



Small Cities Organized Risk Effort (SCORE)
Board of Directors Meeting Minutes
June 14, 2019

Member Cities Present:

Nathan Wilkinson, City of Biggs
Mark Sorensen, City of Biggs
Wes Heathcock, City of Colfax
Blake Michaelsen, City of Dunsmuir
Karl Drexler, Town of Fort Jones
Robert Jankovitz, City of Isleton
Luis Cibrian, City of Live Oak
Roger Carroll, Town of Loomis

Crickett Strock, Town of Loomis
Kathy LeBlanc, City of Loyalton
Bruce Pope, City of Mt. Shasta
Melissa Klundby, City of Portola
John Duckett, City of Shasta Lake
Paulette Velador, City of Tulelake
Ron Stock, City of Weed
Emily Coulter, City of Weed

Member Cities Absent:

City of Etna
City of Montague
City of Rio Dell

City of Susanville
City of Yreka

Consultants & Guests

Marcus Beverly, Alliant Insurance Services
Michelle Minnick, Alliant Insurance Services
Kevin Wong, Gilbert Associates, Inc.

Dorienne Zumwalt, York Risk Services
Jill Petraca, York Risk Services

A. CALL TO ORDER

Mr. Wes Heathcock called the meeting to order at 10:01a.m.

B. ROLL CALL

The above mentioned members were present constituting a quorum.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Mark Sorenson

SECOND: Kathy LeBlanc

**MOTION CARRIED
UNANIMOUSLY**



D. PUBLIC COMMENT

There was no public comment.

E. CONSENT CALENDAR

1. Board of Directors Meeting *Draft* Minutes – March 31, 2019
2. US Bank Custodial Account Statement –March – May 2019
3. Local Agency Investment Fund Quarterly Statement of Investment – March 31, 2019
4. Treasurer’s Report as of March 31, 2019
5. SCORE Checking Account Transaction List – March – May 2019
6. Investment Statements from Chandler Asset Management – March – May 2019
7. ACI Utilization Report – January – March 2019
8. Loss Control Grant Fund FY 18/19 Usage
9. Loss Control Grant Fund FY 19/20 Allocation
10. Bickmore Actuary – Letter of Engagement dated April 8, 2019
11. Gilbert Associates – Letter of Engagement dated May 15, 2019
12. Company Nurse Injury Summary Report – April 2019
13. Target Solutions Utilization Report – March – May 2019

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

MOTION: Ron Stock

SECOND: Roger Carroll

**MOTION CARRIED
UNANIMOUSLY**

After the motion was passed Michelle commented on the FY 18-19 loss Control

F. ADMINISTRATIVE REPORTS

F1. Vice President’s Report

Mr. Wes Heathcock had nothing to report.

F2. Excess Pool Reports

F.2.a. CJPRMA Update

Mr. Roger Carroll provided the Board with an update of the most recent CJPRMA meeting - training was provided on when cops are required to show video footage from body cameras and noted that this needs to be looked into as soon as possible. It was also mentioned that Lexipol will help with a review of pursuit policies.

F.2.b. ERMA Update

John Duckett provided the Board of Directors with a brief update of the ERMA meeting from the end of April. He noted they reviewed coverages and the MOC. It was noted there was an increase of 9.3% but it was noted 6% was due to payroll increases.



F.2.c. LAWCX Update

Marcus Beverly provided the Board with an update of the LAWCX meeting and noted we are expecting to pay out the first installment of the Deficit Cure Plan and the Board will need to determine how to allocate the cost.

F.3. Alliant Update

Marcus Beverly thanked the Board for their responses to requests for information during the application process and noted this has been a bad year for property renewals. Michelle Minnick mentioned there have been a lot of changes at the City Level to the Board Representative and Alternate and reminded Board members when any change occurs please notify the Program Administration Staff as soon as you are aware of the change so that we can ensure the legally required Form 700's are completed within 30 days of starting or exiting a position.

G. FINANCIAL

G.1. Quarterly Financial Report – Period Ended March 31, 2019

Kevin Wong presented a summary of the Quarterly Financial Report for the Period Ended March 31, 2019.

- Total Assets increase of approximately \$900k (from \$14 Million to \$15 Million)
- Total Net position has increased by approximately \$400,000
- Revenues and expenses in comparison to the budget are on track at about the 75% mark which is to be expected given we are three quarters of the way through the fiscal year.

A motion was made to accept and file the Quarterly Financial Report for the Period Ended March 31, 2019.

MOTION: Kathy LeBlanc

SECOND: Nathan Wilkinson

**MOTION CARRIED
UNANIMOUSLY**

G.2.A. Premium Payment Plan Requests for FY 19/20

G.2.A. Premium Payment Plan Requests Isleton

Marcus Beverly noted that Workers' Compensation is billed quarterly and the entire Liability payment is due at the beginning of the year – the City of Isleton has asked to pay half up front and then monthly payments of the balance. The member requested a payment plan and had asked to waive the 3% administrative fee on the un-paid balance.

