



**Small Cities Organized Risk Effort (SCORE)
Board of Directors Meeting Minutes
January 23, 2015**

Member Cities Present:

John Busch, City of Biggs
Laurie Van Groningen, City of Colfax
Dick Kelby, City of Dunsmuir
Pamela Russell, City of Etna
Linda Romaine, Town of Fort Jones
Jim Goodwin, City of Live Oak
Roger Carroll, Town of Loomis
Crickett Strock, Town of Loomis
Ernie Teague, City of Loyalton
Janie Sprague, City of Montague

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
Gwenna MacDonald, City of Susanville
Jenny Coelho, City of Tulelake
Ron Stock, City of Weed
Steve Baker, City of Yreka

Member Cities Absent:

Robert Jankovitz, City of Isleton

Consultants & Guests

Michael Simmons, Alliant Insurance Services
Marcus Beverly, Alliant Insurance Services
Michelle Minnick, Alliant Insurance Services
Dorienne Zumwalt, York Risk Services
Cameron Dewey, York Risk Services

Kevin Wong, Gilbert Associates, Inc.
Tracey Smith-Reed, Gilbert Associates, Inc.
Peter Cheney, Norm Peterson & Associates
Kathryn Mullis, ACI
John Schack, ACI

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. The only member absent was the City of Isleton.



C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Ron Stock

SECOND: John Duckett

**MOTION CARRIED
UNANIMOUSLY**

D. PUBLIC COMMENT

There were no public comments.

E. CONSENT CALENDAR

1. Board of Directors Meeting *Draft* Minutes – October 16-17, 2014
2. Local Agency Investment Fund (LAIF) Quarterly Statement of Investments –December 31, 2014
 - a. Treasurer’s Report
3. US Bank Custodial Account Statement – July – December 2014
4. SCORE Checking Account Transaction List – October – December 2014
5. Investment Statements from Chandler Asset Management – October – December 2014
 - a. Account 590
 - i. Portfolio Summaries
 - ii. Compliance Report
 - iii. List of Investments as of December 31, 2014
6. ACI Specialty Quarterly Utilization Report – October – December 2014
7. Target Solutions Annual Utilization Report – January – December 2014

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

MOTION: Ron Stock

SECOND: Steve Baker

**MOTION CARRIED
UNANIMOUSLY**

F. COMMITTEE REPORTS

- F1.** ERMA Board of Directors Meeting Minutes – November 17, 2014
- F2.** LAWCX Board of Directors Meeting Minutes – November 4, 2014
- F3.** CJPRMA Board of Directors Meeting Minutes – October 23, 2014
- F4.** Discussion of Future Excess Reports

The Board of Directors was given the opportunity to discuss the inclusion or exclusion of excess coverage provider meeting minutes in each agenda packet due to the volume and size. It was suggested that the excess minutes not be placed into the agenda packet but instead be placed onto the SCORE website and the members would be notified when they are posted.



G. ADMINISTRATIVE REPORTS

G1. Alliant Update

Marcus Beverly provided an introduction of Michelle Minnick who replaced Laurence Voiculescu as the new Alliant SCORE Contact person. Michelle Minnick then provided the Board of Directors with an update about the new changes to the SCORE website which has been updated.

G2. President's Report

Mr. Roger Carroll had no issues to report for SCORE.

G3. CJPRMA Update

Mr. Roger Carroll noted that CJPRMA has declared the expected dividend and it was asked if SCORE would like to receive a check for the expected dividend or reduce our annual premium for the next year. Marcus Beverly noted the expected dividend this year is \$27,439.00. The dividend will be requested in the form of a check and the premium will be paid separately.

Mr. Roger Carroll also offered information about the Special Event coverage offered by Gales Creek. Mr. Roger Carroll noted that if someone wants to rent one of your properties for an event you simply direct them to the website and request that they come back with an insurance policy. After they have completed this task they will have a certificate of insurance to bring back to you.

