



## **Small Cities Organized Risk Effort (SCORE) LRP & Board of Directors Meeting Minutes October 25 & 26, 2012**

### **Member Cities Present**

Mark Sorensen, City of Biggs  
Laurie Van Groningen, City of Colfax  
Pamela Russell, City of Etna  
Liz Clontz, City of Dorris  
Brenda Bains, City of Dunsmuir  
Pamela Russell, City of Etna  
Linda Romaine, Town of Fort Jones  
Robert Jankovitz, City of Isleton  
Satwant Takhar, City of Live Oak  
Roger Carroll, Town of Loomis  
Crickett Strock, Town of Loomis

Janie Sprague, City of Montague  
Ted Marconi, City of Mount Shasta  
Leslie Tigan, City of Portola  
Susan Scarlett, City of Portola  
John Duckett, City of Shasta Lake  
Jared Hancock, City of Susanville  
Randolph Darrow, City of Tulelake  
Ron Stock, City of Weed  
Steve Baker, City of Yreka  
Kathy LeBlanc, City of Loyalton

### **Member Cities Absent**

Stephanie Beauchaine, City of Rio Dell

### **Consultants & Guests**

Susan Adams, Alliant Insurance Services  
Michael Simmons, Alliant Insurance Services  
Marylin Kelley, Alliant Insurance Services  
Laurence Voiculescu, Alliant Insurance Services  
Johnny Yang, Alliant Insurance Services  
Marcus Beverly, York Risk Services  
Debra Yokota, York Risk Services

Craig Wheaton, York Risk Services  
Cameron Dewey, York Risk Services  
Jack Kastorff, SBK Risk Services  
Mike Harrington, Bickmore  
Kevin Wong, Gilbert Associates, Inc.  
Tracey Smith-Reed, Gilbert Associates, Inc.

#### **A. CALL TO ORDER**

Mr. Roger Carroll called the meeting to order at 10:22 a.m.

#### **B. ROLL CALL**

The above mentioned members were present constituting a quorum. The only city absent was the City of Rio Dell.



### **C. APPROVAL OF AGENDA AS POSTED**

A motion was made to approve the Agenda as posted.

**MOTION:** Ted Marconi

**SECOND:** Liz Clontz

**MOTION CARRIED**

### **D. PUBLIC COMMENT**

There were no public comments.

### **E. CONSENT CALENDAR**

1. Board of Directors Teleconference Meeting Minutes – August 24, 2012
2. Local Agency Investment Fund (LAIF) Monthly Statement of Investments –September 2012
3. Union Bank Account Statement – August 2012 and September 2012
4. SCORE Account Transaction List – July 1 through September 30, 2012
5. Investment Statements from Chandler Asset Management – August & September 2012
  - a. Account 590
    - i. Portfolio Summaries
    - ii. Compliance Report
6. ACI Specialty Utilization Report – September 30, 2012
7. York Claims Bill Review – July, August & September 2012
8. SBK Monthly Statement – August & September, 2012
9. Target Solutions Quarterly Utilization Report – September 30, 2012

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

**MOTION:** Leslie Tigan

**SECOND:** Kathy LeBlanc

**MOTION CARRIED**

### **F. PRESIDENT'S REPORT**

Mr. Roger Carroll advised the Board that there are several new members attending the meeting. Mark Sorensen is the new City Manager and Board alternate for the City of Biggs, Laurie Van Groningen is the new alternate member from the City of Colfax and Jared Hancock is the new City Administrator for the City of Susanville. A brief introduction was also made for Laurence Voiculescu, Alliant Insurance Services who attended as the new JPA Administrative Assistant, replacing Johnny Yang.



