



# Yolo County Public Agency Risk Management Insurance Authority

## **BOARD MEETING MINUTES** **August 27, 2020**

The meeting of the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA) was held on August 27, 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:** James Marta (*YCPARMIA Interim CEO/Risk Manager*), Marilyn Kelley (*YCPARMIA Interim CEO/Risk Manager*), Lily Viek (*YCPARMIA Administrative Assistant*), Holly Lyon (*YCPARMIA Financial Analyst*), David Due (*YCPARMIA Staff Investigator II*), Christopher Bensch (*City of Davis*)

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

President Jill Cook called the meeting to order at 9:03 a.m.

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

Janet Emmett moved to approve the agenda as posted; seconded by Crystal Zaragoza. A roll call vote was taken. Motion passed unanimously.

### **3. PUBLIC COMMENTS**

None.

### **4. CLOSED SESSION**

The Board adjourned to a closed session at 9:04 a.m. and reconvened at 9:13 a.m.

Report out from closed session: No action has been taken on any matter.

### **5. COMMUNICATIONS**

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

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

Janet Emmett, City of Davis, reported the City has been dealing with the smoke in the air while also working to prevent the spread of COVID-19.

Rebecca Spiva, Esparto Unified School District, reported the School District began social distance learning but had to close due to the LNU Lightning Complex Fire.

Liane Lee, City of West Sacramento, reported that the City has been experiencing smoke from the nearby fires and have started the RFQ process for three executive positions.

Vice President Crystal Zaragoza, City of Winters, informed that John Donlevy has left the City of Winters. Shelly Gunby will be stepping in as the Interim City Manager and Alternate Board Member.

Sheila McShane, City of Woodland, reported the City has appointed Ken Hiatt as the new City Manager.

President Jill Cook, County of Yolo, reported the County is combatting the emergencies facing Yolo County. In addition to having guidelines in place to promote social distancing during the pandemic, the County has also added cooling centers to protect community members from the heat and have evacuation centers in place to protect residents from the LNU Lightning Complex Fire nearby. The evacuations will be to local hotels to avoid congregation of individuals. President Cook also informed the Board that former Board Member Gary Engel has retired and that the County will be expanding the County's Risk Manager position. It is the County's intent to have their new Risk Manager take over a seat on the YCPARMIA Board of Directors.

B. CEO/Risk Manager

Interim CEO/Risk Managers James Marta and Marylin Kelley provided the Board with updates on staff goals and roles, the claims analysis project, CEO project reports, the upcoming audit, new DIR/OSIP requirements, COVID-19 procedures, the YCPARMIA facility, Workers' Compensation settlements, and the recent CJPRMA Board Meeting.

C. Next Meeting

The next regularly scheduled meeting of the YCPARMIA Board of Directors will be held on October 22, 2020; however, YCPARMIA Staff have proposed an additional meeting for September 17, 2020, which was approved by the Board during Agenda Item 7F. The additional meeting in September is expected to follow an abbreviated agenda focusing on select action items.

**6. CONSENT CALENDAR**

A. Approval of Minutes

Rebecca Spiva moved to approve the minutes of the Board Meeting of June 25, 2020; seconded by Liane Lee. A roll call vote was taken. Motion passed unanimously.

**7. ACTION ITEMS**

A. Conflict of Interest Code

The Fair Political Practices Commission (FPPC) requires Conflict of Interest Codes be reviewed every even year. After review, no changes are being recommended.

Janet Emmett moved to approve the existing Conflict of Interest Code for YCPARMIA; seconded by Rebecca Spiva. A roll call vote was taken. Motion passed unanimously.

B. Loss Control Analysis & Recommendations

The YCPARMIA Team created an analysis of the past five years of claims to identify the main claims, the drivers of these claims and how to assist with providing information, structures, recommendations, and support to help members prevent and reduce claim and claim costs.

The purpose of the report is to provide top level data to help members focus on the main issues. It was found that strains, slip/fall, dangerous conditions and auto accidents are the main causes of the workers' compensation and liability claims. Staff recommend inspection programs for dangerous conditions and driver training and aids. We have recommended safety committee structures and forms and recommend more engagement with top management.

The report will be shared with City Managers and safety committees so members may review the data and work toward managing the risk. The report notes recommended safety committee structures and forms and recommends the committees increase engagement with management.

Janet Emmett moved to accept the Loss Control Analysis & Recommendations; seconded by Crystal Zaragoza. A roll call vote was taken. Motion passed unanimously.

C. Project 2 - Operational & Functional Model Assessment

James Marta & Company reviewed the YCPARMIA operations and functions as a special project #2. The report evaluates the existing resources and staff competencies, identifies essential operations and functions, and determines if there are any areas for improvement.

Interim CEO/Risk Managers James Marta and Marilyn Kelley have worked with staff to improve overall effectiveness by:

- Strengthening staff through revisiting their own mission, goals and objectives. Each staff member is accountable for a monthly status report that is in line with their goals, objectives, strategies, and deliverables
- Making risk identification and analysis part of what the team does
- Identifying and informing staff and members about risk management and training resources
- Improving coordination between claims and loss control
- Identifying alternatives for the nurse position - nurse triage program and case manager

Janet Emmett moved to accept the Operational & Functional Model Assessment; seconded by Liane Lee. A roll call vote was taken. Motion passed unanimously.

