Sample Forms • Blog – Timely and informational reports from Risk Control Experts • Can you Risk It? Liability Exposures- real questions from actual members are answered 			<p align="right">rstock@ci.weed.ca.us</p> <p align="right">jduckett@cityofshastalake.org</p> <p align="right">administrator@lawcx.org</p> <p align="right">claims@lawcx.org</p>
	<p align="right">Beth Lyons, ARM-P Executive Director</p> <p align="right">Tammy Vitali, Claims Manager</p>	<p align="right">(530) 938-5027</p> <p align="right">(530) 275-7427</p> <p align="right">(800) 541-4591 Ext. 8529</p> <p align="right">(800) 541-4591 Ext. 1114</p>	

CJPRMA POOL ADMINISTRATION/EXCESS PARTNER

Main: (925) 837-0667 Fax: (925) 290-1543

<http://www.cjprma.org/>

SERVICES OFFERED	MAIN CONTACT	PHONE	EMAIL
<p>CJPRMA – Provides Excess Liability coverage and additional training resources</p> <p align="right">Board Member - Roger Carroll</p> <p align="right">Alternate - John Duckett</p> <p>Services Offered</p> <ul style="list-style-type: none"> • Five annual regional training workshops throughout California-previous years topics include Contractual Risk Transfer, Police Liability, Parks and Recreation Liability, and Sidewalk Liability Controls. • Two to four training sessions per year available at no charge. Topics include: police liability, tort issues, streets and sidewalks, contractual liability, employment practices • Personal assistance available to review contracts and to help look at any risk related issues (Contact David J. Clovis General Manager or Craig Schweikhard) <p>**Services offered at an additional cost**</p> <ul style="list-style-type: none"> • Certificates of Insurance tracking through Risk Console (cost for each user is \$100/year) • Pins Advantage (alternative to Risk Console) is available to all members at a reduced rate is provided on a month to month basis and can be canceled at any time. 	<p>Craig Schweikhard, Claim Administrator</p> <p>David J. Clovis, General Manager</p>	<p>(916) 652-1840</p> <p>(530) 275-7427</p> <p>(925) 290-1315</p> <p>(925) 290-1316</p>	<p>rcarrol@loomis.ca.gov</p> <p>jduckett@cityofshastalake.org</p> <p>craig@cjprma.org</p> <p>david@cjprma.org</p>

LOSS CONTROL SERVICES

DKF Solutions

Fax: (707) 647-7200

www.dkfsolutions.com

SERVICES OFFERED	MAIN CONTACT	PHONE	EMAIL
<p>LOSS CONTROL SERVICES – DKF Solutions is the Loss Control Service Provider responsible for coordination for all Risk Management Training for SCORE. DKF has completed Risk Assessments for all members and is currently working on the approved Risk Control Plans for SCORE.</p> <p>Services available to all SCORE members Maintenance Training & Sewer Management Plans Phone and email hotline (contact David Patzer) On-Site Visit with Biomechanics Training & Review of Operations/Current Practices Online Training: Employees can access online training courses by going to: www.mysafetyofficer.com/employeetraining and entering the username “employee” and password “safety” which will grant access to the following training:</p> <ul style="list-style-type: none">• Interactive Training: Free self-paced web training modules which include quiz questions are available to help facilitate knowledge about different topics ranging from Bloodborne Pathogens to Respiratory Protection. * requires Adobe Flash software• Tailgate Training: Free downloadable tailgate training materials covering topics from Aerial Lift Safety to Zoonotics• Webinar archive: access to one-hour webinars in your web browser covering topics ranging from Bloodborne Pathogens Regulations to SSO Volume Estimation * requires Adobe Flash software• ***NOTE: Monthly news update with a different article each month at http://www.dkfsolutions.com/blog/	<p>David Patzer</p> <p>John Balestrini</p> <p>Katie Frassinelli</p>	<p>(707) 373-9709</p> <p>(916) 532-5802</p>	<p>dpatzer@dkfsolutions.com</p> <p>john@dkfsolutions.com</p> <p>Kfrassinelli@dkfsolutions.com</p>