## **G. FINANCIAL**

### **G1. SCORE's Quarterly Financial Reports**

Ms. Tracey Smith–Reed of Gilbert Associates advised that there were a few changes to the June 30, 2012 financials that were attached as part of the agenda and as such new documents were inserted to reflect those changes. She then proceeded to highlight the changes as follows:

1. On the statement of net assets from June 30, 2012 there was a significant decrease in the amount of cash available in the Scott Valley Bank checking account due to the substantial dividend disbursement that took place in the period prior.
2. There were no significant changes on the claims accounts
3. The change in the Chandler Investment account was very minor and all dividends were reinvested as per SCORE's investment policy. There was an insignificant change in the market value of the investments due to the low investment return rates.
4. Claims Recovery – SCORE has recovered a significant amount of funds from claims in the last year with a \$20,000 balance left in the claims receivable account, down from \$190,000 the year prior.
5. There was an instance where a claim was paid by the Third Party Administrator (York Risk Services Group) which did not belong to SCORE and which will be refunded by the TPA. The amount of the claim was approximately \$7,900 and was discovered during the annual claim statement analysis.
6. Dividend Payable to members increased by approximately \$550,000 and will continue to increase as years close out and Crescent City and Williams will become eligible to withdraw dividends.
7. Net Income is currently running about \$5,000 a week and is lower than the year prior due to dividends.
8. Total Operating Revenue decreased by \$1.5M reflecting the loss of Crescent City and Williams from the JPA.
9. Training expenses have gone up due to the introduction of the Safety Training program.
10. Claims Services and Audit Services remained in line with prior years.

### **G2. Annual Audited Financial Report for Year Ending June 30, 2012**

Ms. Catherine Yuen from Maze and Associates presented the Annual Audit Report to the Board with a special thank you to Gilbert and Associates who was able to provide all the financial data required to complete the audit in time for the meeting. Ms. Yuen noted that on page 25 of the financial audit, SCORE has amended its Master Plan Documents for both Liability and Workers' Compensation and it no longer shows the reserve for shock losses as it is now \$2.5M for Liability and \$1.25M for Worker's Compensation.

Moving on to the Memorandum of Internal Control and Required Communications there were 2 items that were found to be of relevance. On page 24 of the financial statements, SCORE listed



the minimum requirement for securities as AAA and all federal securities were rated as AA+. This has been addressed in the investment policy and the requirement is only valid at the time when the investments are purchased and therefore this is a non issue. The other issue that Ms. Yuen noted is that they had uncovered an invoice that had not been specifically approved by the program administrator and was paid. Mr. Michael Simmons and Ms. Susan Adams of Alliant Insurance Services clarified that this was a check that was issued to PARMA for annual membership dues the treasurer sent off as it is automatically paid every year. Ms. Yuen stated that these should be clarified in SCORE's Master Plan Documents but they do not present a material weakness to the organization.

Mr. Michael Simmons noted that a final copy of the audit will be sent to the entire Board electronically to reflect the necessary corrections to the investment policy in order to bring it in compliance.

A motion was made by Mr. Roger Carroll to approve the audit as it is and have final copies delivered electronically.

**MOTION:** Liz Clontz

**SECOND:** Kathy LeBlanc

**MOTION CARRIED**

## **H. LONG RANGE PLANNING SESSION**

### **1. AHOY MATES – ALL HANDS ON DECK!**

Ms. Susan Adams gave a brief overview and introduced Marylin Kelley of Alliant Insurance Services as the Long Range Planning meeting facilitator. Ms. Adams then provided information on the meeting binder structure and the Long Range Planning agenda.

### **2. REPORTS**

#### **A. THE EBB AND FLOW OF SCORE SINCE ITS INCEPTION - Historical Overview of SCORE**

Ms. Marylin Kelley invited Jacqueline Parker of Alliant Insurance Services to present an interactive timeline of SCORE and its history from inception in 1986. Each Board member was given the opportunity to show his/her knowledge of SCORE's history by participating.

#### **B. HOW BOUYANT IS THE SS SCORE? - Target Equity Ratios**

Mr. Michael Simmons and Susan Adams reviewed SCORE's historical and current target Equity Ratios and discussed how their evaluations assist the JPA in managing its financial needs. Mr. Simmons also gave some background on how other states regulate self insurance pools and what the benefit of having favorable target equity ratios translates into for SCORE. Mike Harrington from Bickmore explained how the actuarial



data drives the ratios and how the data is to be interpreted. The conclusion was that target equity ratios and actual equity ratios calculated for SCORE are very favorable and give the assurance that the organization is being managed well and is in good financial standing.