G4. CJPRMA Overview

David Clovis, CJPRMA General Manager, provided the Board with a brief history of CJPRMA and also noted significant claims from the recent past to highlight the potential exposure cities have to high-dollar value claims. He also noted CJPRMA provides value-added services available to SCORE members, including claims audits, training, phone consulting, and site inspections.

G5. CAJPA Accreditation 2014 - 2017

David Clovis, Vice President of CAJPA, presented Roger Carroll from the Board of Directors with CAJPA Accreditation with Excellence for the period 2014-2017.

G6. ERMA Update

John Duckett provided the Board of Directors on ERMA matters pertinent to SCORE. John Duckett noted that ERMA will be marketing their services to cities that do not currently belong to their membership and so members should be expecting communication about joining.

John Duckett also noted that ERMA does regional training which fills up quickly



It was also noted that ERMA has a Grant fund proposal which includes \$2000/agency for examination of a city's personnel policies

G7. LAWCX Update

Ron Stock provided the Board of Directors with an update of LAWCX matters pertinent to SCORE. Ron Stock noted that the November meeting covered funding rates, confidence levels and adopting of the budget for next year- he also noted there has been an increase in rates by about 8.5% from last year.

H. FINANCIAL

H1a. Quarterly Financials for Period Ending September 30, 2014

Board Members were provided a copy of the September 30, 2014 Quarterly financials and Statement of Net Assets presented by Gilbert Associates, Inc.

H1b. Period Ending December 31, 2014

Ms. Tracey Smith-Reed and Kevin Wong from Gilbert Associates presented the Quarterly Financials as of December 31, 2014. Total claims expenses since July 1 are \$1,644,101.37, with Net Operating Revenue of negative \$687,425.07, mainly due to an increase of \$602,914.02 in claim reserves.

A motion was made to accept and file the Quarterly Financials for Period Ending September 30, 2014 and Period Ending December 31, 2014 as presented.

MOTION: Linda Romaine

SECOND: Don Kincade

**MOTION CARRIED
UNANIMOUSLY**

H2. Banking Layer Balances and Adjustments

H2a. Banking Layer Balances

Gilbert Associates presented the member Banking Layer balances for review and as a starting point for the Dividend and Assessment Analysis. At this time no changes were recommended.

H2b. Dividend & Assessment Analysis

Gilbert Associates provided a draft updated analysis of the pool's financial position as respects any dividends or assessments that may be declared, per SCORE's Dividend and Assessment Plan (DAP).

Kevin Wong explained this was an information only item to illustrate the formula approved last year. The analysis is based on the 6/30/2014 audited financial statements, with outstanding liabilities at the 70% confidence level. The illustration is of a \$250,000 distribution (in the green section) from shared into banking



Distributions of the shared layer flow into banking layer (yellow section) allocated on a per member basis and any funds distributed from the banking layer are subject to Board approval and minimum balance requirements (\$12,500/per member or member average of claims whichever is higher).

Michael Simmons noted that we will review and evaluate thresh holds and will come back with a recommendation regarding dividends or assessments for next meeting

H2c. City of Crescent City & City of Williams Dividend Release Request

The Board of Directors was provided the opportunity to review and discuss the request for a dividend release made by the City of Crescent City and City of Williams. Half of the dividends declared since they left SCORE are now eligible for release. Marcus Beverly noted that dividends held for the City of Williams total \$215,48, with \$107,742 eligible for release. Dividends held for Crescent City were \$380,010, but with prior payments of \$178,120 the amount eligible for release is \$11,885.

A motion was made to release half of the funds available to the City of Crescent City and City of Williams per the SCORE policy.

MOTION: Pam Russell

SECOND: Ron Stock

**MOTION CARRIED
UNANIMOUSLY**

JPA BUSINESS

II. Risk Control Issues

IIa. Target Solutions Renewal Agreement & On-Line Platform Overview

The Board of Directors received an update regarding ongoing services being provided by Target Solutions. At the last board meeting Marcus Beverly was given authority to negotiate with Target Solutions and after researching other vendors it was noted that Target Solutions was the most cost effective vendor for online training resources as they have agreed to extend the same rate due to our long standing relationship with them. Marcus Beverly also noted that SCORE members have access to all the material that is offered by Target Solutions, unlike accessing through CSAC-EIA, and it also provides the ability to assign training, track individuals and ensure compliance with OSHA and internal requirements.

