



Yolo County Public Agency Risk Management Insurance Authority

BOARD MEETING MINUTES **April 29, 2021**

The meeting of the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA) was held on April 29, 2021, via teleconference in accordance with Executive Order N-29-20.

BOARD MEMBERS PRESENT: Jill Cook (*President, County of Yolo*), Janet Emmett (*City of Davis*), Amanda Berlin (*City of West Sacramento*), Kathleen Tropa (*City of Winters, left after Item 8I*), Sheila McShane (*City of Woodland*), 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*), David Due (*YCPARMIA Staff Investigator II*), Tom McGuire (*YCPARMIA Loss Prevention Analyst*), Cha Yang (*County of Yolo*), Christopher Bensch (*City of Davis*)

1. CALL TO ORDER

President Jill Cook called the meeting to order at 9:01 a.m.

2. APPROVAL OF AGENDA

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

3. PUBLIC COMMENTS

None.

4. CLOSED SESSION

The Board adjourned to closed session from 9:04 a.m. to 10:04 a.m.

Kellie Murphy provided the following report out on closed session:

On the matters listed under Agenda Item 4.A.: the matter PG&E v. City of West Sacramento, a claim related to damage to poles and power lines from a truck, has settled for \$255,000.00; and the matter Coronado-Brown v. County of Yolo, a claim arising out of a motor vehicle accident, has settled for \$162,500.00. No action was taken on the matters listed under 4.A.

On the matter listed under Agenda Item 4. B., no reportable action.

On the matters listed under Agenda Items 4.C., 4.D., and 4.E., no reportable action.

On the matters listed under Agenda Item 4.F., the Board voted to appoint Carol Richardson as Interim Executive Director effective May 17, 2021 with the following votes:

- City of Woodland Y
- City of Davis Y
- Esparta USD Y
- City of Winters Y
- City of West Sacramento Y
- County of Yolo Y

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 holding safety committee meetings and is starting up safety inspections again

Amanda Berlin, City of West Sacramento, reported that at the City’s most recent Safety Committee Meeting an interest in obtaining a sharps container was discussed.

Kathleen Tropa, City of Winters, informed that the City is recruiting for an HR Manager. Tropa also reported the City is working with the City Attorney’s Office to create contract templates and on discussing contract requirements.

Rebecca Spiva, Esparto Unified School District, reported that school is back in session and they are moving forward toward graduation.

Sheila McShane, City of Woodland, reported that the City is working on a return-to-work policy in preparation of California’s anticipated reopening date of June 15.

President Jill Cook, County of Yolo, reported the County has resumed Safety Committees under the new County Risk Manager. The County has been focusing on vaccines and discussing outreach options to reach a wider population.

B. Executive Director

Interim CEO/Risk Managers James Marta and Marilyn Kelley provided an update on administration, claims administration, loss prevention, the property and liability programs, workers’ compensation, finance, and risk management.

YCPARMIA has completed their accreditation process with CAJPA and has met the highest standard of accreditation: Accreditation with Excellence, which qualifies for savings on premiums with PRISM.

YCPARMIA is also looking into replacing the carpet in the office building. Staff are working on obtaining quotes for this service.

C. Next Meeting

The next regularly scheduled meeting of the YCPARMIA Board of Directors will be on Thursday, June 24, 2021.

6. CONSENT AGENDA

- A. Approval of Minutes
- B. YCPARMIA Financials and Budget Update as of 3/31/21
- C. YCPARMIA Check Registers
- D. YCPARMIA Quarterly Treasurer's Report
- E. YCPARMIA Monthly Investment Statement
- F. Chandler Asset Management Quarterly Investment Report as of 3/31/21

Rebecca Spiva moved to approve the minutes of the Board Meeting of January 21, 2021, and of the Special Board Meetings of February 25, 2021, March 19, 2021, and March 26, 2021; the YCPARMIA Financials and Budget Update as of 3/31/21; the check registers; the quarterly treasurer's report; the YCPARMIA Monthly Investment Statement; and the Chandler Asset Management Quarterly Investment Report as of 3/31/21; seconded by Amanda Berlin. A roll call vote was taken. Motion passed unanimously.