### **C. DANGEROUS RIP TIDES**

Ms. Adams and Jack Kastorff presented the claims analysis for Liability and Workers' Compensation. Frequency and severity were both analyzed and a determination was made that for the Liability program the Police, Public Works and Sewer claims were driving a majority of the claims. For the Workers' Compensation, the loss leaders were Police, Fire, Building Maintenance and Public Works in both frequency and severity.

### **D. HOW TO AVOID THE CRASHING WAVES**

Mr. Jack Kastorff, SBK Risk Services, held a presentation on the energy release theory of accident causation which states that all accidents result from uncontrolled energy release. Mr. Kastorff briefly outlined the 10 strategies that prevent the uncontrolled release of energy.

## **3. LONG RANGE PLANNING DISCUSSION ITEMS**

### **A. THE LIGHTHOUSE BEACON TO OUR FUTURE**

1. ***Discounting for investment income*** – Mr. Mike Harrington, SCORE's actuary provided the Board with information regarding the impact of discount rates and confidence level funding rates. Staff outlined the impact of lowering the assumed investment return rate to a number that is closer to the actual return earned by SCORE's investments. The real return rate on investments earned by SCORE is approximately 0.5% which is significantly lower than prior year returns and lower than the current discount rate of 3%. Staff has advised the Board that this trend is likely to continue to decrease in the near future due to the economic climate. Mr. Roger Carroll also pointed out that the Fed stated its intention was to maintain interest rates at a low level until at least 2015. Mr. Harrington, SCORE's actuary made the recommendation that the Board should consider the information presented and possibly take action to lower the discount rate to a minimum of 1%. Focus groups were formed and while the Board was not able to come to a consensus, a compromise was made to gradually increase premiums for all members by 3% annually, over the next three year period, in order to account for the significant decrease in investment revenue.
2. ***Confidence Level Funding*** – A discussion was held on the topic of confidence level funding. The Board considered the current confidence level funding of 70% and weighed the pros and cons of raising it to 75% as recommended by Mr. Harrington. The presentation also included an outline of the methods used to calculate the confidence



level and expected claim amounts in the actuarial study. The idea expressed by the actuary was that the organization funding at a higher confidence level will not cause anything else to change and it can only benefit members. The surplus amount that ends up not being used could always be returned. Also, the Board considered the historical confidence level funding that SCORE had used in the past and pointed out that the pool had built up a large surplus of funds that ended up being returned in the form of dividends. As such, the Board decided to leave the confidence level unchanged as it has been working well as showcased by the favorable target equity data presented to the board.

## **B. HOW MUCH WATER IS THE SS SCORE WILLING TO TAKE ON?**

### ***1. Workers' Compensation Self Insured Retention Analysis***

Ms. Marilyn Kelley facilitated a discussion on the topic of increasing the Self Insured Retention for the Workers' Compensation program to \$250,000, from the current amount of \$150,000. SCORE's Board members used focus groups to arrive at a consensus of raising the Workers' Compensation self insured retention limit to \$250,000. Members found that this was justified by SCORE's claims experience as shown in the loss runs as well as due to the fact that the increase in SIR would dictate a reduction in excess coverage premium of essentially the same amount as it would cost to retain the higher limit. For example, LAWCX premium expense would go down by approximately \$119,000 while the actuarial calculation shows a need to increase funding in the Workers' Compensation by roughly \$120,000. It was therefore justifiable to increase the SIR seeing that SCORE had only 4 claims that exceeded \$150,000 barrier in the past 10 years.

