



**Small Cities Organized Risk Effort (SCORE)
Board of Directors Meeting Minutes
June 15, 2018**

Member Cities Present:

Roger Frith, City of Biggs
Wes Heathcock, City of Colfax
Mark Brannigan, City of Dunsmuir
Robert Jankovitz, City of Isleton
Hope Ithurnburn, City of Live Oak
Roger Carroll, Town of Loomis
Kathy LeBlanc, City of Loyalton

Sara Kleier, City of Montague
Melissa Klundby, City of Portola
Brooke Kerrigan, City of Rio Dell
John Duckett, City of Shasta Lake
Debi Savage, City of Susanville
Penny Velador, City of Tulelake
Steve Baker, City of Yreka

Member Cities Absent:

Sarah Griggs, City of Etna
Linda Romaine, Town of Fort Jones

Muriel Howarth Terrell, City of Mt. Shasta
Diana Howard, City of Weed

Consultants & Guests

Marcus Beverly, Alliant Insurance Services
Michelle Minnick, Alliant Insurance Services
Blake Michaelson, City of Dunsmuir

Jennifer Zraick, Gilbert Associates, Inc.
Dorienne Zumwalt, York Risk Services
Cameron Dewey, York Risk Services

A. CALL TO ORDER

Mr. Roger Carroll called the meeting to order at 10:00 a.m.

B. ROLL CALL

The above mentioned members were present constituting a quorum. Cities absent from this meeting were the City of Etna, Town of Fort Jones, City of Mt. Shasta, and the City of Weed.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Kathy LeBlanc

SECOND: Roger Frith

**MOTION CARRIED
UNANIMOUSLY**



D. PUBLIC COMMENT

There were no public comments.

E. CONSENT CALENDAR

1. Board of Directors Meeting *Draft* Minutes – March 30, 2018
2. US Bank Custodial Account Statement –March – May 2018
3. Local Agency Investment Fund Quarterly Statement of Investment – March 31, 2018
4. Treasurer’s Report as of March 31, 2018
5. SCORE Checking Account Transaction List – March – May 2018
6. Investment Statements from Chandler Asset Management – March – May 2018
7. ACI Utilization Report – January – March 2018
8. Loss Control Grant Fund FY 17/18 Usage
9. Loss Control Grant Fund FY 18/19 Allocation
10. Bickmore – Actuarial Letter of Engagement dated January 3, 2017
11. Company Nurse Injury Summary Report – April 2018
12. Notification of a Bill.com Policy Change – email dated May 22, 2018
13. Target Solutions Utilization Report – March – May 2018

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

MOTION: Roger Frith

SECOND: John Duckett

**MOTION CARRIED
UNANIMOUSLY**

F. ADMINISTRATIVE REPORTS

F1. President’s Report

Mr. Roger Carroll had no issues to report for SCORE but thanked the Board for their time and welcomed new representatives. He mentioned over the last 21 years it has been nice watching SCORE grow and mentioned it has been good to keep an eye on how the JPA is doing.

F.2.A. CJPRMA Update

Mr. Roger Carroll noted he attended the annual retreat in Squaw Valley and highly recommends the facility. He noted the hot topic was recommend language for agreements. He noted that Alliant provides the IRIC manual but it was noted to specifically look at the encroachment permits. He mentioned that CJPRMA has provided a communication that will be scanned and sent to all SCORE members so they have a copy of the recommended language for agreements.

F.2.B. ERMA Update

John Duckett provided the Board of Directors with a brief update of the May 1st meeting. He noted that ERMA is now requesting proof of compliance with training (referencing the new gender expression and bathrooms laws) and also noted the training sessions for FY 18-19 have begun



scheduling and if a member is interested in hosting there is information posted to the website (or you can contact ERMA directly).

F.2.C. LAWCX Update

Marcus Beverly provided the Board of Directors with an update of LAWCX matters and mentioned the Board has passed the budget. He also noted that LAWCX has been going through a process of truing up old years assessments and they have issued an assessment to bring everything current. LAWCX has provided SCORE's Assessment of \$129,593 but noted LAWCX will give members a choice to pay the entire assessment up front (due August 15th 2019 and receive 10% discount) or opt to pay annual installments is paid over a 10 year period. The Program Administration has reached out to the Accountant and Investment Manager to determine which option is more attractive and we will present this information at an upcoming meeting as the first installment is not due until August 15th 2019. Marcus Beverly also noted that they have expanded the job analysis and noted that job descriptions will be expanded (to include essential functions). This is due to the interactive process through ADA which determines if someone can return to their jobs but an employer must have essential job functions written into the job description.