A motion was made to approve the request for payment plan as presented in the agenda on page 76 (including the administrative fee).

MOTION: Roger Carroll

SECOND: John Duckett

**MOTION CARRIED
UNANIMOUSLY**



G.2.B. Premium Payment Plan Requests Loyalton

The City of Loyalton has also requested a payment plan on with 10 installments. They would pay 10% as the down payment and then 10 installments to conclude in May 2020.

A motion was made to approve the request for payment plan as presented in the agenda on page 78 (including the administrative fee).

MOTION: Karl Drexler

SECOND: Blake Michaelsen

**MOTION CARRIED
UNANIMOUSLY**

G.2.C. 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 80 (including the administrative fee).

MOTION: Ron Stock

SECOND: John Duckett

**MOTION CARRIED
UNANIMOUSLY**

H. JPA BUSINESS

H.1. Identity Fraud Coverage FY 19/20

Marcus Beverly noted this coverage is for your city employees and their family members who live at home. The annual premium increased 9% from last year due to a 19% increase in participation.

A motion was made to approve the ID Fraud Coverage for FY 19/20.

MOTION: Kathy LeBlanc

SECOND: Roger Carroll

**MOTION CARRIED
UNANIMOUSLY**

H.2. LAWCX Workers' Compensation Claims Audit

Marcus Beverly noted that SCORE does a Claims Audit every other year and the Excess Carrier will perform a Claims Audit on the off year – this is to ensure an audit of the claims is done annually either by SCORE or excess Carriers.

A motion was made to accept and file the LAWCX Workers' Compensation Claims Audit.

MOTION: Blake Michaelsen

SECOND: Penny Velador

**MOTION CARRIED
UNANIMOUSLY**



H.3. Lexipol Memorandum of Understanding (MOU)

Marcus Beverly noted that is a renewal of the Training for Police Department Updates.

A motion was made to approve as expiring.

**MOTION: Roger Carroll SECOND: Nathan Wilkinson MOTION CARRIED
UNANIMOUSLY**

H.4. Nomination and Selection of SCORE Secretary and/or Member-at-Large

Marcus Beverly noted that Brooke Kerrigan has left Rio Dell and created a vacancy of the Secretary on the SCORE Executive Committee – John Duckett has offered to assume the role of Secretary and that would create a vacancy of the Member-at-Large.

A motion was made to approve John Duckett as the SCORE Secretary.

**MOTION: Wes Heathcock SECOND: Roger Carroll MOTION CARRIED
UNANIMOUSLY**

A motion was made to approve Blake Michaelsen as the Member at Large.

**MOTION: John Duckett SECOND: Kathy LeBlanc MOTION CARRIED
UNANIMOUSLY**

H.5. Delegation of Investment Authority to SCORE Treasurer

Marcus Beverly mentioned that we are only able to provide authority annually and so this Resolutions is presented each year.

A motion was made to approve the Resolution 19-01.

**MOTION: Blake Michaelsen SECOND: John Duckett MOTION CARRIED
UNANIMOUSLY**

After the motion passed the SCORE Treasurer noted that the interest rate in LAIF has increased and is now closer to 2.5% - he would like to discuss with Marcus and Dori what we will need for claims payments in the near future so we can move money in an effort to gain more interest if possible.

H.6. Crime Coverage for SCORE Treasurer

Marcus Beverly noted that we have been purchasing a Crime Bond with a limit of \$250,000 for the SCORE Treasurer – currently the Program Administration is proposing the ACIP Program with a limit of \$1 million which would include the SCORE Board, Executive Officers and SCORE Treasurer.



A motion was made to approve the ACIP Program for the SCORE JPA including the Treasurer.

**MOTION: Nathan Wilkinson SECOND: Kathy LeBlanc MOTION CARRIED
UNANIMOUSLY**

**H.7. FY 19/20 Property Program Renewal
H.7.A. FY 19/20 Property Program Renewal – Proposal**

Marcus Beverly reminded members that due to the recent Property Appraisal some Real and Personal Property values went down but noted a rate increase of 19.5%. He went on to highlight that across the board in the insurance community we are seeing increases in Property renewal of 20% or more. Marcus reviewed the Property Allocation spreadsheet and the Executive Summary noting these changes go into effect 7/1/19. Members were also reminded that we will be switching Pollution Carriers effective 7/1/19 so any and all claims will need to be reported by 6/30/19 to ensure coverage.