EMPLOYEE ASSISTANCE PROGRAM
 ACI Specialty Benefits Corporation
 Main: (800) 932-0034 Fax: (858) 452-7819
www.acieap.com

SERVICES OFFERED	MAIN CONTACT	PHONE	EMAIL
<p>EMPLOYEE ASSISTANCE PROGRAM - EAP provides 24 hour/365 day assistance to employees and their family members who can receive up to three counseling visits per year by contacting 1-800-932-0034 or by visiting the following website http://score.acieap.com</p> <ul style="list-style-type: none"> • Each city has 4 hours per year for On-Site Employee Orientations, Manager & Supervisor Trainings, and Lunch ‘n Learn Seminars Per City per year • <i>Unlimited</i> Critical Incident Stress Management (CISM) Telephonic Consultation for Crisis response • Each city has 1 On-Site Critical Incident Stress Debriefing (CISD) per year for Crisis response • Legal and Financial Hardship Services- Employees and their family members have limited access to telephonic legal and financial hardship services (first 60 minutes are free and if they retain the attorney then additional time is offered at a discounted rate) <p>**Services offered at an additional cost**</p> <ul style="list-style-type: none"> • Wellness Resources The Core Platform wellness program is available to employees which includes workshops, personalized meal and exercise plans, articles about health, health logs, recipes, exercise tracker and log and blogs about wellness 	<p>Kathryn Mullis</p>	<p>(858) 736-0031</p>	<p>kmullis@acieap.com</p>

TRAINING SERVICES

Target Solutions
Main: (800) 840-8048 Fax: (858) 487-8762
www.targetsolutions.com

SERVICES OFFERED	MAIN CONTACT	PHONE	EMAIL
TRAINING SERVICES – a Web-based Safety Training Platform Services Offered <ul style="list-style-type: none">• OSHA Training Documentation• Online Video Library http://app.targetsolutions.com/auth/index.cfm?action=login.showlogin&customerid=19258&customerpath=score• Policy Templates (IIPP examples, Bloodborne Pathogens, HAZWOPER, Emergency Response Plans)• Training Records management (i.e. Diplomas, Certificates of Completion)• Continuing Education Courses for Fire and Safety Personnel	Jennifer Jones , Account Manager	(858) 376-1632	jennifer.jones.@targetsolutions.com

CONCRETE CUTTING

Precision Concrete Cutting
Main: (866) 792-8006 Fax: (650) 240-3866
www.dontgrind.com

SERVICES OFFERED	MAIN CONTACT	PHONE	EMAIL
SIDEWALK TRIP HAZARD SERVICES Services Offered <ul style="list-style-type: none">• Sidewalk Asset Management• Surveying Sidewalk Infrastructure• Repairing Uneven Sidewalk Panels	Joseph Ortega Katrina Lynch	(650) 576-4303 (916) 847-7346	jortega@DontGrind.com Klynch@dontgrind.com

CERTIFICATE OF LIABILITY COVERAGE REQUEST FORM

DATE: _____ **ALLIANT FAX:** (916) 643-2750
ATTN: Michelle Minnick **ALLIANT PHONE:** (916) 643-2715
FROM: _____ **SENDER FAX:** _____
CITY: _____ **SENDER PHONE:** _____
DEPT: _____

CERTIFICATE HOLDER (Person or Entity Requesting the Certificate from the City):

Name: _____

Address: _____

Attention: _____ **Phone #:** _____

Effective Date(s): _____

Please check the appropriate box:

Coverage Evidence Only:

Additional (Insured) Covered Party: (If this box is checked, **please include a complete copy of the contract or agreement** specifically requesting additional insured status.)