F3. Alliant Update

Marcus Beverly mentioned that we have been tracking the Target Solutions usage and it appears that more people are using the online training platform. It was also noted that Target Solutions recently updated their course catalog and members should have received communication from Karly (our dedicated contact) – members were encouraged to share this with their employees. It was also noted that today is the last day to submit a request FY 17/18 Loss Control Grant Funds. If members are interested in holding their FY 17/18 Loss Control Grant Funds into next year it was requested that they submit a letter by today.

G. FINANCIAL

G.1. Quarterly Financial Report – Period Ended March 31, 2018

Jennifer Zraick from Gilbert Associates presented the Quarterly Financial Report for the Period Ending March 31, 2018 and indicated there has not been much change from quarter to quarter and mentioned that in general we in line with where we expected to be. She mentioned the member receivables are low thus the cash balance is higher. On the liabilities Jennifer noted that the dividends payable to members last year included the accrual of ERMA Dividends and a payout to members who left SCORE which is why there is a big change from last year as compared to this year. She also mentioned the claims reserves have shown favorable development and have decreased by approximately \$123,000.

Jennifer also noted there was a new line added to the Liability Banking layer Schedule called "To/(from) WC Banking Layer" – this was added to help show when a dividend was payable from the Liability Program while there was simultaneously an assessment due in the WC program the excess was applied against the assessment. Previously members were not given credit for this and that is why



we have added that back in at this time. Marcus Beverly noted that several members have benefited from this change and it will be reflected in the DAP.

A motion was made to accept and file the Quarterly Financial Report for the Period Ended March 31, 2018.

MOTION: Wes Heathcock

SECOND: Steve Baker

**MOTION CARRIED
UNANIMOUSLY**

G.2. Dividend & Assessment Plan (DAP) - REVISED

Marcus Beverly noted that this was previously approved and there was an issue on the Liability side where the Colfax numbers were transposed and affected the overall dividend amounts for all SCORE members. At the same time Gilbert addressed the former members' issue (Crescent City and Williams) and it was noted that we no longer require those members to have money in their banking layer. There was no change for Dorris (as we only disburse half for the first 5 years). Once the issue had been corrected it translated into more for Colfax and less for other members.

A motion was made to approve the Dividend and Assessment Revised Plan.

MOTION: John Duckett

SECOND: Steve Baker

**MOTION CARRIED
UNANIMOUSLY**

G.3. Premium Payment Plan Requests for FY 18/19

G.3.A. Premium Payment Plan Requests Isleton

Marcus Beverly noted that the Workers' Compensation premium is billed quarterly and full Liability premium is due at the beginning of the year. He noted that the City of Isleton has asked to pay half of their premium up front and then make monthly payments of the remaining balance. The member has submitted a written request for a payment plan and has asked to waive the administrative fee.

A motion was made to approve the request for payment plan as presented in the agenda (including the administrative fee).

Marcus Beverly noted after the motion was made that the City of Isleton is current with their FY 17/18 Payment Plan.

MOTION: John Duckett

SECOND: Wes Heathcock

**MOTION CARRIED
UNANIMOUSLY**

G.3.B. Premium Payment Plan Requests Tulelake

Marcus Beverly noted that the City of Tulelake has also requested a payment plan on Quarterly installments.



A motion was made to approve the request for payment plan as presented in the agenda on page 90 (including the administrative fee).

MOTION: Steve Baker

SECOND: Roger Frith

**MOTION CARRIED
UNANIMOUSLY**

G.4. Assessment Payment Plan City of Dunsmuir

Marcus Beverly provided a history of Dunsmuir’s assessments and mentioned they have been paying for their prior Assessment Payment Plan and are current with payments but noted they have had additional assessments and have fallen behind on payment for the more recent assessments. At this time the City of Dunsmuir is requesting to combine all outstanding monies and “re-finance” all outstanding assessments – they have offered to make two payments a year for the next four years to bring them fully current. Mark Brannigan mentioned that Dunsmuir has had a lot of turnover and while the city had been paying prior assessments it was found the city had not been paying on the more current assessments. There was a question regarding the administrative fee on payment plans and why it was not included in the assessments here – it was noted that Dividends and Assessments are separate from Premium Payment Plans. It was also noted that if there is a negative balance for a member they will be adversely affected in the DAP.

A motion was made to approve the request for an assessment payment plan as presented in the agenda.