Michelle Minnick also provided information regarding Target Solutions and noted that Jennifer Jones has offered her assistance to all members' cities that may be in need of help setting up their member websites and she can also provide valuable advice regarding the creation of training assignments for your cities and towns. Members were encouraged to reach out to her by March 15, 2015 with any questions about Target Solutions and the services they offer. Jennifer Jones also provided the names of the Administrators for each member city website and Michelle Minnick will be reaching out to the member cities to check if the administrator assigned is still an active employee and also to ensure they are aware of their responsibilities to assign out the training.

Roger Carroll mentioned that using Target Solutions training is easy to use and setting up a deadline to complete the training once assigned is a great tool so that the person assigning the training doesn't



have to remember- the program will continue to remind the person assigned that there is a deadline to complete the training.

I1b. SCORE Fire Fighter Physical Fitness Policy- Ad Hoc Committee

The Board of Directors received an update and recommendations from the Ad Hoc Committee to approve suggested changes to the SCORE Fire Fighter Physical Fitness Policy. The language has been softened to recommend versus require compliance with all but the DMV and OSHA requirements. I was noted the cost of exams has been an issue and that the age threshold for requiring annual physicals was raised from 35 to 40.

Don Kincade noted that there is a grant through Siskiyou county which provides the required physicals for \$125, and information about grants available to all members was included in the agenda material.

A motion was made to approve the policy language as presented.

MOTION: Don Kincade

SECOND: Muriel Howarth Terrell

**MOTION CARRIED
UNANIMOUSLY**

I1c. Risk Management Best Practices and Scorecard

Marcus Beverly presented the Board of Directors with a framework for Risk Management best practices and a scorecard for tracking member exposures and status of compliance with the best practices. Marcus Beverly also provided a sample scorecard and noted it will be revised as new information is received. The scorecard will also act as a snapshot of each city which will help identify the exposures of each member city so we can take action to prevent claims. The scorecard will also add credibility and accountability to all member cities to maintain certain standards. It was noted that as DKF Solutions completes their site inspections they will be incorporating the scorecard items into their reports.

ACI Employee Assistance Orientation & Wellness LUNCH Presentation

Kathryn Mullis and John Schack from ACI provided the Board of Directors with an Orientation Presentation which included information regarding the Wellness Program as well as the EAP.

I1d. DKF Solutions Training Services Timeline Update

The Board of Directors received a progress update about ongoing services being provided by David Patzer and DKF Solutions. They will be visiting every SCORE city over the next 2 months to review the results of the risk control survey, provide biomechanics and ergonomic training, and develop a work plan to enact over the next year.

Last December they conducted a workshop in Redding on state mandated sewer management plans. They are scheduling Sewer Maintenance Workshops in May. Now every Sanitary Sewer Overflow (SSO) has to be reported, including how much spilled and how much recovered, and training



includes estimating those numbers. Members that have sanitary sewer must be registered with the State- fines for not doing so.

Cal OSHA has proposed hiring approximately 130 employees with the intent of conducting 1,400 work site inspections over the next 2 years. Confined Space is one target of the inspection program, including rescue plans. In the event of emergency you must have a plan to get someone out of a confined space and it can't be just calling 911. Member on-site reviews will include discussion of this topic and assistance as needed.

I1e. 2015 Resource Contact Guide

The Board of Directors was provided a copy of the updated Resource Contact Guide for easy reference in accessing member services and resources. Michelle Minnick also noted that there have been changes to the Resource Contact Guide which now includes all the services available to member cities through their SCORE membership. A brief description of the vendor services has also been included as well as contact information in the event members have a question and need to contact a vendor directly. The goal of the Resource Contact Guide is to keep members informed about all the services they can access and to ensure the members are taking advantage of the vast amount of resources available to them. This will also be posted to the website and can be accessed electronically.

