



# Yolo County Public Agency Risk Management Insurance Authority

## **SPECIAL BOARD MEETING MINUTES** **May 28, 2020**

The special meeting of the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA) was held on May 28, 2020, via teleconference in accordance with Executive Order N-29-20.

**BOARD MEMBERS PRESENT:** Jill Cook (*President, County of Yolo*), Crystal Zaragoza (*Vice President, City of Winters*), Janet Emmett (*City of Davis*), Sheila McShane (*City of Woodland*), Liane Lee (*City of West Sacramento*), Rebecca Spiva (*Esparto USD*)

**BOARD MEMBERS ABSENT:** None.

**OTHERS PRESENT:** Lily Viek (*YCPARMIA Administrative Assistant*), Holly Lyon (*YCPARMIA Financial Analyst*), David Due (*YCPARMIA Staff Investigator II*), Christopher Bensch (*City of Davis*), Kellie Murphy (*YCPARMIA General Counsel*), James Marta (*James Marta & Company LLC*), Marilyn Kelley (*James Marta & Company LLC*)

### **1. CALL TO ORDER**

President Jill Cook called the meeting to order at 9:05 a.m.

### **2. APPROVAL OF AGENDA**

President Jill Cook proposed the agenda be amended to switch the order of Closed Session and Information Items (agenda items 7 and 8). Janet Emmett moved to approve the agenda with the amendment of moving Closed Session (Agenda Item 7) after Information Items (Agenda Item 8); seconded by Crystal Zaragoza. A roll call vote was taken. Motion passed unanimously.

### **3. PUBLIC COMMENTS**

None.

### **4. COMMUNICATIONS**

#### **A. Board Members**

Time was provided to allow Board members to introduce themselves and discuss any risk management communications.

All YCPARMIA Board members reported they are busy navigating through the challenges arising out of the COVID-19 pandemic. Sheila McShane informed

the City of Woodland is beginning to reopen facilities in accordance with the county's health order. Rebecca Spiva informed the Esparto Unified School District is continuing to feed students and they plan to allow students to return to school in the fall.

B. Next Meeting

The next scheduled meeting of the YCPARMIA Board of Directors will be held on June 25, 2020.

**5. CONSENT CALENDAR**

A. Approval of Minutes

Janet Emmett moved to approve the minutes of the Special Board Meetings of April 22, 2020; April 23, 2020; May 1, 2020; and May 15, 2020; seconded by Liane Lee. A roll call vote was taken. Motion passed unanimously.

**6. ACTION ITEMS**

A. Interim CEO - Contract with James Marta

YCPARMIA has had a vacancy in the Chief Executive Officer/Risk Manager position since the beginning of May. Due to changes in staff and in rates, YCPARMIA Board was seeking an expert review of the Authority's program funding and rating. Additionally, the Board wishes to assess their operational and functional model, and evaluate staffing roles and duties appropriate for this type of insurance pool. The Board decided to seek executive leadership to guide the Authority through these efforts until a permanent CEO can be identified.

James Marta, James Marta & Company LLC, put together a comprehensive proposal and highly qualified team to assist as interim CEO and with certain special projects. Key team members include:

- James Marta CPA, CGMA, ARPM – 32 years of in-depth industry technical experience; author of the Pool Manager course for the Insurance Institute of America; and currently provides finance and related administration for four insurance pools.
- Marilyn Kelley – 45 years of industry experience as well as over 20 years as program manager for Northern California Cities Self-Insurance Fund. She was the program administrator and has provided pool-related operational and technical consulting to pools in several states.
- David Becker, CPA – 33 years of in-depth industry technical experience and co-author of the Pool Manager course for the Insurance Institute of America.

- John Berringer LPCS, RPA – over 35 years of liability program and claims analysis. John would be a resource in reviewing the current liability and property claims and practices.

Janet Emmett moved to ratify the contract with James Marta; seconded by Sheila McShane. A roll call vote was taken. Motion passed unanimously.

B. Approval of Authority for James Marta

After the contract with James Marta & Company LLC was approved, Marilyn Kelley requested the Board confirm CEO/Risk Manager duties not specifically stated in the approved interim CEO contract, but required duties of the YCPARMIA CEO/Risk Manager to James Marta.

Those duties specifically include:

- Authorization for LAIF transactions,
- Check signing authority, and
- Personnel issues

Sheila McShane moved to approve authority for James Marta; seconded by Crystal Zaragoza. A roll call vote was taken. Motion passed unanimously.

C. Approval of One Year Contract with Current Financial Audit Firm Crowe, LLP & RFP for Financial Auditing Services in the Fall

Crowe, LLP has performed the Financial Audits for YCPARMIA for the past nine years and have just completed the last year of the latest three year contract. New Interim CEO/Risk Manager James Marta and Marilyn Kelley recommended YCPARMIA enter into a one year contract with Crowe, LLP for the Financial Audit for the Fiscal Year ending June 30, 2020, and considering going to bid for a new auditing firm in Fall of 2020. The proposed fee for the one year contract was originally \$22,000; however, after negotiation, the fee was brought down to \$19,000 which is a 5% increase from the prior year.