MOTION: John Duckett

SECOND: Steve Baker

**MOTION CARRIED
UNANIMOUSLY**

H. JPA BUSINESS

H.1. Nomination Ad Hoc Committee

John Duckett is the sole member of the Nomination Committee and presented the slate of candidates for the office positions as follows:

Steve Baker – President
Wes Heathcock – Vice President
Roger Carroll - Treasurer
Brooke Kerrigan - Secretary
John Duckett – Member at Large

A motion ratify the slate as presented.

MOTION: Debi Savage

SECOND: Mark Brannigan

**MOTION CARRIED
UNANIMOUSLY**



H.2. Identity Fraud Coverage FY 18/19

Marcus Beverly noted that we have had this coverage for your employees and their families. He highlighted the coverage for the members (page 95). Premium based on your report of employees and it has been included in the administrative expenses.

A motion was made renew the ID Fraud Coverage through Travelers for FY 18/19.

MOTION: John Duckett

SECOND: Wes Heathcock

**MOTION CARRIED
UNANIMOUSLY**

H.3. Required Notice of EPL Claims to ERMA and CJPRMA

Marcus Beverly mentioned the Program Administration received a letter from EMRA's council reminding all SCORE members that we are required to notify ERMA and CJPRMA simultaneously of a claim. He went on to state that ERMA is very strict about reporting requirements (required within 30 days) while CJPRMA only requires notification when there is a lawsuit filed but highlighted that if you know of a potential claim members should report to both carriers immediately. After reporting a claim they will ask you to verify that you have had the harassment training within the last 2 years as there is a potential that the carrier will deny your claim and then SCORE will have to argue to have the claim covered and could raise your retention as a result.

H.4. Lexipol Memorandum of Understanding (MOU)

Marcus Beverly noted this is the continuation with P&P and DTBs for various topics over the course of the year and we have cases where we have saved money as a result of having these written policies. Over the course of SCORE we have evolved to simply pay for this service for Police Departments. Steve Baker mentioned when there is a law change Lexipol will update your policy and notify the city of the change.

A motion was made to renew coverage with Lexipol.

MOTION: Mark Brannigan

SECOND: Roger Frith

**MOTION CARRIED
UNANIMOUSLY**

H.5. FY 18/19 Property Program Renewal

H.5.A. FY 18/19 Property Program Renewal – Proposal

Marcus Beverly noted that for FY 17/18 the Board opted for a \$10k deductible and mentioned the Program Administration requested three deductible options as we are trying to move back toward a \$5k deductible. He highlighted that the proposal presented includes a lower All Risk Deductible while the deductible on Autos and Boiler & Machinery will remain at \$10k. He noted that if SCORE would like to get back down to the \$5k deductible we need to take steps in that direction now to help with the cost and then next year we can work on getting the auto deductible reduced back to \$5K. He highlighted the rate went up 6.5% while Total Insurable Values went up 11.5%.



There was a discussion regarding which deductible option would be appropriate given the size of some of the smaller members as 2 losses is \$10k and if the Board opted for \$5k deductible it would put is in a good position for negotiations with the underwriter in the future.

Marcus Beverly also reviewed some of the changes to the Property Coverage this year noting that for the current year FY 17/18 there is a sublimit of \$2M for unscheduled infrastructure (with a \$500k deductible) – this sublimit will decrease for FY 18/19 to \$750,000 (with a \$500k deductible). It was mentioned if a city chooses to schedule infrastructure the all-risk deductible would apply instead.

Members were also reminded to report a claim as soon as it occurs to ensure you will have coverage due to the reporting requirements of the APIP Pollution and Cyber coverages.

A motion was made to approve the APIP property proposal at the \$5,000 all-risk deductible.

MOTION: Melissa Klundby

SECOND: Debi Savage

**MOTION CARRIED
UNANIMOUSLY**

H.5.B. APIP Claims Reporting Acknowledgements

Michelle requested that members sign the forms as the Board has approved the Property Program

There was no motion made.

It was requested that the Board now review H.6.

H.6. CSAC EIA Pollution Coverage Proposal FY 18/21

It was noted that all SCORE Members with the exception of 2 members (Etna and Isleton) participate in the CSAC EIA Pollution program. Marcus Beverly noted the premium has decreased due to a change in carrier. He also mentioned that this is a claims-made policy which means if a city or town has a claim or even a suspicion of a claim that it should be reported to the carrier prior to the end of the policy period.

A motion was made to approve and bind the CSAC EIA Pollution for 2018-2021.

