



Small Cities Organized Risk Effort (SCORE)
Board of Directors Teleconference Meeting Minutes
August 28, 2015

Member Cities Present:

John Busch, City of Biggs
Mark Miller, City of Colfax
Bryce Craig, City of Dunsmuir
Linda Romaine, Town of Fort Jones
Kathleen Caldwell, City of Live Oak
Roger Carroll, Town of Loomis
Kathy LeBlanc, City of Loyalton
Don Kincade, City of Montague
Muriel Howarth Terrell, City of Mt. Shasta

Robert Meacher, City of Portola
Brooke Woodcox, City of Rio Dell
John Duckett, City of Shasta Lake
Jared Hancock, City of Susanville
Gwenna MacDonald, City of Susanville
Randolph Darrow, City of Tulelake
Diana Howard, City of Weed
Steve Baker, City of Yreka

Member Cities Absent:

Marilyn Seward, City of Etna

Robert Jankovitz, City of Isleton

Consultants & Guests

Michael Simmons, Alliant Insurance Services
Marcus Beverly, Alliant Insurance Services
Michelle Minnick, Alliant Insurance Services
Raychelle Maranan, Alliant Insurance Services
Chris Carmona, City of Redding, CJPRMA

Dorienne Zumwalt, York Risk Services
Cameron Dewey, York Risk Services
Tracey Smith-Reed, Gilbert Associates, Inc.
David Patzer, DKF Solutions

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 and the City of Isleton.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Mark Miller

SECOND: Kathy LeBlanc

**MOTION CARRIED
UNANOMUSLY**



D. PUBLIC COMMENT

There were no public comments.

E. CONSENT CALENDAR

1. Board of Directors Meeting *Draft* Minutes – June 26, 2015
2. US Bank Account Statements – June—July 2015
3. Local Agency Investment Fund (LAIF) Quarterly Statement of Investments – June 30, 2015
4. Investment Statements from Chandler Asset Management – June—July 2015
5. ACI Quarterly Utilization Report – April—June 2015
6. Target Solutions Administrative Summary as of June 30, 2015
7. SCORE Checking Register as of June 30, 2015

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

MOTION: John Busch

SECOND: Don Kincade

**MOTION CARRIED
UNANOMUSLY**

F. ADMINISTRATIVE REPORT

F1. President's Report

Mr. Roger Carroll had no items to report.

F2. Alliant Update

Mr. Marcus Beverly indicated there were no updates to provide but reminded members that the next meeting is our Training Day and Board of Directors meeting in Anderson, CA on October 29-30, 2015.

G. FINANCIAL

G1. Quarterly Financials for QE June 30, 2015

Tracey Smith-Reed presented the Draft Quarterly Financials for QE June 30, 2015 and mentioned the reason these were presented in draft form was due to a recent update received from the Actuary yesterday and so the changes have not been presented to Kevin Wong for final approval. She went on to note that the audit is in the process of being finalized and should be completed in the next two weeks but there are no changes anticipated at this time.

- Due to payments of dividends for Crescent City and Williams the total assets have dropped from last year
- There has been a decrease of \$55,000 due to claim recoveries
- On Liabilities the decrease is due to the money paid out to Crescent City and Williams in dividends (\$120,000)



- Largest change in Liabilities is a decrease of \$1.2 million as a result of claim reserves and actuarial adjustments
- There has been favorable activity in Workers' Compensation Claim Reserves have decreased by about half a million as York has looked at the case reserves and determined they could be dropped
- Total net position has increased by just over \$1 million
- Regarding the Budget to Actual - claim payments in WC are down by approximately \$234,000 but if you look at Liability program there was some additional activity that pushed us over our budgeted amount (over by \$168,000).
- There has been positive development in the Grant Funds program as lots of members took advantage and this year we paid out \$60,000 in grant funds- as opposed to last year when we paid out \$2,000.

Marcus Beverly indicated that there will be an update at the October meeting regarding the Loss Control Grant Funds for each member.

No motion was made as a draft of the Quarterly Financials for QE 6-30-2015 was presented to the Board of Directors and a final copy will be presented to the Board of Directors at the October meetings for approval.

H. JPA BUSINESS

H1. Safety and Loss Control Plan

David Patzer presented the Safety and Loss control timeline of events for members in John Balestrini's absence. He indicated during the months of September-October DKF will be reaching out to members to set up a date for each member's site visit. He also mentioned that DKF will be requesting information on employees from each city to set up the training management system database for the My Safety Officer (MSO) and noted the request for information would include the following: Employee Roster, Work Group Name which includes Job Titles. David went on to highlight that DKF will be asking which CalOSHA Safety Policy they would like update and suggested that member city's begin with Illness and Injury Prevention Program which acts as a foundation of the safety program. Site visits will occur between November-March where DKF will complete the review of three safety policies and create a customized training for each city.

Marcus Beverly mentioned that SCORE has chosen to use the My Safety Officer (MSO) through DKF we will no longer be paying for this service through CJPRMA-he went on to indicate that we have set aside the \$3,000 savings as a training budget to be used over the next policy year.

David Patzer also mentioned that DKF is in the process of getting a Flagger Training session set up as a cost sharing training session and when the date has been set members will be encouraged to attend as the cost per employee will be lower if more employees attend.



H2. Interest on Payment Plans

Marcus Beverly indicated that members that have requested payment plans (Isleton for Liability and Tulelake for WC and Liability). He reminded members that at the August 28 2015 Board of Directors meeting there was a discussion regarding charging interest on the unpaid balance for those members who request a payment plan. At one time we charged the LAIF rate (and we stopped doing it when the LAIF rate dropped to zero percent). Marcus Beverly also mentioned that the Bylaws allow for charging interest on unpaid balances but the BOD was asked to confirm what interest rate should be used in the calculations. There was a discussion regarding the use of an administrative fee on top of the interest rate but it was noted there would have to be a revision to the Bylaws in order to accommodate this.