D. Project 3 - CEO Alternatives

A pool manager requires a variety of very specialized skills and experience. Smaller pools, such as YCPARMIA, may struggle finding the right person.

Interim CEO/Risk Manager James Marta provided the Board with a report on CEO Alternatives and recommended the Board accept the information but postpone the

discussion and direction until the following Board Meeting to allow time for members to fully review the information.

Rebecca Spiva moved to accept the CEO Alternatives report and further discuss at an upcoming meeting; seconded by Crystal Zaragoza. A roll call vote was taken. Motion passed unanimously.

E. Project 1 - Financial Efficacy

James Marta & Company were asked to review YCPARMIA's financial efficacy. The Board was provided with a report and advised to postpone discussion until the following Board Meeting to allow time for members to fully consider the following recommendations:

1. Draft changes in policies and procedures
2. Revise the rate setting policy
  - a. Allocate all costs in a ratio to exposure and experience to ensure all are allocated a portion of the potential loss cost
  - b. Revise rate capping to exclude changes in exposure (payroll increases) and to exclude the core rate increase that the pool pays
  - c. Revise the period that loss experience is taken from the most recent six months (December of current years and 36 months back) to the past three full policy years starting from the past June to ensure that the claims used are relatively matured
  - d. Revise the premium allocation method to ensure there is a balancing routine to ensure that the budgeted contributions are fully allocated and collected through the individual rates set along with any rate caps or adjustments
3. Review impact of changes and consider a cap on the impact of the formula portion only up or down not more than 20%
4. Update the Underwriting Policy to reflect the change in the premium allocation
5. Update the capital and target equity policy into one policy

Crystal Zaragoza moved to accept the Financial Efficacy Report and further discuss at an upcoming meeting; seconded by Janet Emmett. A roll call vote was taken. Motion passed unanimously.

F. Additional Board Meeting on September 17 at 9:00am for Projects 1 & 3

An additional Board Meeting was recommended to be held on September 17, 2020, at 9:00 a.m. to further discuss projects #1 and #3.

Rebecca Spiva moved to approve scheduling an additional Board Meeting on September 17 at 9:00 a.m.; seconded by Liane Lee. A roll call vote was taken. Motion passed unanimously.

**8. INFORMATION ITEMS**

A. SB 1159 and AB 685 - COVID-19 Workplace Bills

Interim CEO/Risk Manager James Marta provided the Board with information regarding SB 1159 and AB 685.

- B. CSAC-EIA JPA Amendment to change name to PRISM  
CSAC Excess Insurance Authority (EIA) has changed their name to Public Risk Innovation, Solutions, and Management (PRISM). As such, the JPA Agreement was amended by the EIA (now PRISM) Board. The YCPARMIA Board was provided with a summary of the changes.
- C. Workers' Compensation Claims Audit  
The Board reviewed the recent Workers' Compensation Claims Audit and Action Taken update from LWP by James Marta.
- D. Liability Claims Audit  
The Board reviewed the recent Liability Claims Audit.
- E. Cordico Utilization Update  
The Board reviewed the Cordico Utilization Update.
- F. TargetSolutions - Utilization Report  
The Board reviewed the TargetSolutions Utilization Report.
- G. Transition to eCerts and Certificates Issued  
As of July 2020, YCPARMIA is using eCerts to issue and track certificates. In using eCerts, we are able to reduce the amount of separate certificates produced by combining coverages through YCPARMIA on one certificate. Certificates from our excess carriers will continue to be as a separate document (i.e. Excess Liability through CJPRMA). The Board was provided with updated sample certificates as well as a list of certificates issued since the transition.
- H. YCPARMIA Monthly Investment Statement  
The Board reviewed the YCPARMIA Investment Statement as of June 30, 2020.
- I. YCPARMIA Quarterly Treasurer's Report  
The Board reviewed the Quarterly Treasurer's Report.
- J. YCPARMIA Monthly Financial Report  
The Board reviewed the YCPARMIA Financial Report as of June 30, 2020.
- K. Monthly Statement of Revenues, Expenses, and Retained Earnings  
The Board reviewed the YCPARMIA Statement of Revenues, Expenses, and Retained Earnings.
- L. Budget v. Actual Comparison  
The Board reviewed a comparison of budgeted versus actual revenues and expenses for the first eleven months of the fiscal year.
- M. Notification of New Claims Received Since the Previous Board Meeting  
The Board reviewed a list of new claims received since the previous Board meeting.
- N. Closed Liability Files  
The Board reviewed a list of liability files closed since the previous Board meeting.

9. **ADJOURNMENT**

The August 27, 2020 YCPARMIA Board Meeting adjourned at 11:15 a.m. by general consent.

Respectfully submitted,

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

Lily Vieck  
Administrative Assistant, YCPARMIA

Reviewed by Marilyn Kelley, CEO/Risk Manager