



Yolo County Public Agency Risk Management Insurance Authority

MINUTES

January 23, 2020

The regular meeting of the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA) was held on January 23, 2020, at the YCPARMIA office located at 77 West Lincoln Avenue, Woodland, CA.

BOARD MEMBERS PRESENT: Jill Cook (*President, County of Yolo*), Janet Emmett (*City of Davis*), John Donlevy (*City of Winters*), Sheila McShane (*City of Woodland*), Kryss Rankin (*City of West Sacramento*), Rebecca Spiva (*Esparto USD*)

BOARD MEMBERS ABSENT: None.

OTHERS PRESENT: Armond Sarkis (*YCPARMIA CEO/Risk Manager*), Lily Viek (*YCPARMIA Administrative Assistant*), Holly Lyon (*YCPARMIA Financial Analyst*), Christopher Bensch (*City of Davis*), Liane Lee (*City of West Sacramento*)

1. **CALL TO ORDER**

President Jill Cook called the meeting to order at 8:39 a.m.

2. **APPROVAL OF AGENDA**

Janet Emmett moved to approve the agenda as posted; seconded by Kryss Rankin. Motion passed unanimously.

3. **PUBLIC COMMENTS**

None.

4. **COMMUNICATIONS**

A. **Board Members**

President Jill Cook, County of Yolo, shared an incident that occurred regarding a County employee and emphasized the importance of safety and awareness. Cook reminded the Board that faulty lighting should be replaced immediately and security cameras should be cleaned regularly.

Sheila McShane, City of Woodland, informed the city is working on union negotiations.

Kryss Rankin, City of West Sacramento, reported the city will be holding police recruit testing this week. The city is recruiting and interviewing for a Fire Department Chief as well.

Janet Emmett, City of Davis, informed the city is interviewing for a Finance Director. She also noted she met with YCPARMIA CEO/Risk Manager regarding the Respite Center.

John Donlevy, City of Winters, reported the city has three retirements and is adding a Fire Engineer position.

B. CEO/Risk Manager

The CEO/Risk Manager Armond Sarkis reminded the Board of the 2020 PARMA Conference in Monterey from February 25-28, 2020, and informed the Board the CAJPA Conference is scheduled for September 15-18, 2020.

He also informed the Board of YCPARMIA's upcoming trainings. There will be two DOT Employee training Workshops on February 5, 2020 and a Contractual Risk Transfer and Insurance Training on February 12, 2020, as well as a Board Member Training Refresher with YCPARMIA General Counsel on February 11, 2020.

Sarkis reminded the Board of the DOT Clearinghouse and referenced an email that had been sent to members.

Sarkis reported YCPARMIA received the actuarial report after posting its Agenda for the January meeting. CEO and staff prepared draft preliminary premium worksheets for Workers' Compensation and Liability Programs with the latest actuarial figures, and presented these drafts to the Board. On average, there is an anticipated increase of 41% for the Liability program and 26% for the Workers' Compensation program. The final numbers will be provided during the March board meeting along with a review and approval of the actuarial report. Sarkis discussed and provided a side by side analysis of alternative approaches to member loss history used in the premium calculation worksheets for general member awareness.

C. Next Meeting

The next scheduled meeting of the YCPARMIA Board of Directors will be held on March 26, 2020.

5. CONSENT CALENDAR

A. Approval of Minutes

Rebecca Spiva moved to approve the minutes of the regular Board Meeting of December 12, 2019; seconded by Janet Emmett. Motion passed unanimously.

6. ACTION ITEMS

- A. Comprehensive Annual Financial Report (CAFR)
John Donlevy moved to approve the Comprehensive Annual Financial Report; seconded by Kryss Rankin. Motion passed unanimously.
- B. Popular Annual Financial Report (PAFR)
Kryss Rankin moved to approve the Popular Annual Financial Report; seconded by Rebecca Spiva. Motion passed unanimously.
- C. Catastrophic Fund Policy
John Donlevy moved to modify the existing Catastrophic Fund Policy to increase the Catastrophic Fund for Liability to \$2,250,000 over a five year period; seconded by Rebecca Spiva. Motion passed unanimously.

7. INFORMATION ITEMS

- A. YCPARMIA Financial Report
The Board reviewed the YCPARMIA Financial Report through December 31, 2019.
- B. YCPARMIA Investment Statement
The Board reviewed the YCPARMIA Investment Statement as of December 31, 2019.
- C. Quarterly Statement of Revenues, Expenses and Retained Earnings
The Board reviewed the Quarterly Statement of Revenues, Expenses and Retained Earnings as of December 31, 2019.
- D. Workers' Compensation 2010-2019
The Board reviewed the 10-year Workers' Compensation Program Performance. Throughout the decade, the annual number of claims received remained relatively stable at about 392 claims a year. In 2019, 347 claims were received as of the end of the year; however, an additional 20 incurred but not reported (IBNR) claims for 2019 may be filed later. The 2019 workers' compensation experience is in line with prior years' performance.
- E. Liability Program Performance 2010-2019
The Board reviewed the 10-year Liability Program Performance. CEO/Risk Manager Armond Sarkis emphasized that YCPARMIA is not insulated from the insurance industry trends, including increased claims and exposure in police actions. A combination of adverse social climate, large jury plaintiff verdicts, and inflation have consistently increased average cost per claim, taking a heavy toll on JPAs and insurers.

The decade began with an average of 100 liability claims received per year. For the last three years, claims have been averaging about 142 claims per year. There have been a total of 142 claims for the year 2019; however, while statutes of limitations for most types of claims remain open, this number may increase.

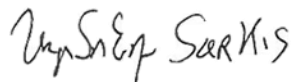
- F. Notification of New Claims Received Since the Previous Board Meeting
The Board reviewed the list of new liability claims since the last Board meeting.
- G. Closed Liability Files
The Board reviewed a list of closed liability claims since the last Board meeting.
- H. Certificates Issued
A list of certificates issued since the last Board meeting was provided to the Board for review.
- I. Strategic Planning
The CEO/Risk Manager allowed time for the Board to discuss any trends, actions, or future risk management plans.

8. **CLOSED SESSION**

- A. Discussion of Open Claims
No reportable action was taken by the Board.

The January 23, 2020, YCPARMIA Board meeting adjourned at 11:08 a.m. by general consent.

Respectfully submitted,



Armond Sarkis
CEO/Risk Manager