A motion was made to charge interest on unpaid balances at a rate of 3% to begin as of July 1, 2015 with direction given to PA's to present the Board of Directors with the option for an administrative fee on top of the interest paid as a topic for the October meeting.

**MOTION: Jared Hancock SECOND: Linda Romaine MOTION CARRIED
UNANOMUSLY**

H3. LAWCX Representative

Marcus Beverly noted that Ron Stock will be moving to the alternate for the City of Weed so we would like to have the BOD appoint a LAWCX representative to attend meetings which traditionally happen two times a year and SCORE can be fined if we do not attend at least one meeting a year. He mentioned that the meetings are traditionally are hosted in Sacramento and last approximately 2-3 hours over lunch. John Duckett mentioned that he the Alternate and requested that someone assume the role of LAWCX Representative.

A motion was made to appoint Steve Baker as the LAWCX representative for one year.

**MOTION: Mark Miller SECOND: John Duckett MOTION CARRIED
UNANOMUSLY**

H4. ERMA Dividend

Marcus Beverly indicated that this item was presented to the Board of Directors at the last meeting but no motion was made to approve the dividend payments and so this item was brought back to the Board of Directors for a motion. He then presented the ERMA Refund Distribution and noted that all members are receiving dividends for 2015 with the exception of Loomis and Isleton. Based upon the losses in recent years SCORE's total net member dividend for 2015 is \$52,913. The total net ERMA dividend for 2014 is \$93,718.

A motion was made to approve and disperse the dividend payments.

**MOTION: Mark Miller SECOND: John Duckett MOTION CARRIED
UNANOMUSLY**



H5. CJPRMA Cyber Liability

Marcus Beverly indicated at the 6/26/2015 BOD meeting the Board had concerns about the Cyber Liability option being offered by CJPRMA and how it could potentially conflict with our own Cyber Liability Coverage – at that meeting the BOD made a motion to decline the CJPRMA coverage until further research could be done to determine if and how this coverage could affect our own coverage being offered through the APIP Program. Now that we have had some time to research the issue we have determined that CJPRMA’s Cyber Liability Coverage will be in excess of our own Cyber Liability Coverage and will provide additional limits on top of what members have through the primary coverage in APIP. It was also mentioned that as CJPRMA has already purchased this coverage and so every SCORE member is required to complete an application to ensure they are included in the policy. Michelle Minnick noted that Alliant has only received a few responses from members regarding the request for a completed application and the remaining members were instructed to provide the completed application as soon as possible.

A motion was made to accept the CJPRMA Cyber Liability coverage.

MOTION: Steve Baker

SECOND: Don Kincade

**MOTION CARRIED
UNANOMUSLY**

H6. Update on Former Members

Marcus Beverly presented information related to former members who have left the SCORE JPA and indicated that Crescent City has a negative balance in their Banking Layer in the Workers’ Compensation program and both Crescent City and City of Williams have a positive balance in the Liability Banking Layer. It was also mentioned that there are no open claims as of 7/31/2015 in the Liability Program.

Alliant staff was asked to reach out to Crescent City members to request a transfer of monies from the positive balance in the Liability Program to be applied to the negative balance (\$46,532.23) in the Workers’ Compensation Program. Marcus Beverly indicated that SCORE would need to provide Crescent City with a choice to bill or to take the monies out of the dividend payable.

A motion was made to send a letter to Crescent City to request a transfer of monies in the Liability Program to the WC program to combat the negative position and for Alliant to provide additional information for reducing liability in the future.

MOTION: Jared Hancock

SECOND: Steve Baker

**MOTION CARRIED
UNANOMUSLY**

H7. October Training Day and Board of Directors Meeting Topics

Marcus Beverly provided a brief overview of the October Training Day Agenda and indicated that the first day has traditionally focused on training. He went on to mention that the presentation on Social Media has been confirmed but noted that the training time of three hours is a bit long and he will be working with the presenter—Michael Christian—to ensure the training is shorter. Marcus



Beverly went on to mention that we have scheduled LAWCX to present their Return To Work Program presentation. Steve Baker from the City of Yreka noted there is a significant amount of training prior to the actions items and requested some of those action items be moved to the morning part of the day. Marcus Beverly indicated Alliant will work with the presenters to help make this possible.

I. TOWN HALL OPEN DISCUSSION ON MEMBER ISSUES

The Board of Directors was asked if there were any topics of discussion related to member issues and there were no comments.

J. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95

At 11:21 AM, pursuant to Government code section 54956.95, the Board held a closed session to discuss the following claims for payment of tort liability loss or public liability loss.

1. Liability

a. Ferrasci v. City of Mt. Shasta**

MOTION: Steve Baker **SECOND:** Don Kincade **MOTION CARRIED**

2. Workers' Compensation

a. SCWA-552593 Roy Hathaway**

MOTION: Linda Romaine **SECOND:** Muriel Howarth Terrell **MOTION CARRIED**

b. SCWA-5558665 Gary Moravec**

MOTION: Mark Miller **SECOND:** Don Kincade **MOTION CARRIED**

The Board returned from closed session at 11:42 AM. Mr. Carroll reported that the above closed session items were discussed and appropriate direction was given to Staff and the Claims Administrator.

K. AJOURNMENT

The meeting was adjourned at 11:43 am.

NEXT MEETING DATE: October 29, 2015 in Anderson, CA

Respectfully Submitted,

Brooke Woodcox, Secretary

10/30/15

Date