



**Small Cities Organized Risk Effort (SCORE)
Board of Directors Meeting Minutes
January 27, 2012**

Member Cities Present

Michael Botorff, City of Biggs
Liz Clontz, City of Dorris
Jim Lindley, City of Dunsmuir
Pamela Russell, City of Etna
Linda Romaine, Town of Fort Jones
Satwant Takhar, City of Live Oak
Roger Carroll, Town of Loomis
Kathy LeBlanc, City of Loyalton
Janie Sprague, City of Montague

Ted Marconi, City of Mount Shasta
Leslie Tigan, City of Portola
Stephanie Beauchaine, City of Rio Dell
John Duckett, City of Shasta Lake
Debra Magginetti, City of Susanville
Kelly McKinnis, City of Weed
Steve Baker, City of Yreka
Randolph Darrow, City of Tulelake

Member Cities Absent

Bruce Kranz, City of Colfax

Dave Larsen, City of Isleton

Consultants & Guests

Susan Adams, Alliant Insurance Services
Michael Simmons, Alliant Insurance Services
Joan Crossley, Alliant Insurance Services
Johnny Yang, Alliant Insurance Services
Marcus Beverly, York Insurance
Jack Kastorff, York Insurance
Craig Wheaton, York Insurance
Leslie Cunningham, York Insurance

Kevin Wong, Gilbert Associates
Tracey Smith-Reed, Gilbert Associates
Michael Flemming, CSAC-EIA
Amy Meyer, MAZE and Associates
Brenda Bains, City of Dunsmuir
Rebecca Villones, City of Isleton
Cricket Strock, Town of Loomis
Earl Wilson, City of Weed

A. CALL TO ORDER

Mr. Roger Carroll called the meeting to order at 9:08 a.m.

B. ROLL CALL

The above mentioned members were present constituting a quorum. Cities absent were the City of Colfax and the City of Isleton.



D. PUBLIC COMMENT

There were no public comments.

E. CONSENT CALENDAR

1. Board of Directors Meeting Minutes – October 28, 2011
2. Local Agency Investment Fund (LAIF) Monthly Statement of Investments – December 2011
3. Union Bank Account Statement – December 2011
4. Investment Statements from Chandler Asset Management: December 2011
 - a. Account 590
 - i. Portfolio Summaries
 - ii. Compliance Report
5. SCORE's Quarterly Financials – September 30, 2011
6. LAWCX December 8, 2011 eBrief
7. TargetSolutions Utilization Report as of December 31, 2011
8. ACI Specialty Utilization Report as of December 31, 2011

A motion was made to approve the consent calendar as presented.

MOTION: Kathy LeBlanc

SECOND: Leslie Tigan

MOTION CARRIED

F. PRESENTATIONS

F1. CAJPA Accreditation with Excellence

Mr. Michael Fleming from CSAC-EIA, representing CAJPA, presented the Board with SCORE's second CAJPA Accreditation with Excellence Award.

F2. ANCILLARY INSURANCE PROGRAMS (Lunchtime Presentation)

Ms. Susan Adams gave a presentation to the Board of Directors regarding Ancillary Insurance Programs that are offered by Alliant should members be interested. Programs available are: Special Events Liability, Vendors/Contractors Liability, Crime Insurance, Pollution Liability, and Airport/Aviation Liability.



G. FINANCIAL REPORTS

G1. Quarterly Financials for Period Ending December 31, 2011

Mr. Kevin Wong gave a report on the Quarterly Financials for Period Ending December 31, 2011 advising that Net Assets are significantly decreased due to the decrease in contribution caused by two members leaving the pool and increase in accounts receivables. Accounts receivables increased because the assessments are booked as well as the dividends.

A motion was made to approve the Quarterly Financials for Period Ending December 31, 2011.