When does the Contract or Agreement end? _____

LIABILITY LIMITS REQUESTED:

Bodily Injury \$ _____
Physical Damage \$ _____
Combined Single Limit \$ _____

Location, date(s) and description of activities or lease:

Note: The executed contract or lease agreement **must** be included for an Additional Covered Party or Loss Payee request. If the equipment or vehicles are leased or purchased, please provide the year, make, model, serial number and value. The documentation should clearly indicate:

1. That the requested coverage is required
2. The amount of coverage required

Term	Definition
4850	Labor Code 4850
AB 1234	Ethics Education for Local Officials
AB 1825	Harassment Prevention Training for Supervisors
Active Negligence	The party that was negligent took an active part in doing whatever caused the damage. For example, a city digging a hole and someone falls in
ACV (Actual Cash Value)	The amount equal to the replacement cost minus depreciation of a damaged or stolen property at the time of the loss. It is the actual value for which the property could be sold, which is always less than what it would cost to replace it
Adhesion	When one party has greater power over the other party in drafting the contract (i.e. the provisions of the contract are prepared by one party—the insurer. The other party the insured does not take part in the preparation of the contract)
ATD (Aerosol Transmissible Diseases)	An epidemiologically significant disease that is transmitted via droplet or airborne route
Aggregate	The term used to describe the cumulative amount of all losses for a period of time.
Aggregate Stop Loss	A financial arrangement with a JPA’s excess carrier that caps the aggregate to a predetermined limit at which point the excess carrier would “drop down” and pay losses within the JPIA’s SIR, or pooled layer
AME (Agreed Upon Medical Examiner)	A medical provider who has been certified by the Division of Workers’ Compensation by passing an administrative exam. An AME is selected (or agreed upon) by two parties in order to help resolve a dispute about a WC claim.
Aleatory	An insurance contract is aleatory meaning it is contingent on an uncertain event (a loss) that provides for unequal transfer of value between the parties
ACIP (Alliant Crime Insurance Program)	Program offered by Alliant that created to bring the advantages of group purchase to public entities seeking very broad coverage for illegal acts committed by their employees while on the job.
APIP (Alliant Property Insurance Program)	The largest single property insurance placement in the world. Formed by Alliant Insurance Services in 1993 to meet the unique property insurance needs faced by public entities
ADA (American Disability Act)	A federal law that prohibits discrimination against people with disabilities in employment, transportation, public accommodation, communications, and governmental activities. The ADA also establishes requirements for telecommunications relay services. For the U.S. Equal Employment Opportunity Commission office (EEOC office) in your area, call 1-800-669-4000 or 1-800-669-6820 (TTY).
Assessment company	Providing primarily fire and windstorm insurance for small towns and farmers (charge members a pro rata share of losses at the end of each policy period)
AIS (Associate in Insurance Services)	Professional designation awarded by the Insurance Institute of America (IIA) upon successful completion of four national exams, one specifically designed for this program and the three examinations in the IIA Program in General Insurance
AGRIP (Association of Governmental Risk Pools)	A national organization of JPA’s and public agency insurance pools. Formed for educational, information gathering and political lobbying purposes. Affiliated with PRIMA
ALCM (Associate in Loss Control Management)	A professional designation earned after the successful completion of five national examinations given by the Insurance Institute of America (IIA).