I1f. Loss Control Grant Fund Program

The Board of Directors will review the current status of the Loss Control Grant Program and was asked to make a recommendation regarding its future. Marcus Beverly noted the grant program was started about a year ago with the intent to provide members with funds to be used for loss control services, training and other risk control needs as well as to provide funding for items or services that will offer a long term benefit to each Member. It was also noted that there are members who have requested more loss control grant funds than are allotted to them and currently we are waiting for the Board of Directors to determine if SCORE will continue the Loss Control Grant program for the next year. If the program is continued for the next year those members who exceeded the loss control grant funds allotted will have funds deducted from the next fiscal year's allotment.

There was unanimous approval to continue the program through the next year. Marcus Beverly noted this will be included in the next year's budget calculations.

I2. Confirmation of Meeting Locations (and Dates)

The Board of Directors was asked to confirm the location for the two remaining 2014/15 meetings and discuss dates and locations for the 2015/16 meetings. Originally the 1/23/2015 meeting and the next two meetings were set to take place in Shasta Lake. However, it was decided to host this meeting at the Gaia Hotel which has good acoustics, plenty of room and is centrally located for all members. After discussion it was decided the next two meetings will be held at the Gaia Hotel in Anderson, CA.



It was also noted that a location and date need to be set for the October Training Day. After a discussion it was decided the date of the October Training day meeting will be October 29-30, 2015. The Board of Directors noted their preference of locations for the October Training day meeting to be Mt. Shasta Resort (first choice) and South Lake Tahoe (second choice). Michelle Minnick will research the costs associated with hosting the training day at both locations to determine what location would be more cost effective.

I3. Discussion of 2014/15 Long Range Planning Results

Marcus Beverly provided a review of feedback from the 2014/15 Long Range Planning Session and recommendations for future activities. Members discussed and provide feedback on the topics.

Many of the recommendations have been implemented, most notably increasing risk control services and training resources. In person training was requested, including scheduling an Ethics & Sexual Harassment in person training, and inviting non-SCORE members as space permits. This could assist in recommendation to grow membership, and members were asked to help to identify potential candidates.

I4. 2015 Service Calendar

Ms. Michelle Minnick presented the 2015 Service Calendar to the Board of Directors and noted that the calendar will now include deadlines for submission of items that will be requested throughout the year.

A motion was made to accept the 2015 Service Calendar.

MOTION: Steve Baker

SECOND: Don Kincade

**MOTION CARRIED
UNANIMOUSLY**

I5. 2015 State of the Insurance Market Presentation

Mr. Michael Simmons provided an overview of the current the state of the insurance market

This was an information item.

J. CLOSED SESSION PURSUANT TO GOVERNMENT CODE 54956.95

At 1:57 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. Liability

- a. Cardoza v City of Mt. Shasta*

MOTION: Pamela Russell SECOND: Linda Romaine
Motion Carried Unanimously

- b. Larsen v City of Isleton
- c. Abaco v Town of Loomis



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- d. Sierra County v City of Loyalton
 - e. Eriksen v City of Mt. Shasta
 - f. Fabbrini v City of Dunsmuir
 - g. Arth v Dunsmuir
 - h. Mears et al v Town of Loomis*
- MOTION: Steve Baker SECOND: Linda Romaine**
Motion Carried Unanimously
- i. Reyna v City of Colfax

K. REPORT FROM CLOSED SESSION

The Board returned from closed session at 2:23 PM. Mr. Carroll reported that the above closed session items were discussed and appropriate direction was given to Staff and the Claims Administrator.

L. INFORMATION ITEMS

L1. 2014 PARMA Conference – February 8 – 11, 2015 in Anaheim, CA.

L2. Glossary of Terms

This was provided as an information item only.

M. TOWN HALL OPEN DISCUSSION ON MEMBER ISSUES

There were no discussion items.

CLOSING COMMENTS

There were no closing comments.

AJOURNMENT

The meeting was adjourned at 2:31 PM

NEXT MEETING DATE: March 27, 2015 in Anderson, CA

Respectfully Submitted,

Pamela Russell, Secretary

Date