MOTION: Wes Heathcock

SECOND: Roger Frith

**MOTION CARRIED
UNANIMOUSLY**

H.7. ACI EAP 2018-2020 Contract

Marcus Beverly noted that the ACI EAP contract is for your employees and mentioned the total cost has increased this year as a result of the number of employees. He mentioned some of the services that are available with ACI - Counseling services(family members are included), legal assistance, help finding resources for elder & child care, consultation for ID theft, critical incident response, and direct



supervisor referrals to help resolve performance problems. Members were encouraged to share this information with their employees.

A motion was made to approve the ACI contract for FY 2018-2020

MOTION: Mark Brannigan

SECOND: John Duckett

**MOTION CARRIED
UNANIMOUSLY**

H.5.C. Cyber Liability Options

There was no motion made.

H.5.D. Active Shooter Optional Program

There was no motion made.

Lunchtime Presentation – Excess Cyber Liability Options

Marcus Beverly presented the Board with information about the options that are available for Cyber Coverage including the APIP Primary Coverage, Cyber Enhancement Options (CEO) and the ACES Program. He reviewed the coverage in APIP Primary Cyber and how the CEO and ACES Programs work in tandem with the Primary Coverage.

H.8. Memoranda of Coverage (MOC)

H.8.A. Memoranda of Coverage (MOC) – Liability

Marcus Beverly noted that there have been no changes to the language of the MOC at this time but mentioned that the endorsement was moved up into the actual policy. He also mentioned that the Declarations pages have been updated to include the Excess MOC from CJPRMA and CSAC Pollution Policies to show all coverage.

A motion was made to approve the Liability MOC as presented in the agenda.

MOTION: Roger Frith

SECOND: Kathy LeBlanc

**MOTION CARRIED
UNANIMOUSLY**

H.8.B. Memoranda of Coverage (MOC) – Workers' Compensation

Marcus Beverly noted that there have been no changes to the MOC at this time but we have update the Declarations pages in include the SCORE layer, as well as the LAWCX and CSAC EIA (statutory which is what the state says you are required to pay).



A motion was made to approve the Workers' Compensation MOC as presented in the agenda.

**MOTION: Mark Brannigan SECOND: Brooke Kerrigan MOTION CARRIED
UNANIMOUSLY**

H.9. Adoption of the FY 18/19 SCORE Program Budget

Overall there has not been much change in the Admin Budget – the largest change is regarding the OSIP line item – it was mentioned they oversee self-insured agencies and they have provided us with an estimate of 18% increase from last year. Prior to the motion being made it was noted the number listed in the Administration budget for the Property Program is using the \$10K deductible premium and given the Board approved the \$5K deductible the total cost of the budget will increase and should be noted in the motion.

A motion was made to approve the SCORE Program Budget as presented (with the exception of the Property Program total which will increase the total Budget).

**MOTION: Mark Brannigan SECOND: John Duckett MOTION CARRIED
UNANIMOUSLY**

H.10. Delegation of Investment Authority to SCORE Treasurer

Roger Carroll noted that this is a required item which needs to be adopted annually – this resolution provides the Treasurer with authority to work with Local Agency Investment Fund (LAIF).

A motion was made to approve Roger Carroll as the Treasurer to work with the investment management company.

**MOTION: Steve Baker SECOND: Debi Savage MOTION CARRIED
UNANIMOUSLY**

H.11. Long Range Planning Meeting Topics

Marcus noted that last year we had a training day and the Board was asked if there are any topics of interest for the upcoming meeting in November. Member indicated interest in the Litigation Management, General Dangerous Conditions, EPL Training, as well as a Legal and Legislative Update.

I. Town Hall Open Discussion on Member Issues

Members noted interest in an Escape Room for the November dinner.

J. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95

1. Liability

- a. Lindsey v. City of Weed**



- b. Tallerico v. City of Weed**
- 2. Workers' Compensation**
 - a. SCWA-555847 v. Town of Fort Jones**
 - b. SCWA-556054 v. City of Shasta Lake**
 - c. SCWA-555999 v. City of Yreka**

K. Report from Closed Session

The board provided direction and there was nothing to report.

L. INFORMATION ITEMS

L.1. CAJPA Conference – September 11-14, 2018 in South Lake Tahoe, CA

This was provided as an information item only.

L.2. FY 17/18 Resource Contact Guide

This was provided as an information item only.

L.3. Glossary of Terms

This was provided as an information item only.

L.4. SCORE Travel Reimbursement Form

This was provided as an information item only.

M. CLOSING COMMENTS

N. AJOURNMENT

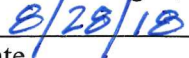
The meeting was adjourned at 1:14 PM

NEXT MEETING DATE: August 24, 2018 TELECONFERENCE

Respectfully Submitted, .



Brooke Kerrigan, Secretary



Date