



**Small Cities Organized Risk Effort (SCORE)
Board of Directors Meeting
November 2, 2018**

Member Cities Present:

Nathan Wilkinson, City of Biggs
Wes Heathcock, City of Colfax
Blake Michaelson, City of Dunsmuir
Sarah Griggs, City of Etna
Linda Romaine, Town of Fort Jones
Sandra Wadley, Town of Fort Jones
Roger Carroll, Town of Loomis
Cricket Strock, Town of Loomis

David Dunn, City of Montague
Muriel Howarth Terrell, City of Mt. Shasta
Melissa Klundby, City of Portola
Brooke Kerrigan, City of Rio Dell
Debi Savage, City of Susanville
John Duckett, City of Shasta Lake
Jenny Coelho, City of Tulelake
Steve Baker, City of Yreka

Member Cities Absent:

City of Loyalton
City of Live Oak

City of Isleton
City of Weed

Consultants & Guests

Marcus Beverly, Alliant Insurance Services
Michelle Minnick, Alliant Insurance Services
Jennifer Zraick, Gilbert & Associates
Carlos Oblites, Chandler Asset Management

Dori Zumwalt, York Risk Services
Tom Baber, York Risk Services
Ariel Leonhard, York Risk Services
Arthur Ngo, Crowe Horwath

SCORE MEMBER SERVICES

Michelle Minnick provided the Board with a review of the current SCORE Resource Contact Guide of service providers and included a highlight of the services they offer to SCORE members.

SCORE ADVANCED SESSION

Marcus Beverly presented the Board with information related to the SCORE budget and calculation of premiums – he provided members with a spreadsheet to show why funding changed from the prior year.

SCORE PROGRAM COVERAGE REVIEW

- a. ERMA – EMPLOYMENT PRACTICES LIABILITY (EPL)



A. CALL TO ORDER

Mr. Steven Baker called the meeting to order at 10:09am

B. ROLL CALL

The above mentioned members were present constituting a quorum. Cities absent from this meeting were the City of Loyalton, City of Isleton, City of Live Oak, and the City of Weed.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Nathan Wilkinson

SECOND: Debi Savage

**MOTION CARRIED
UNANIMOUSLY**

D. PUBLIC COMMENT

There were no public comments.

E. CONSENT CALENDAR

1. Board of Directors Teleconference Meeting Minutes – August 24, 2018
2. SCORE Checking Register – August—September 2018
3. Local Agency Investment Fund (LAIF) Quarterly Statement of Investments – September 30, 2018
4. Treasurer’s Report as of September 30, 2018
5. Investment Statements from Chandler Asset Management – August—September 2018
6. US Bank Account Statement – August—September 2018
7. ACI Quarterly Utilization Report – July—September 2018
8. Alliant Commission Disclosure Letter and Fact Sheet Retail vs. Wholesale Commissions
9. HCA Asset Management, LLC Property Appraisal Agreement (approved by BOD on August 24, 2018 Teleconference)
10. Target Solutions Utilization Report Summary – August—September 2018

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

MOTION: John Duckett

SECOND: Roger Carroll

**MOTION CARRIED
UNANIMOUSLY**

F. ADMINISTRATIVE REPORT

F1. PRESIDENT’S REPORT

Mr. Steven Baker asked the Board which members have access to the Liebert Cassidy Whitmore hotline. It was mentioned there are 2 contacts (either LCW or Jackson Lewis) depending on geography.



F2. PROGRAM ADMINISTRATOR REPORT

- a. Annual Vendor Service Provider Survey**
- b. Recent Cyber Breach Examples**
- c. Property Appraisal Update**

Michelle Minnick mentioned the Annual Vendor Service Provider Survey would be sent out next week and encouraged members to include their city staff to help complete – it was noted the survey has been broken out to allow cities to have the most appropriate person complete the survey (e.g. Finance Director may be best suited to answer the survey for the accounting service provider - Gilbert Associates). Cyber breach examples were provided to help cities consider cyber defenses. Members were also provided with an update regarding the upcoming property appraisal which will begin in November and conclude in December with the final appraisal to be presented in January. Lastly Marcus Beverly provided the Board with a copy of the FY 18/19 Annual Report and noted if any members require additional copies they should reach out to Program Administration.

G. FINANCIAL

G.1. AUDITED FINANCIAL REPORT FOR YEAR ENDING JUNE 30, 2018

Kevin Wong from Gilbert with Arthur Ngo from Crowe Horwath presented the Audited Financial Report. Annually Crowe performs a Risk Assessment prior to beginning the audit to ensure proper approval and standards were followed for all expenditure and it was noted Crowe did not identify any misstatements or deficiencies as part of the audit and issued an un-modified opinion.

A motion was made to accept and file the Audited Financial Report as presented.

MOTION: Roger Carroll

SECOND: Nathan Wilkinson

**MOTION CARRIED
UNANIMOUSLY**

G2. CHANDLER ASSET MANAGEMENT FINANCIAL PORTFOLIO REVIEW

Carlos Oblites provided the board with review of the current state of the economy and noted that we are in a state of growth in the economy. He mentioned that all securities are compliant.

A motion was made to accept and file the report as presented.

MOTION: Debi Savage

SECOND: Nathan Wilkinson

**MOTION CARRIED
UNANIMOUSLY**

G3. SCORE INVESTMENT POLICY

Marcus Beverly noted that there were only a couple changes to Investment Policy which included updates to the minimum credit rating for Mortgage & Asset Backed Securities and clarifying language was added to ensure clarity of the preferred credit rating as the code was recently updated to include all versions of a category (A+, A, A-). There was also new language added to the Short Term Securities



A motion was made to accept the changes as noted in the agenda and file.