ARM (Associate in Risk Management)	A nationally recognized educational program for dedicated risk management professionals, developed by the Insurance Institute of America.
Attachment Point	The dollar amount of a loss where the next layer of insurance begins to pay for the loss
Automobile Liability	Designed to afford bodily injury and property damage liability coverage associated with owned, non-owned and hired vehicles. May include medical payments, uninsured/underinsured motorists' liability coverages
Automobile Physical Damage	Usually a first party coverage; however, some entities have "Bailment" or "care, custody and control" liability exposures such as garages, maintenance facilities that service vehicles of others, and parking lots
Best's Rating	A rating system that indicates the operating and financial condition of insurance companies. Information is developed and published annually by the A. M. Best company. Generally one looks for a company with a rating of A VII or better
BOD/BD (Board of Directors)	body of elected or appointed members who jointly oversee the activities of a company or organization
BI (Business Interruption)	A form of insurance coverage that replaces business income lost as a result of an event that interrupts the operations of the business, such as fire or a natural disaster.
CAJPA (California Association of Joint Powers Authorities)	Performs regulatory and legislative lobbying as well as accreditation of Joint Powers Authorities to promote the financial stability of JPAs
CIPRA (California Institute for Public Risk Analysis)	Organized to develop, analyze and disseminate information on risk management in California's public sector, especially self-insured entities and Joint Powers Authorities
CJPRMA (California Joint Powers Risk Management Authority)	CJPRMA provides the excess coverage to SCORE's Liability Program
California State Association of Governments (CSAC)	CSAC is a lobbying, advocacy and service organization representing the state's 58 counties at the state and federal level. Areas of focus include the state budget, health-care reform, corrections reform, transportation funding, water and climate change
California State Association of Governments - Excess Insurance Authority (CSAC-EIA)	CSAC-EIA is a member directed insurance risk sharing pool. The EIA has developed effective risk management solutions to help California public entities proactively control losses and prepare for different exposures
CalTIP (California Transit Insurance Pool)	In 1986 the California Transit Association formed an insurance committee and authorized the preparation of a study of alternative methods of providing liability insurance coverage and began providing liability coverage in 1987
Catastrophic Loss Reserve	A separate JPIA reserve account designated to pay losses without additional premium assessments to members
CIC (Certified Insurance Counselor)	an insurance agent professional certification designation
Certified Industrial Hygienist (CIH)	CIH is a professional whose job it is to protect the health of workers and the general public. A CIH is educated, trained and certified to recognize health hazards, test the environment for those hazards and determine when they pose a risk to those who might be exposed to them
Chartered Property Casualty Underwriter (CPCU)	CPCU is a professional designation in property-casualty insurance and risk management

Claim	A demand of a right. In general a demand for compensatory damages, resulting from the actions of another
Claims Made	A provision of an insurance policy that requires it to pay only for claims presented during the policy period with no regard for when the action causing the claim took place. Typically, a claims-made form also includes a retroactive date setting the earliest date for which a covered occurrence can happen. (Also see "Occurrence")
Compromise and Release (C&R)	A type of settlement in which you receive a lump sum payment and become responsible for paying for your future medical care. A settlement like this must be approved by a workers' compensation judge.
Conditional	an insurance policy includes a number of conditions that both the insured and the insurer must comply with. (i.e. a covered loss occurs, the insured must notify the insurer about the loss and the insurer must use the valuation methods specified in the policy to settle the loss- thus the contract is conditional)
Conditions	describe the responsibilities and the obligations of both the insured and the insurance company
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 the certainty the actuary has that losses will not exceed the dollar value used to attain the CL
Contract	a legal agreement between two competent parties that promises a certain performance in exchange for a certain consideration
Contract of Utmost Good Faith	as the insurance company relies on the truthfulness and integrity of the applicant when an issuing a policy. In return, the insured relies on the company's promise and ability to provide coverage and pay claims
Certified Safety Professional (CSP)	CSP's are qualified persons that are competent and trained to detect and appraise hazardous materials, procedures and activities of workers, materials and work environments. They are highly educated, trained and experienced in the field of safety.
California State Association of Counties Excess Insurance Authority (CSAC-EIA)	SCORE participates in a group purchase of pollution liability coverage with CSAC-EIA
Cumis Counsel	Cumis refers to a lawsuit against the Cumis Insurance Society in which they were found to have controlled the defense attorney to the detriment of their insured. The court determined that the Society should have assigned separate counsel to represent the exclusive interests of the insured. The need for <i>cumis counsel</i> arises in situations where there are significant coverage issues and defense counsel is conflicted between his duty to his client and the obligations to the insurance carrier.
DE9	Quarterly Contribution Return and Report of Wages
Declarations	contain information such as the name of the insured, the address, the amount of coverage provided, a description of property, and the cost of the policy
Deductible	It is that portion of each claim that is paid by the member at the time of loss. It is in addition to any premium already paid
Defense	A defendant's denial to a complaint or cause of action
Definitions	clarify the meaning of certain terms used in the policy
Deposit Premium	Premium required at the beginning of a policy period based on estimated costs
Difference In Conditions	A specialized property insurance policy written to provide coverage for perils