7. PRESENTATION TO THE BOARD

A. CARMA Membership Information

Rob Kramer of CARMA provided a brief presentation to the YCPARMIA Board of Directors.

B. ERMA Membership Information

Jennifer Jobe of ERMA provided a brief presentation to the YCPARMIA Board of Directors.

8. ACTION ITEMS

A. Approval to Resolutions to Join CARMA and ERMA

Based on the evaluations of CARMA and ERMA at the December YCPARMIA Board Meeting and approval for consideration of CARMA and ERMA, we have submitted applications to participate in both the CARMA Excess Liability pooling joint powers authority and the ERMA excess pooling Employment Practices joint powers authority. All open claims prior to July 1, 2021 will still be handled by CJPRMA excess of the YCPARMIA retained limit of \$500,000 per occurrence. Marilyn Kelley also discussed that in conversations with CJPRMA, if YCPARMIA were to determine that they would like to withdraw their notice of cancellation, that they would most likely be able to do so with the recommendation of the Executive Committee. It would need to be approved by the CJPRMA Board.

After discussion it was determined that CARMA remained the preferred option for the Liability program.

In order to join CARMA and ERMA effective July 1, 2021 the YCPARMIA Board must approve a resolution for each.

Kathleen Tropa moved to approve the resolutions to join CARMA and ERMA; seconded by Janet Emmett. A roll call vote was taken. Motion passed unanimously.

B. Interim Executive Director Salary

The Executive Director position is currently filled through a contract with James Marta and Marylin Kelley. The position currently has a salary range of \$144,213.88 to \$175,292.87. This range was adopted in 2019 and has not been updated. YCPARMIA is hiring a new Interim Executive Director and we are proposing the position be paid at the top of the available salary range at \$175,292.87 annually, \$14,607.74 monthly, \$84.28 hourly.

Kathleen Trepa moved to approve the proposed salary for the interim Executive Director; seconded by Sheila McShane. A roll call vote was taken. Motion passed unanimously.

C. Authorization - LAIF

The County of Yolo fiscal/finance department requires the YCPARMIA Board to expressly authorize the performance of specific duties through a provided authorization form. The form has been updated to include the ther Interim Accountant and Interim Executive Director.

Kathleen Trepa moved to approve the updated LAIF Form; seconded by Rebecca Spiva. A roll call vote was taken. Motion passed unanimously.

D. Discussion and Acceptance of the 2021 Actuarial Report.

Each year, YCPARMIA must have an actuarial report completed and approved by the Board.

Rebecca Spiva moved to approve the Actuarial Report; seconded by Janet Emmett. A roll call vote was taken. Motion passed unanimously.

E. Approval of Updates the Administrative Policy & Procedure - A-19 Underwriting Policy

The Underwriting Policy A-19 was rewritten and approved in January; however, some additional updates were needed. The updated policy was provided to the Board for approval.

Kathleen Trepa moved to approve the updated Underwriting Policy; seconded by Janet Emmett. A roll call vote was taken. Motion passed unanimously.

F. Preliminary Budget for Fiscal Year 2021-2022

Interim CEO/Risk Manager James Marta discussed how the budget of YCPARMIA is driven by three major components

1. funding of projected loss costs with a risk margin as estimated by our actuary
2. excess insurance coverage
3. other program and administration costs

Excess coverage costs are budgeted at the best indications from our excess providers, however, due to the hard market, carriers have been leaving California as their appetite for our risks has gone. It is expected that we may not get final excess numbers prior to 30 days prior to the renewal policy period.

Claims expense Excess insurance represents 67%, 54% and 6% for the workers' compensation program, liability program and property program respectively.

Excess insurance represents 12%, 41% and 91% for the workers' compensation program, liability program and property program respectively.

For the liability program we are budgeting the actuary projected accrued claims administration expense. In the prior year only \$1,500 was budgeted.

Kathleen Trepa moved to approve the preliminary budget as presented; seconded by Becki Spiva. A roll call vote was taken. Motion passed unanimously.