MOTION: Roger Carroll

SECOND: Wes Heathcock

**MOTION CARRIED
UNANIMOUSLY**

G4. RESOLUTION 18-03 – ESTABLISHING TREASURER RESPONSIBILITIES

Marcus Beverly noted that there was a recent change to the Treasurer and President and the bank has requested a formal resolution to officially establish authority to sign on behalf of SCORE.

A motion was made to approve the Resolution 18-03 as presented.

MOTION: Linda Romaine

**SECOND: Muriel Howarth
Terrell**

**MOTION CARRIED
UNANIMOUSLY**

G5. CHANDLER ASSET MANAGEMENT – AUTHORIZED REPRESENTATIVES

After a discussion amongst the Board it was generally agreed that all of the officers of the SCORE Board should receive reports on Chandler investments. Staff was provided with directions to complete both of the forms and then send to the Executive Committee members to ensure accuracy prior to sending the form to Chandler for finalization.

A motion was made to have all 4 Officers granted access to the Chandler Platform and will receive monthly reports with the President and Treasurer to be the authorized representatives for the SCORE JPA.

MOTION: Nathan Wilkinson

**SECOND: Muriel Howarth
Terrell**

**MOTION CARRIED
UNANIMOUSLY**

G6. CITY OF LOYALTON – REQUEST FOR PREMIUM PAYMENT PLAN FY 18/19

Marcus Beverly noted that the City of Loyaltan has been on a self-imposed payment plan for both the Liability and Property Programs, calculated at the city level which did not include the 3% Administrative Fee that was approved at the October 30, 2015 meeting. He noted that the City is requesting a payment plan for the Liability and Property Programs for the current fiscal year 2018-2019. Marcus mentioned that the Property Program has never been considered for a payment plan as the premium must be paid up front and the Board was asked to consider options regarding their request. Staff noted they will reach out to the City in May 2019 to determine if the City would request a payment plan for the FY 19/20 which would be presented to the Board at the June 2019 meeting.

A motion was made to apply the payments made for the current year to the Property Program, with direction given to staff to add the 3% Administrative Fee to the remaining balance and develop a payment plan for the City with the last payment to be made in May 2019.



MOTION: Roger Carroll

SECOND: Nathan Wilkinson

**MOTION CARRIED
UNANIMOUSLY**

H. JPA BUSINESS

H1. CAJPA 2018 CONFERENCE FEEDBACK

Roger Carroll shared his experience of CAJPA and noted that this year there were different tracks for attendees to choose from (Trustees Governance) and mentioned that when members attend these conferences they can gain applicable knowledge to bring back to their cities.

H2. SCORE FY 18/19 CLAIMS REPORTING MANUAL

Michelle Minnick provided the Board with copies of the updated FY 18/19 Claims Reporting Manual and encouraged members to have this placed in an easily accessible location (such as the City Clerks desk) so all employees have access to claim reporting information in the event of a claim occurring.

H3. SCORE LIABILITY CLAIMS AUDIT

Marcus Beverly noted this was an excellent audit that had no recommendations and no overall issues, exceeds industry standards.

A motion was made to accept and file the Audit Report.

MOTION: John Duckett

SECOND: Nathan Wilkinson

**MOTION CARRIED
UNANIMOUSLY**

H4. LITIGATION MANAGEMENT LESSONS LEARNED

Tom Baber from York Risk Services Group provided the board with information about liability lessons learned regarding claims. He noted that over the last four years SCORE has a very low litigation rate (4%) as compared to other pools which is closer to 10%. He noted that is proof that our claims personnel and city employees are being proactive to address issues before a claimant seeks an attorney.

YORK WORKERS' COMPENSATION REPORTING ADVANCED SESSION LUNCHTIME PRESENTATION

Dori Zumwalt from York Risk Services provided the Board with the common trends in claims. She noted that the number of claims is decreasing as they are currently pushing to close older future medical files to settle via compromise and release in an effort to close the books on the older years.

H5. STATE OF THE INSURANCE MARKET 2018 PRESENTATION

This item was not presented per the request of the Board due to time constraints – this item will be presented to the Board at the January 2019 meeting.



**I. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95
REQUESTING AUTHORITY

At 1:14pm, pursuant to Government code section 54956.95, the Board held a closed session to discuss the following claims for payment.

1. Workers' Compensation Program

- a. SCWA-61038, SCWA-555845, SCWA-556050 and SCWA-555929 vs. City of Mt. Shasta**
- b. SCWA-556006 vs. City of Susanville**
- c. SCWA-555835 vs. City of Weed**

J. REPORT FROM CLOSED SESSION

The Board returned from closed session at 1:24 pm. Mr. Baker reported that the above closed session items were discussed and appropriate direction was given to Program Consultants.

K. ROUNDTABLE DISCUSSION

There was no discussion of this item.

L. INFORMATION ITEMS

1. PARMA Conference, February 10-13, 2019, Anaheim, CA
2. SCORE Resource Contact Guide
3. Glossary of Terms
4. SCORE Travel Reimbursement Form

M. CLOSING COMMENTS


There were no closing comments.

N. AJOURNMENT

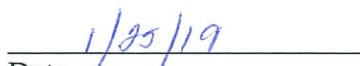
The meeting was adjourned at 1:25 PM

NEXT MEETING DATE: January 25, 2019 in Anderson, CA

Respectfully Submitted,



Brooke Kerrigan, Secretary



Date