(DIC)	not covered in a standard property policy or in the JPIA's Memorandum of Property Coverage. In particular, it is most often used to provide coverage for earthquake and/or flood losses
Directors and Officers (D&O)	Liability insurance payable to the directors and officers of a company, or to the organization(s) itself, as indemnification (reimbursement) for losses or advancement of defense costs in the event an insured suffers such a loss as a result of a legal action brought for alleged wrongful acts in their capacity as directors and officers.
Directors, Officers and Trustees Liability	Intended to protect nonprofit board members, officers, and directors for faulty decisions, which imperil the entity. Usually written to include entity reimbursement for legal actions and personal liability of specific wrongdoers
Date of Loss (DOL)	Regarding property claims this is usually the date of occurrence of physical damage to property. In WC claims this is usually the date a physical injury occurred to an employee.
Doctrine of reasonable expectations	a policy includes coverages that an average person would reasonably expect it to include regardless of what the policy actually provides
Earthquake (EQ)	a sudden and violent shaking of the ground, sometimes causing great destruction, as a result of movements within the earth's crust or volcanic action
Employers' Liability	Included as part of a worker's compensation insurance policy. Covers liability for losses arising out of injuries to employees that are not covered by statutory workers' compensation benefits
Employment Practices Liability (EPL)	Written to protect an entity from liabilities arising from allegations of discrimination, failure to promote or hire, harassment, ADA responsibilities, wrongful termination, etc
Endorsement	any change to the original policy (attached to the policy itself)
Environmental Impairment Liability	Also referred to as "Pollution" and "Pollution Legal" Liability; can be written to protect an entity from actions resulting from contamination of air, water, property. First party (damage to owned property) and third party (liability for damage to others) protections are often provided on the same policy
Employment Risk Management Authority (ERMA)	ERMA provides employment practices Liability coverage to SCORE members desiring such coverage
Errors and Omissions Insurance (E&O)	Professional liability insurance that protects companies and individuals against claims made by clients for inadequate work or negligent actions, usually includes both court costs and any settlements up to the amount specified on the insurance contract.
Errors and Omissions Liability	Excludes bodily injury and property damage; intended to afford protection for the "misfeasance, malfeasance or non-feasance" of public officials, employees and volunteers. May also include incidental medical personnel (paramedics), police and fire personnel, architects and plan checkers, engineers, and on-staff attorneys
Excess Insurance	Insurance that is purchased to provide higher limits than the primary policy or coverage provides
Excess Loss	The portion of a loss that is allocated to, or paid by, excess coverage
Exclusions	describe the losses for which the insured is not covered
Executive Committee (EC)	committee within that organization which has the authority to make decisions and ensures that these decisions are carried out
Expected liabilities	Outstanding reserves plus Incurred But Not Reported (IBNR) and Loss Adjustment Expense, discounted at the "Expected" Confidence Level (CL)