MOTION: Kelly McKinnis **SECOND:** John Duckett **MOTION CARRIED**

G2. Annual Audited Financial Report Year Ending June 30, 2011

Ms. Amy Meyer from MAZE and Associates presented to the Board of Directors the Annual Audited Financial Report Year Ending June 30, 2011 advising of the slight typo in SCORE's investment policy which staff will correct and bring back to the Board of Directors for approval of the amendment. There were no other issues found during the Annual Audited Financial Report. Ms. Meyer stated there was no material weakness to report and no internal control recommendations.

A motion was made to approve the Annual Audited Financial Report Year Ending June 30, 2011.

MOTION: Pamela Russell **SECOND:** Michael Botorff **MOTION CARRIED**

H. ADMINISTRATIVE REPORTS

H1. President's Report

Mr. Roger Carroll advised that US Bank has increased their annual fee from \$3,500 to \$7,000. Mr. Carroll researched and found that Bank of New York will agree to annual fee for \$3,500. Mr. Carroll has agreed to switch to Bank of New York.

H2. Alliant Update

Ms. Joan Crossley addressed the Board regarding SCORE's new website roll-out explaining that the main reason for this new platform is due to Alliant's transition to SharePoint which will give Alliant better management of the site.



H3. California Joint Powers Risk Management Authority (CJPRMA) Update

Mr. Carroll explained that at the latest CJPRMA meeting there were no items pertaining to SCORE.

I. JPA BUSINESS

II. SCORE Logo

Mr. Johnny Yang explained that staff has drafted a logo on behalf of SCORE and would like Board approval of the proposed logo.

A motion was made to approve the proposed SCORE logo.

MOTION: Linda Romaine

SECOND: Liz Clontz

MOTION CARRIED

I2. City of Isleton Premium Payment Deferral Request

Ms. Adams explained that staff has met with Mr. Dave Larsen and Ms. Rebecca Villones at the City of Isleton and advised that they currently have a past due amount for their General Liability coverage through SCORE. Mr. Larsen advised staff that Isleton has requested a loan from the County of Sacramento which would assist in their financial crisis. Ms. Rebecca Villones addressed the Board advising that the County did not approve the requested loan.

Mr. Carroll said that the letter provided did not reference a payment plan. Ms. Adams advised that they currently have a past due premium of \$23,811.95 advising that Mr. Larsen also mentioned that should the County not approve the requested loan they would likely be filing Chapter 9 bankruptcy.

Ms. Villones advised that City Council is aware of the past due premium and paying these premiums are a priority for the Council. Mr. Simmons reminded members that should the organization wish to expel Isleton, a notice must be sent to the City 60 days prior to July 1, 2012. Ms. Adams offered to attend the next council meeting for the City of Isleton.

Ms. Stephanie Beauchaine requested for Isleton to not only provide a Payment Plan but also a Financial Plan. Ms. Beauchaine said the City Manager should be present at the next SCORE Board of Directors meeting in March to discuss the issues regarding the City of Isleton.

Staff was directed to table this item until after discussions at the next City Council meeting and bring the item to an Executive Committee teleconference to discuss options to bring to the next Board meeting in March.



I3. 2011 Retrospective Adjustment Ratification

Ms. Susan Adams advised that there were discrepancies in the original 2011 Retrospective Distribution Calculations. They have since been amended and sent to members.

A motion was made to approve the 2011 Retrospective Adjustment Ratification.

MOTION: Stephanie Beauchaine **SECOND:** Kathy LeBlanc **MOTION CARRIED**

I4. City of Crescent City Distribution Request

Ms. Susan Adams explained that at the last Board meeting the JPA made a motion to deny the City of Crescent City's distribution request and directed staff to examine a formula to determine a calculation of potentially eligible funds for departing cities for substantially closed years. Ms. Adams suggested the release of funds prior to the most recent nine years, or four years in addition to the five most current years that are restricted for distribution. Releasing these funds using the same percentage the Board approves for distribution by line of coverage would result in a \$48,616 distribution to the City of Crescent City.

There was further discussion as to whether the City of Crescent City will be eligible for distributions in the upcoming Retrospective Distributions. Mr. Simmons advised that Crescent City will have to put in another request for those funds upon which the Board will review and discuss the options.

