



**Small Cities Organized Risk Effort (SCORE)
Special Executive Committee
Teleconference Meeting Minutes
December 7, 2017**

Member Cities Present:

Roger Carroll, Town of Loomis
Brooke Woodcox, City of Rio Dell
John Duckett, City of Shasta Lake

Linda Romaine, Town of Fort Jones
Steve Baker, City of Yreka

Member Cities Absent: NONE

Consultants & Guests:

Marcus Beverly, Alliant Insurance Services
Michelle Minnick, Alliant Insurance Services

Michael Simmons, Alliant Insurance Services

A. CALL TO ORDER

Mr. Roger Carroll called the meeting to order at 10:06 A.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: Steve Baker

SECOND: Linda Romaine

**MOTION CARRIED
UNANIMOUSLY**

D. PUBLIC COMMENT

There were no public comments.

E. CONSENT CALENDAR

1. Executive Committee Special Meeting Minutes – December 20, 2016
2. Executive Committee Special Meeting Minutes – May 11, 2017
3. Executive Committee Emergency Meeting Minutes – September 11, 2017



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

MOTION: Steve Baker

SECOND: Linda Romaine

**MOTION CARRIED
UNANIMOUSLY**

F. ALLIANT PROGRAM ADMINISTRATION AGREEMENT

Michael Simmons noted five years ago when we went through this process there was an in-depth review completed and we have replicated the analysis in the same fashion this year. Marcus Beverly presented the proposed contract for review including the proposed pricing. He highlighted the first year of the contract includes an initial bump of 7.5% to reset the administrative compensation followed by four years with a 2% increase but noted the annual average increase falls below 3% for the entire five-year term of the agreement. It was also noted that commissions currently estimated to be \$45,000 are capped at \$50,000 as a maximum.

The pricing was proposed based on estimates of the number of hours spent dedicated to SCORE, including broker services. The Program Administrators aim to run the JPA in the most efficient way possible which includes different people working on the account at different levels. Marcus mentioned there is a Fee Credit of \$4,650 owed to SCORE which will be credited toward next years' funding. Lastly, it was noted the commission for the Alliant Mobile Equipment has increased from 13.5% in the prior contract to 16% in the proposed contract.

Marcus highlighted the key changes of the contract:

- Under Brokerage Services language was added related to the scope of work
- Compensation has been updated to include the proposed 2.0% annual increase
- Moved Fee Credit language to be placed under Compensation section
- New language was included regarding the use of Third Party Brokers
- Material Changes section was added
- Termination of Contract language was added
- Entire Agreement Modification language was added
- Headings and Construction section was added
- Insurance Requirements limits were updated
- Addendum A was updated to reflect fee per member in WC and GL
- Addendum B shows the change in the team members to the current Alliant Staff

There was a question regarding the proposed pricing for the first year (\$308,208) as it did not match the 2018 projected total of \$315,159. It was mentioned that due to changes in the composition of the JPA—members leaving, members joining and a change to the criteria to participate in the Mini-Cities group—pricing was affected. It was also noted the Program Administration has provided an estimate of hours worked (e.g. CAJPA reaccreditation only occurs every 3 years) and is more focused on the hours spent working rather than the pricing being exact.



There was a question regarding language that Alliant can't guarantee the solvency of underwriters. Alliant will always place SCORE's coverage with financially strong carriers based on available information and research though the disclaimer in the contract acknowledges that Alliant is not able to guarantee the insurer's performance. It was noted that when the Program Administrators provide quotes to members we share the AM Best Rating and Standard & Poor's ratings to reflect the financial strength of the carrier. Alliant always places coverage with A- or better carriers and if we place with a carrier rated lower than A- we are required to notify the client and obtain their signature approving the placement.

A motion was made to recommend the Program Administrators make the changes to the proposed contract as mentioned during the call, submit a revised copy of the Alliant Contract to all Executive Committee members for review individually and bring a clean copy of the contract with a list of major changes to be presented to the Board of Directors at the next meeting unless a need for an additional meeting is seen by a member of the Executive Committee.

MOTION: John Duckett

SECOND: Steve Baker

**MOTION CARRIED
UNANIMOUSLY**

G. CLOSING COMMENTS

There were no comments.

H. AJOURNMENT

The meeting was adjourned at 11:05 A.M.

NEXT MEETING DATE: January 19, 2018 in Anderson, CA

Respectfully Submitted,

Brooke (Woodcox) Kerriga
Brooke Woodcox, Secretary

9/6/19
Date