Exposure	a condition or situation that presents a possibility of loss (i.e. home built on flood plain is exposed to the possibility of flood damage)
Financial Accounting Standards Board (FASB)	FASB standards, known as generally accepted accounting principles (GAAP), govern the preparation of corporate financial reports and are recognized as authoritative by the Securities and Exchange Commission
Fidelity Bonds	Written as financial guarantees of employees' honesty. Personnel with money-handling responsibilities are considered exposures to loss
Fiduciary Liability	Covers board members, executives and other decision-making personnel with responsibilities for pension funds, retirement plans and employee benefit monies for negligent decisions that result in losses to such funds
Generally Accepted Accounting Principles (GAAP)	GAAP refers to the standard framework of guidelines for financial accounting used in any given jurisdiction; generally known as accounting standards or standard accounting practice
Governmental Accounting Standards Board (GASB)	GASB is the source of generally accepted accounting principles (GAAP) used by State and Local governments in the United States. As with most of the entities involved in creating GAAP in the United States, it is a private, non-governmental organization
General Liability	Written to protect the member's assets against liability for property damage of or bodily injury to third parties (see definition of parties)
Hazard	anything that increases the chance of loss (also see Physical Hazard, Morale Hazard and Moral Hazard)
Health Insurance Portability and Accountability Act (HIPAA)	A federal law enacted in 1996 that protects continuity of health coverage when a person changes or loses a job, that limits health-plan exclusions for preexisting medical conditions, that requires that patient medical information be kept private and secure
Incurred But Not Reported (IBNR)	It is that part of the total claims that is unknown at any point in time. At any time, SCORE has claims that have not been reported or recognized by SCORE or has claims recognized by SCORE but without knowledge of the cost when such claim is finally closed. SCORE uses an actuary to project the costs of these unknown liabilities to SCORE <ul style="list-style-type: none"> - the estimate of funds needed to pay for covered losses that have occurred but have not been reported to the member and/or SCORE and expected future development on claims already reported
Incurred Loss	This is the ultimate expected total value of any claim. It includes the amount already paid, plus the estimated amount yet to be paid (reserves)
Injury Illness Prevention Program (IIPP)	Proactive process of assessing workplace hazards prior to an injury being reported
Insurable Interest	before you can benefit from insurance; you must have a chance of financial loss or a financial interest in the property
Insurance	a contract or device for transferring risk from a person, business, or organization to an insurance company that agrees, in exchange for a premium, to pay for losses through an accumulation of premiums
Insurance Requirements in Contracts (IRIC)	In insurance, the insurance policy is a contract (generally a standard form contract) between the insurer and the insured, known as the policyholder, which determines the claims which the insurer is legally required to pay.
Insurance Services Office, Inc. (ISO)	An insurance industry association that collects statistical data for rate making and develops standard insurance policy forms. ISO is the organization that drafted the standard commercial general liability (CGL) commonly used by insurers

Insuring agreements	state in general what is to be covered, also includes a description of what type of property is covered and the perils against which it is insured (i.e. the losses for which the insured will be indemnified)
Inverse Condemnation	Both the United States Constitution and the California Constitution require that a private citizen be compensated if property is "taken" by a public entity. When the property is taken proactively it is called eminent domain. When the property is taken "accidentally," without due course, it is called inverse condemnation. Negligence need not be proven. The claimant's legal expenses are payable in addition to actual damages
Limit	The most that will be paid in a loss
Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX)	LAWCX provides excess coverage to SCORE's workers' compensation pool
Long Range Planning (LRP)	Exercise aimed at formulating a long-term plan, to meet future needs estimated usually by extrapolation of present or known needs. It begins with the current status and charts out a path to the projected status, and generally includes short-term (operational or tactical plans) for achieving interim goals.
Loss Adjustment Expense (LAE)	administrative expense to manage a claim to conclusion- Allocated LAE (ALEA) are expenses attributable to a specific claim such as attorney fees- Unallocated LAE (ULAE) are overhead expenses not attributable to a specific claim such as salaries or office rental
Loss Ratio	The amount of loss divided by the amount of premium, contributions, payroll or property values
Master Plan Documents	A document issued by a JPA defining the structure, rights and obligations of the participants and procedures of an insurance or self- funded program
Maximum Medical Improvement (MMI)	When an injured employee's condition is well stabilized and unlikely to change substantially in the next year, with or without medical treatment. Once an employee reaches MMI, a doctor can assess how much, if any, permanent disability resulted from the work injury. See also P&S
Memorandum of Coverage (MOC)	A document issued by a JPA defining the coverage provided to the members
Moral Hazard	a person might create a loss situation on purpose just to collect from the insurance company (i.e. a pre-arranged faked theft of an older vehicle so the owner could collect insurance money and buy something new)
Morale Hazard	an individual, through carelessness or by irresponsible actions, can increase the possibility for a loss (i.e. a person who drives a car carelessly because he knows a loss will be insured if an accident occurs)
Mutual interest company	the insureds are also owners of the company and so they can vote to elect the management of the company (profits are returned to the insureds in the form of dividends or reductions in future premiums)
Named Insured	Any person, firm, or corporation, or any of its members specifically designated by name as insured(s) in the policy as distinguished from others who, although unnamed, are protected by the policy definition. A named insured under the policy has rights and responsibilities not attributed to additional insureds, such as premium payment, premium return, notice of cancellation, and dividend participation