### ***2. Employment Practices Liability Insurance Analysis***

Members of the Board were given information on the possibility to retain the Employment Practices Liability Insurance in house up to a level of \$500,000 instead of continuing to purchase the coverage from ERMA. Alliant Insurance staff explained that currently, SCORE has a \$25,000 deductible as part of the ERMA program with total coverage up to \$500,000, meaning that in the event of a claim SCORE would only be liable for the \$25,000 deductible and ERMA would cover the remainder up to the \$500,000 limit. Looking at the ERMA loss runs, the Board of Directors found that even though the frequency of claims in this program was low, the cost of these claims and the exposure is extremely volatile. As such, SCORE members decided to continue purchasing the coverage from ERMA and to not move forward to retaining the Employment Practices Liability coverage in house.

## **C. OUR FRIENDS UNDER THE SEA - Pool Vendor Partnership Satisfaction**



As part of this discussion, Ms. Marilyn Kelley facilitated a dialogue among SCORE members on where their level of satisfaction stands regarding their partnerships with ERMA, LAWCX and CJPRMA. The group consensus was that everyone was generally satisfied with the excess pool partnerships that SCORE has formed and no changes are needed. The Board also touched on training opportunities are available and Ms. Susan Adams advised members that CJPRMA has the ability to offer sewer training though the expertise of David Patzer, a sanitation district expert who specializes in sewer backup assistance and offers solutions to Cities that experience a large volume of such claims. Staff will further research this matter and will follow up with the Board at the next meeting with a list of options to access the training.

#### **D. WHAT'S LOOMING ON THE HORIZON?**

Ms. Marilyn Kelley gave a presentation on the emerging issues affecting the insurance industry. The material addressed recent catastrophic events throughout the world and described the economic impact that each one had on the insurance and re-insurance markets. Marilyn advised that while the economic outlook has improved in the recent past, the economic recovery has been slow and investment returns are continuing to remain low. Mr. Cameron Dewey, York Risk Services, also advised that while SCORE's claims experience has been favorable in the recent past, claims typically go up during times of economic hardship and proper funding is even more crucial during this type of economic conditions.

#### **J. LONG RANGE PLANNING DISCUSSION ITEMS REVISTED**

Ms. Marilyn Kelley, Alliant Insurance Services opened the second day of the meeting with a quick overview of the items discussed in the day prior. Also, Mr. Roger Carroll made the Board aware that they will revisit the issues discussed in the day prior and will make a decision on whether or not to take action and implement the changes discussed or to leave them as they were without any changes.

##### **1. Long Range Planning Action Items**

###### **A. The Lighthouse Beacon to our Future**

###### **i. Discount Rates**

On the issue of discount rates being lowered, Mr. Carroll stated that following a conversation with Mr. Ted Marconi, he was able to see the benefit of not making any immediate changes in discount rate and follow a more long term approach instead. He pointed out that the audited financials do not consider projected investment income and as such the Board can still look at the real financial state of the pool. Mr. Ted Marconi also expressed his opinion that a more long term approach is a better alternative to immediately lowering the discount rate. Mr. Jared Hancock



stated that keeping the discount rate the same and not giving out large dividends/distributions will provide better stability to the organization and will establish a benchmark that members can follow in terms of both premiums paid and financial reserves. Mr. Michael Simmons added that it is important for the Board to discuss the issue and come up with a solution that will benefit SCORE as a whole. He outlined that in the past few years, SCORE had returned over \$6 Million in the form of dividends and as such the equity that is remaining in the pool is at a lower level than before while in the same time the returns coming in from investments are very unfavorable. Mr. Simmons then went on to state that the return rate earned by the pool will naturally lag that of the economy due to the maturity rates of the instruments specified in the investment policy. As a result, SCORE's investments suffered a decrease in returns later than the rest of the market, and they will also recover late.

Finally, the Board agreed to adopt a gradual increase of 3% per year for the next three years and monitor investment returns closely so that they can make the necessary adjustments if deemed necessary. This way, members can plan accordingly and there are no unknowns in premium increases for the next three years.

A motion was made to adopt the 3% annual premium increase for the next three years.