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

**MOTION: Roger Carroll SECOND: Wes Heathcock MOTION CARRIED
UNANIMOUSLY**

H.7.B. Time Element Coverage Special Notice

Marcus Beverly provided a review of the letter that sent to SCORE Board members reminding them of the difference between Business Interruption, Rental Interruption and Tax Interruption Coverages.

H.7.C. APIP Claims Reporting Acknowledgements

Annually we provide participating APIP members with the Claim Reporting Requirements and request that each member post the information in a visible location.

A motion to authorize the President to sign the Claim Acknowledgement Form on behalf of SCORE.

**MOTION: Nathan Wilkinson SECOND: Kathy LeBlanc MOTION CARRIED
UNANIMOUSLY**

LUNCHTIME SPEAKER – Cyber Coverage Overview & Excess Options

Marcus Beverly provided the Board with a review of the coverage provided by the Beazley Breach Response (BBR) program and other Excess Cyber Liability Options.

H.8. Deadly Weapons Response Optional Program

Marcus Beverly provided a review of the coverages provided by the program and noted that the covered locations are based on your schedule of values – the event must occur on a scheduled location.



H.9. Memoranda of Coverage (MOC)

H.9.A. Memoranda of Coverage (MOC) – Liability

Marcus Beverly noted that there have been no changes to the MOC at this time as there were no changes to the excess coverage and we follow the excess form.

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

MOTION: Roger Carroll

SECOND: Wes Heathcock

**MOTION CARRIED
UNANIMOUSLY**

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

Marcus Beverly noted that Cities have an option to extend Workers Compensation coverage for your off duty police officers who are out of state that respond to an event (i.e. Las Vegas Concert) if they want to extend those benefits. To do so, SCORE would first need to approve the attached update to the Declaration page and secondly the City would also need to pass a resolution to the same effect. Members were provided with a sample resolution to use as a model if they would like to extend Workers Compensation benefits in this manner. Only members who have a Police Department would need to pass the City Resolution.

A motion was made to approve the Workers’ Compensation MOC as presented in the agenda including the endorsement.

MOTION: John Duckett
NAY: City of Weed

SECOND: Bruce Pope

MOTION CARRIED

H.10. FY 19/20 SCORE PRELIMINARY BUDGET

H.10.a. FY 19/20 Funding Rates – Liability

Marcus provided a review of the SCORE Administrative Budget including the premiums for all programs.

H.10.b. FY 19/20 Funding Rates – Workers’ Compensation Options at 75% and 80%

Marcus presented the Board with a review of the 75% CL and 80% CL and after a brief discussion it was generally agreed a move to the 80% CL was in the best interest of the pool.

A motion was made to accept the 80% CL rates Workers’ Compensation Program Funding Rates as presented in the agenda.

MOTION: Roger Carroll
NAY: Weed

SECOND: Nathan Wilkinson

MOTION CARRIED



After the motion passed Marcus Beverly noted that the Agenda Packet Summary of Deposits shows the premium due using a 75% Confidence Level and we will send an updated version to the Board showing the approved 80% Confidence Level.

H.11. SCORE Long Range Planning Meeting Topics

Marcus Beverly noted that in order to maintain our CAJPA Accreditation with Excellence status we are required to do a Long Range Planning Meeting once every three years. As the focus has been on training for the last two years the Board was asked what topics they would like to review at the October meeting and members provided feedback.

I. TOWN HALL OPEN DISCUSSION ON MEMBER ISSUES

Dori Zumwalt introduced Jill Petraca who has taken over the handling of the Liability Claims – she encouraged members to reach out to York if there is a new claims contact at the city level.

There was mention of the new laws pertaining to the use of Roundup – it was mentioned there are safer alternatives to use instead of chemicals (such as goats) and if a city contracts out landscaping services you should know what chemicals that vendor is using to ensure coverage.

J. CLOSED SESSION PURSUANT TO GOVERNMENT CODE 54956.95

At 12:53 P.M., 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. Workers' Compensation

- a. SCWA-555937 v. City of Yreka**
- b. SCWA-555908 and SCWA-556061 v. City of Montague**

K. REPORT FROM CLOSED SESSION

The Board returned from closed session at 1:00 P.M. Mr. Baker reported that the above closed session items were discussed and appropriate direction was given to Staff and the Claims Administrator.

L. INFORMATION ITEMS

L1. CAJPA Conference – September 10-13, 2019 in South Lake Tahoe, CA

Members were encouraged to attend as there are great presenters and relevant topics of interest.

L.2. FY 19/20 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

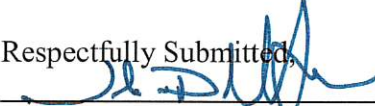
There were no closing comments.

N. AJOURNMENT

The meeting was adjourned at 1:01 P.M.

NEXT MEETING DATE: August 23, 2019 TELECONFERENCE

Respectfully Submitted,



John Duckett, Secretary

2/11/2020
Date