Net Assets	(Equity, surplus or Net Position) Total assets less Expected liabilities- the amount of funds remaining after subtracting liabilities at the actuarially determined "Expected" Confidence Level (approx. 50% CL)
Net Contribution	a total contribution for losses less excess insurance costs
Non Vacant land	refers to land that is occupied and used, and/or has structures on it (i.e. shack, building, park with benches)
Obligee	Is an individual, partnership, corporation, or a government entity which requires the guarantee that an action or service will be performed. If not properly performed, the surety pays the obligee for any damages or fulfills the obligation
Occurrence	A) In order for SCORE to pay a liability claim, it must arise out of an occurrence. This is an accident, event, act or omission to act which results in "damages," "bodily injury," or "property damage" neither expected nor intended from the covered parties' conduct. B) A provision of an insurance policy that requires it to pay for a claim caused during the policy period regardless of when it is presented.
Passive Negligence	The party that was negligent did not take part in the action that caused the damage, but was responsible for somehow allowing it to take place. For example, a city allowed a contractor to dig a hole on city property and someone fell in
Peril	Cause of a loss
Permanent and Stationary (P&S)	When an employee's medical condition has reached maximum medical improvement. Once an employee is declared P&S, a doctor can assess how much, if any, permanent disability resulted from the work injury. If the disability is rated under the 2005 schedule you will see the term maximal medical improvement (MMI) used in place of P&S. See also MMI
Permanent Disability (PD)	Any lasting disability that results in a reduced earning capacity after maximum medical improvement is reached
Personal Protective Equipment (PPE)	PPE refers to protective clothing, helmets, goggles, or other garments or equipment designed to protect the wearer's body from injury
Physical Hazard	a hazard that arises from the condition, occupancy, or use of the property itself (i.e. skateboard left on the porch steps)
Plaintiff	The party who complains or sues in a personal action. A claimant becomes a plaintiff by filing suit
Pooled Loss	The portion of a loss that is allocated to, or paid by, the self-insured pool. SCORE's Liability Program pools, or self-insures, the first \$500,000 of each occurrence. Loss costs exceeding this amount are paid by excess insurance
Principal	Is an individual, partnership, or corporation who offers an action or service and is required to post a bond. Once bonded, the surety guarantees that he will perform as promised
Principle of Indemnity	when a loss occurs an individual should be restored to the approximate financial condition he was in before the loss no more and no less
Property Insurance	This covers the member for damage to its own property, sometimes called first-party coverage
Public Agency Risk Managers Association (PARMA)	A statewide association for risk managers in the public sector. Educational and lobbying activities