**MOTION:** Steve Baker

**SECOND:** Satwant Takhar

**MOTION CARRIED**

**1 Opposed: Jared Hancock, City of Susanville**

*ii.* **Confidence Levels**

The Board revisited the confidence level funding item from the prior day and decided to keep the confidence level unchanged at 70%.

**No action was taken by the Board on this matter.**

**B. How Much Water is the SS SCORE Willing to Take On?**

*i.* **Workers' Compensation Self Insured Retention**

After reviewing the points made on the previous day, Ms. Marylin Kelley pointed out that the consensus was to increase the self insured retention to \$250,000. Notice shall be made to LAWCX before 3/31/2013 and staff will make the necessary adjustments to next year's budget. Mr. Carroll also advised that CJPRMA is currently considering the start of a Worker's Compensation program and more details will be available in the near future.



A motion was made to increase the Workers' Compensation self insured retention to \$250,000.

**MOTION:** Ted Marconi                      **SECOND:** Leslie Tigan                      **MOTION CARRIED**

*ii.*        **Employment Practices Liability Coverage**

**The Board agreed to not consider this item as it appears unfeasible at this time.**

**C. Our Friends Under the Sea**

A motion was made to seek out and offer sewer training through the expertise of David Patzer, a sanitation district expert who specializes in sewer backup assistance and offers solutions to Cities that experience a large volume of such claims. Staff will further research this matter and will follow up with the Board at the next meeting with a list of dates when the training is available.

**MOTION:** Ron Stock                      **SECOND:** Pamela Russell                      **MOTION CARRIED**

**D. What's Looming on the Horizon**

1. Following the discussion from the prior day, members developed a request for Staff and Mr. Jack Kastorff, SBK Risk Services to develop a white paper for the SCORE Members on the topic of "20 Practical Steps to Claims Avoidance". Members noted that the document should specifically address SCORE highest loss exposures and should not be generic but catered to SCORE's loss experience factors.

A motion was made to develop a white paper on the topic of "20 Practical Steps to Claims Avoidance".

**MOTION:** Ron Stock                      **SECOND:** Pamela Russell                      **MOTION CARRIED**

2. Mr. Jared Hancock stated that having a mechanism in place to inform each member of what their responsibilities are towards the group and also implementing a policy to address issues with members that are non compliant with SCORE's recommended risk management practices would be beneficial. Mr. Steve Baker stated that issues with other members of the group have been very limited and Staff has always been actively involved in resolving them efficiently. In addition, Mr. Baker recognized that implementing a set of policies in place that dictate a more pro-active approach and can recognize issues before they develop could benefit the group. Ms. Susan Adams made a statement that SBK Risk Services, SCORE Loss Control vendor, has been mandated through his contract to perform individual SCORE member city assessment that would recognize issues and give members the opportunity to correct them as needed.



A motion was made to develop a set of Policies and Procedures on the Risk Management Process that each member will have to follow as part of the individual member assessments. The SCORE cards will also serve as a compliance tool for each member, with negative scores showing a lack of compliance.

**MOTION:** Ted Marconi

**SECOND:** Jared Hancock

**MOTION CARRIED**

3. On the topic of Member insolvencies and how that might affect SCORE, the Board decided to develop white paper to address the implications of the insolvency or bankruptcy of a SCORE Member. The JPA's legal council is to develop this in cooperation with Staff. The issues to be addressed in the document should be as follows:
  - Impact of bankruptcy or insolvency on the ability of SCORE to collect premiums and assessments;
  - Impact of bankruptcy of a SCORE Member on their banking layer equity;
  - Review of SCORE JPA Agreement and Bylaws and recommendations for change, if any needed.
  
4. The last topic that was addressed by the Board from the Long Range Planning discussion was the development of "SCORE Cards" for each member city. Staff was given direction to review and oversee the development of SCORE Cards by Safety Consultant (Jack Kastorff) in order to address safety and risk management practices of Members. It was agreed that this process should include:
  - Conduct safety & risk management reviews with each SCORE Member
    - Write a report and deliver to each Member and Program Administrator
    - Provide SCORECARD for each Member to Member and Program Administrator
  - Work with Members as SCORECARD and reports are completed to enhance Member ability to control risk
  - Work on cooperative basis with Members who have difficulty meeting safety and/or risk management guidelines
  - Develop policy and procedure on Risk Management Audit Process

A motion was made to develop SCOREcards to be used for each member's individual assessment.