Rebecca Spiva moved to approve the one year contract with Crowe, LLP and to have staff RFP for financial auditing service in the fall; seconded by Janet Emmett. A roll call vote was taken. Motion passed unanimously.

D. COVID-19 - Coverage for Workers' Compensation under the Governor's Guidelines

Interim CEO/Risk Manager James Marta informed the Board the Governor issued Executive Order N-62-20 on March 19, 2020, which provides that workers who contract COVID-19 while on the job *may* be eligible to receive workers' compensation. Those eligible will have the rebuttable presumption if

they tested positive for COVID-19 or were diagnosed with COVID-19 and confirmed by a positive test within 14 days of performing labor or service at a place of work after the stay at home order was issued on March 19, 2020. The presumption will stay in place for 60 days after issuance of the executive order.

Interim CEO/Risk Manager recommended workers' compensation benefits for COVID-19 be applied in strict adherence to the governor's order. Where a member has a special COVID-19 administrative time policy. This shall be applied for all employees in accordance with the policy and any workers' compensation TD/4850 shall only be available in accordance with section 5 of the governor's order "Notwithstanding any applicable workers' compensation statute or regulation, where an employee has paid sick leave benefits specifically available in response to COVID-19, those benefits shall be used and exhausted before any temporary disability benefits or benefits under Labor Code section 4850 are due and payable..."

Crystal Zaragoza moved to approve adherence to Governor's Executive Order N-62-20; seconded by Liane Lee. A roll call vote was taken. Motion passed unanimously.

E. YCPARMIA Staff COLA

Interim CEO/Risk Manager James Marta and Marylin Kelley recommended the Board approve a 2% COLA for YCPARMIA staff to stay in-line with current and historical wage trends and to promote morale among staff. They informed the Board that YCPARMIA has been saving on administrative expenses as the Workers' Compensation Wellness Nurse position has been vacant for several months and presented local and state COLA data. The Board was informed a 2% increase for staff would impact the budget by less than \$10,000. The Board discussed their entities' plans regarding COLA and staffing and suggested the discussion be tabled for another meeting.

Sheila McShane moved to have the Board revisit the action item YCPARMIA Staff COLA in February; seconded by Crystal Zaragoza. A roll call vote was taken. Motion passed unanimously.

F. CAJPA Tort Liability Data Analysis Project

The leadership at CAJPA commissioned a California statewide public sector "Tort Liability Data Analysis Project" as a response to the growing tort liability costs that have been having a major impact on JPA's. JPA's are facing a hard liability excess market that has been driven by high jury verdicts, settlements and the cost of defense. JPA's are being asked to help fund this project with a

recommended contribution of \$10,000 per JPA. Since YCPARMIA is a smaller JPA, Interim CEO/Risk Manager recommended YCPARMIA contribute \$2,500.

Rebecca Spiva moved to contribute \$2,500 toward the CAJPA Tort Liability Data Analysis Project; seconded by Janet Emmett. A roll call vote was taken. Motion passed unanimously.

## **7. INFORMATION ITEMS**

### **A. COVID-19 Resource Memo**

Interim CEO/Risk Manager James Marta reminded the Board that YCPARMIA staff have developed a COVID-19 Resource Memo which is posted to the YCPARMIA website.

### **B. 2019 Website Transparency Scorecard**

Administrative Assistant Lily Viek reported that modifications have been made to the YCPARMIA website. Due to these updates, YCPARMIA received a Website Transparency Score of 100 out of 100, which was a 76 point increase from the prior score of 26 out of 100.

### **C. YCPARMIA Investment Statement**

The Board reviewed the YCPARMIA Investment Statement as of April 30, 2020.

### **D. YCPARMIA Financial Report**

The Board reviewed the YCPARMIA Financial Report as of April 30, 2020.

### **E. Statement of Revenues, Expenses, and Retained Earnings**

The Board reviewed the YCPARMIA Statement of Revenues, Expenses, and Retained Earnings.

### **F. Notification of New Claims Received Since the Previous Board Meeting**

The Board reviewed a list of new claims received since the previous Board meeting.

### **G. Closed Liability Files**

The Board reviewed a list of liability files closed since the previous Board meeting.

### **H. Certificates Issued**

The Board reviewed a list of certificates issued since the previous Board meeting.

**8. CLOSED SESSION**

The Board adjourned to closed session from 10:24 a.m. to 10:32 a.m.

A. Workers' Compensation Claim

The Board approved settlement authority for claim no. SAC0000166079

**9. ADJOURNMENT**

Janet Emmett moved to adjourn the May 28, 2020, YCPARMIA Special Board meeting at 10:37 a.m.; seconded by Liane Lee. A roll call vote was taken. Motion passed with Emmett, Lee, Zaragoza, Cook, and Spiva voting in favor; McShane was absent.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Lily Vieck', with a long horizontal line extending to the right.

Lily Vieck  
Administrative Assistant, YCPARMIA