Public Entity Property Insurance Program (PEPIP)	A group purchase program from which many SCORE members purchase their insurance
Public Risk Management Association (PRIMA)	A national association for risk managers in the public sector. Formed for educational, information gathering and political lobbying purposes
Pure Risk	involves only the possibility of loss
QME (Qualified Medical Examiner)	A medical provider who has been certified by the Division of Workers' Compensation by passing an administrative exam.
Reciprocal company	(to give/take), a member of a reciprocal agrees to share the insurance responsibilities with all other members of the unincorporated group (all members insure each other and share the losses with each other) NOTE: managed by an attorney-in-fact who is empowered to handle all of the business of the reciprocal
Replacement Cost (RC)	The cost to replace damaged property with like kind and quality, with no deduction for depreciation, but still subject to a "limit"
Reserve	In order to budget for its expected costs and to know when a claim must be reported to the excess coverage, SCORE estimates the ultimate expected total value of each claim and "reserves" part of the not paid. As moneys are paid out for a claim, the reserve amount is decreased
Retrospective Premium Adjustment	At the beginning of each policy period, SCORE collects a deposit premium representing the estimated costs for that year. Each year a calculation of expenses associated with the policy period are subtracted from the deposit premium. At some point the excess funds will be returned, or shortage of funds will be charged. This process is repeated annually for each coverage year until all claims for that year are closed out and there is no IBNR allocated to that policy year.
Risk	the chance or uncertainty of loss (also see Speculative Risks and Pure Risks)
Risk and Insurance Management Society (RIMS)	National professional organization to promote principles of risk management and assist risk managers in their daily activities
Risk Control	Those risk management techniques designed to minimize the frequency and/or severity of claims. Risk control techniques include exposure avoidance, loss prevention, loss reduction, segregation of loss exposures, and contractual transfer to shift losses to others
Risk Financing	Techniques for generating funds to pay for losses that risk control methods do not entirely eliminate. There are two types of risk financing techniques -- retention and transfer. Retention involves paying for losses using an organization's own assets; transfer involves covering losses by an unrelated entity for a consideration (such as a payment of a premium)
Risk Management	One of the specialties within the general field of management, the process of managing an organization's activities to minimize the adverse effects of accidental losses on a cost-effective basis. Risk management has two components -- risk control and risk financing.
Self-Insured	Coverage of losses from the insured's own funds, rather than an insurance policy. Generally refers to a planned program for financing or otherwise recognizing losses
Self-Insured Retention (SIR)	the maximum amount of exposure to a single loss retained by SCORE

Severability of Interests Clause	An insurance policy provision clarifying that the word “insured,” as it appears within various parts of a policy, applies severally and not collectively. When there is more than one insured, the effect is as though a separate policy is issued to each insured. Thus, a policy containing such a clause will cover a cross liability claim – a claim made by one insured against another insured. The one exception to the separate application to each insured of a policy containing a severability of interest clause is that the limits are not cumulative; that is, one set of limits applies to all insureds collectively
Special Events	Designed to cover your sponsorship of events, such as fireworks shows, festivals, community/entity celebrations; often written to protect other policies’ loss integrity. Another type of special event coverage, known as a “tenants and permittees” policy, can be issued for third parties who rent or use your owned facilities.
Speculative Risk	risks in which there exists both the possibility of gain and the possibility of loss (i.e. poker game)
Spread of Risk	the greater the spread of risk the less likely that there will be a catastrophic loss for the insurance company (i.e. NOT insuring every person in a single town that could be hit by a fire which destroys the town= catastrophic loss for the insurance company vs. insuring several people in MANY towns to spread out the risk of a catastrophic loss)
Stock company	sells stock to stockholders to raise the money necessary to operate the business (profits attributed to the operation of the company are returned as dividends to the stockholders, not the insureds)
Subrogation	The insurer’s right to proceed against a third person if that third person was responsible for a claim paid by the insurer. Employee dishonesty can be subrogated by the insurance company against a dishonest employee
Surety	Is usually a corporation which determines if an applicant (principal) is qualified to be bonded for the performance of some act or service. If so, the surety issues the bond. If the bonded individual does not perform as promised, the surety performs the obligation or pays for any damages
Temporary Disability Benefits (TD)	Payments an employee receives if they lose wages because of a work related injury which prevents them from doing their usual job while recovering
Third Party Administrator (TPA)	TPA is a person or organization that processes claims and performs other administrative services in accordance with a service contract, usually in the field of employee benefits
Total Insured Values (TIV)	The values shown on a member city’s schedule or appraisal for property coverage. Only those items shown on the schedule are covered for loss
Terrorism Risk Insurance Act (TRIA)	TRIA is a United States federal law signed into law by President George W. Bush on November 26, 2002. The Act created a federal "backstop" for insurance claims related to acts of terrorism.
Vacant land	refers to land that is unoccupied and unused, and/or has no structures on it
Vehicle Identification Number (VIN)	unique code including a serial number, used by the automotive industry to identify individual motor vehicles, towed vehicles, motorcycles, scooters and mopeds as defined in ISO 3833