**MOTION:** Ron Stock

**SECOND:** Pamela Russell

**MOTION CARRIED**

## **J 2. Update on City of Isleton Premium Payment Status**

The City of Isleton has been in arrears of premium payment to SCORE for the last several years. The Board had previously agreed to annual payment plans plus interest at the rate SCORE's investments earn.



The City of Isleton is now in current status with their payments.

### **J 3. Update on SCORE Property Appraisal Services**

Ms. Adams advised that SCORE's Property Appraisal Services vendor is AssetWorks Inc. and were awarded the contract due to offering the best value. They will soon begin conducting appraisals and each member should begin to receive notification of their visits well in advance as to be able to arrange that the appraisers can be allowed to access all city property listed on the property schedule.

### **J 4. Retrospective Rating Plan Calculation**

#### **A. Retrospective Rating Plan Calculations as of 6/30/12**

Mr. Kevin Wong, Gilbert Associates presented the Liability retrospective rating plan calculations for the Board to review. The total available amount presented was approximately ~\$2.4 Million in the Liability program out of which a percentage is typically redistributed to members in the form of dividends. In January 2013, the Workers' Compensation data will become available and at that point the Board will decide what percentage of the combined available amounts will be distributed. Mr. Steve Baker inquired into how much variability exists in the numbers and if they are fairly consistent from year to year. Mr. Wong explained that fluctuations will always exist and they are mainly driven by claims that occur from one year to another.

Mr. Wong also noted that the spreadsheet used to calculate the values showcased at the meeting has been finalized and now the numbers can be generated quickly and efficiently. As opposed to the way it had been, now all the information is entered into a master sheet and from there it is populated into the multiple spreadsheets.

**No Board action was taken on this item.**

#### **B. Master Plan Documents Update**

Ms. Adams advised the Board that there were some errors found in the master plan documents that will need to be addressed at the next Board meeting. Due to the Brown act requiring a 30 day notice in order to change the governing documents, a formal notice has been given and action will be taken on this matter at the January 2013 Board of Directors Meeting. Staff was advised that the changes are outlined in red line strike out versions attached in the back of the binder provided at the beginning of the meeting.

A motion was made to give 30 day notice of the upcoming Master Plan Document changes that will be implemented at the next Board of Directors Meeting.

**MOTION:** Steve Baker

**SECOND:** Leslie Tigan

**MOTION CARRIED**



### **C. Retrospective Rating Plan Database Update**

Gilbert Associates provided the Board with an update on the retrospective rating plan database project that they have worked on. Mr. Wong informed the Board that his company had been working on completing this project but they have reached the limit of their capabilities and in order to continue moving forward they will need to employ the services of a professional programmer. They were able to obtain some quotes on these services and they will range from \$25,000 to \$50,000. It was Mr. Wong's recommendation that SCORE does not move forward with the project due to its complexity and cost. He made it clear that the spreadsheet mentioned previously is very effective in providing a majority of the functions that the database would make available and as such there is no need to continue outlaying capital for its completion. Additionally, the accountants have advised that all the calculations times have been reduced from roughly fifty hours to only four hours. Mr. Wong also noted that this spreadsheet is the property of SCORE, and can remain in its use even if the accountant is replaced at a later date.

A motion was made to discard the previous database project and to use the Excel spreadsheets as means to perform the Retrospective calculations for both programs in the future.