A motion was made to approve the City of Crescent City Distribution as proposed by staff.

MOTION: Michael Botorff **SECOND:** Stephanie Beauchaine **MOTION CARRIED**

I5. Target Equity Analysis as of June 30, 2011

Mr. Michael Simmons gave a report on the Target Equity Analysis as of June 30, 2011.

I6. Vendor Contract Renewals

a. Maze and Associates (Financial Auditor)

Mr. Carroll advised that MAZE and Associates' 3 year contract is due to expire on June 30, 2012 with the option of a 2 year renewal.

A motion was made to approve MAZE and Associates' 2 year renewal option.

MOTION: John Duckett **SECOND:** Stephanie Beauchaine **MOTION CARRIED**



b. York Risk Services (Liability/Workers' Compensation Claims Administration and Risk Control Services)

There was discussion regarding how long SCORE has retained the same Claims Administrator. Ms. Adams advised that it has been since pool inception. Ms. Beauchaine said SCORE should carry out its due diligence and send out a Request for Proposal (RFP).

A motion was made to submit a Request for Proposal regarding SCORE's Liability / Workers' Compensation Claims Administration and Risk Control Services.

MOTION: Stephanie Beauchaine **SECOND:** Pamela Russell **MOTION CARRIED**

There was further discussion regarding the process of the RFP and if it should be an all-inclusive RFP or broken out by service. Staff was directed to draft an RFP for all services with options made available for each service.

The Board agreed to appoint an Ad Hoc Committee to review the RFP as well as the responses to the RFP and to conduct oral interviews if needed.

An Ad Hoc Committee was appointed by the Board consisting of the following members.

Stephanie Beauchaine
Roger Carroll
Pamela Russell
Ted Marconi
Steve Baker

J. SAFETY AND RISK MANAGEMENT

J1. Lexipol Fire Manual

Mr. Jack Kastorff advised the Board that there are about 13 fire departments within SCORE and estimated the manual would cost around \$4,500 for each department. Mr. Kastorff recommends providing customized Policy and Procedure Manuals through Lexipol as it would assist in reducing both Liability and Workers' Compensation exposures for fire departments.

Staff was directed to bring this item back to the next Board meeting with quotes from Lexipol.

J2. Company Nurse

Ms. Crossley advised that at its October Training Day, Dennis Chandler from Company Nurse gave a presentation regarding the services offered. The Board has agreed and has been enrolled



in Company Nurse providing triage services, care instructions and/or medical referrals to injured employees for Workers' Compensation injuries. SCORE's enrollment will be effective February 1, 2012.

Mr. Johnny Yang advised that there are still a few members who have not completed the Company Nurse Enrollment form and he will be following up with those cities as until enrollment is completed they are not eligible to utilize the service.

K. CLOSED SESSION

At 11:56 a.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. Cooper vs. Mt. Shasta
- b. Arth vs. Dunsmuir

2. Workers' Compensation

- a. Murphy vs. Portola 2011115737
- b. Downing vs. Susanville 2010109476
- c. Goulart vs. Mt. Shasta 2011115161
- d. Hoover vs. Weed 2011120967
- e. Melo vs. Mt. Shasta 2011120592
- f. Reno vs. Crescent City 2009091056
- g. Spruill vs. Weed 2007058233
- h. Stone vs. Portola 2011120685
- i. Whittaker Jr. vs. Etna 2009097949

L. REPORT FROM CLOSED SESSION

The Board returned from closed session at 12:25 p.m. Mr. Carroll reported that the above closed session items were discussed and appropriate direction was given to Staff.

M. INFORMATION ITEMS

M1. SCORE Resource Contact Guide

M2. PARMA Conference – February 14 – 17, 2012 – Monterey, CA

N. CLOSING COMMENTS

There were no closing comments.



AJOURNMENT

The meeting was adjourned at 11:59 a.m.

NEXT MEETING DATE: Friday, January 27, 2012

Respectfully Submitted,

Debra Magginiti, Secretary

Date