**MOTION:** Ron Stock

**SECOND:** Pamela Russell

**MOTION CARRIED**

### **J 5. PEPPI Pollution Coverage Best Reporting Practices**

Mr. Michael Simmons presented the required claim reporting practices for the PEPPI program with respects to the included pollution coverage. The policy specifies a time critical reporting period of 7 days maximum during which the insured is required to report the loss to the carrier. If this is not done timely as required, the clean up part of any claim will not be covered. This is done in order to get the carrier involved in the cleanup process and approve the cleanup expense as it is time critical and extremely expensive. The member has the duty to mitigate its losses and to give the insurance company the opportunity to act in such a way as to minimize their capital outlay and future monetary exposure. In addition, Mr. Simmons noted that all Pollution coverage insurance policies act the same way when it comes to the reporting period. Members were instructed to relay the information presented to their appropriate Public Works staff and to make sure that they act quickly in the event of such a claim and report it immediately to the carrier at the contact numbers listed in the attachment.

### **J 6. SCORE Vendor Services Survey Results**

1. Alliant Insurance Services Survey Results
2. Gilbert and Associates, Inc. Accounting Services Provider Survey Results
3. Maze and Associates Financial Audit Survey Results



Staff was not present for the Board discussion with respect to the survey results.

Mr. Carroll presented to the Board the slides that were exported from SurveyMonkey.com and that showed members satisfaction with the current vendors. For Alliant Insurance Services, Mr. Carroll informed them that the responses were all positive, with one person suggesting that in the future agendas are made simpler to understand to those without an undergraduate degree.

A motion was made to form an Ad-Hoc committee that will review the contract renewal for Alliant as the program administrator.

**MOTION:** Pamela Russell                      **SECOND:** Leslie Tigan                      **MOTION CARRIED**

For Gilbert Associates, Inc, responses were positive with one comment regarding invoice payments that have sometimes been delayed. This issue has now been corrected and there have been no recent complaints.

A motion was made to take action and extend the contract for another one year as the contract provides for three possible one year extensions. This issue will again be up for consideration next year.

**MOTION:** Linda Romaine                      **SECOND:** John Duckett                      **MOTION CARRIED**

On the matter of Maze and Associates, given that their contract is expiring, the Board has decided to send a request for proposals to see what other vendors would be interested in performing audit services for the organization.

A motion was made to issue a request for proposals and see what vendors would be interested in submitting bids for financial audit services.

**MOTION:** Liz Clontz                      **SECOND:** Jared Hancock                      **MOTION CARRIED**

## **K. PRESENTATIONS**

### **1. Special Events Presentation**

Mr. Johnny Yang and Laurence Voiculescu, Alliant Insurance Services Inc. gave a presentation showcasing the Alliant Special Events Insurance coverage website that now offers the ability to receive a quote and/or purchase the coverage they needed directly through the website.



## **2. SB 863 Presentations**

Mr. Cameron Dewey and Ms. Debra Yokota, York Risk Services gave a brief outline of California Senate Bill 863. This bill is now state law and provides for a mass revision of the workers' compensation legislation. In summary, it relates to doctors of chiropractic, a specified return-to-work program, labor-management agreements, self-insured employers, surgery, re-training and skill enhancement, home health care services, independent medical review, medical provider networks, billing, liens, language interpretation services, and certain reporting requirements.

## **L. CLOSED SESSION PURSUANT TO GOVERNMENT CODE 54956.95**

At 11:04 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. Ralston vs. City of Weed\*\*
- b. Schwartz vs. City of Susanville

## **M. REPORT FROM CLOSED SESSION**

The Board returned from closed session at 11:41 a.m. Mr. Carroll reported that the above closed session items were discussed and appropriate direction was given to Staff.

## **N. INFORMATION ITEMS**

- N1. PARMA Conference, February 3<sup>rd</sup>-6<sup>th</sup>, 2013 in Rancho Mirage, CA
- N2. SCORE Resource Contact Guide

This was provided as an information item only.

## **O. CLOSING COMMENTS**

There were no closing comments.

## **AJOURNMENT**

The meeting was adjourned at 12:03 p.m.



**NEXT MEETING DATE: Friday, January 25, 2013**

Respectfully Submitted,

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Pamela Russell, Secretary

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Date