G. Proposed Fiscal Year 2021-2022 Premiums

Interim CEO/Risk Manager explained how this year's allocations have been revised according to the updated underwriting policies. The policy allocated fixed operating and excess insurance based on exposure and loss costs only to members who had losses and in their proportion in the last three years. This method did not adequately consider member exposure and the board approved a revision of this policy; including the capping and the years of data used. In addition, to the extent a member has what is called an add-in service or program; those costs are added to each member separately.

After discussion, it was requested that James Marta meet with each of the voting members to discuss how the new rating method affects each of them and then bring the 2021-2022 premiums back to a Special Meeting in May.

Kathleen Trepa moved to approve the proposed fiscal year 2021-2022 premiums with the understanding that this item will be brought back at a future meeting; seconded by Sheila McShane. A roll call vote was taken. Motion passed unanimously.

H. Approval to Rescind Notice of Withdrawal from Property Program - West Sacramento Port

The Port of West Sacramento submitted a notice of withdrawal from the YCPARMIA property program to be effective July 1, 2021; however, they have asked to rescind this withdrawal.

Kathleen Trepa moved to approve rescinding the Port's withdrawal; seconded by Janet Emmett. A roll call vote was taken. Motion passed unanimously.

I. Approval of FY 21-22 Memorandums of Coverage and Declarations

Interim CEO/Risk Manager Marylin Kelley reviewed the following changes made to the Declarations and Memorandums of Coverage:

1. **LIABILITY** - The Declarations has been updated to reflect the new coverage period of July 1, 2021 to July 1, 2022 and to update limits and sublimits and reference CARMA. In recognition that the Board of Directors likely approves the resolutions to join CARMA and ERMA, the Memorandum of Coverage (MOC) has been amended to include Employment Practices Liability with a sublimit of \$500,000. Coverage provided by CJPRMA for fungal pathogens has been added with a \$1million sublimit. There is an exclusion for Non-Employment Sexual Abuse but it only applies to airports, so we made no change.

2. **WORKERS' COMPENSATION** - The Declarations have been updated to reflect the new coverage period of July 1, 2021 to July 1, 2022 and updated payrolls. The signature of Marylin Kelley has been deleted and will be updated with the new CEO/Risk Manager, Executive Director when appointed. There have been no changes to the terms and conditions of the Memorandum of Coverage.

3. **PROPERTY & BOILER & MACHINERY PROGRAM** - The Declarations have been updated to reflect the changes in the total insured values and the new coverage period of July 1, 2021 to July 1, 2022. The signature of Marylin Kelley has been deleted and will be

updated with the new Executive Director when appointed. There have been no changes made to the terms and conditions of the Memorandums of Coverage.

4. FIDELITY PROGRAM - The Declarations have been updated to reflect the remaining excess coverage period of two years, July 1, 2021 to July 1, 2023, as the Excess Layer of coverage with Fidelity and Deposit Company of Maryland is a 3 year policy with an expiration date of July 1, 2023. The signature of Marylin Kelley has been deleted and will be updated with the new Executive Director that is appointed. The Memorandum of Coverage has been updated with the referencing of the coverages listed in the Declarations and with the current excess policy number. There have been no changes made to the terms and conditions of the Memorandum of Coverage.

Janet Emmett moved to approve the updated Memorandums of Coverage and Declarations pages; seconded by Kathleen Trepa. A roll call vote was taken. Motion passed unanimously.

J. Consideration of CORDICO Wellness App for Fire and Police/Sheriff Personnel and Use of PRISM Safety Funds of \$43,000 for Partial Payment

Several Members of YCPARMIA have asked that we bring to the Board consideration of adding the CORDICO Wellness Applications for Safety personnel to our services. This would be a pass through cost in the Workers' Compensation program and not be spread to all Members, only those participating by their number of safety personnel.

Jill Cook moved to approve moving forward with the CORDICO Wellness App with YCPARMIA including the costs less a one-time PRISM subsidy within the WC Budget Allocated costs; seconded by Janet Emmett. A roll call vote was taken. Motion passed with Emmett, Berlin, McShane, Spiva, and Cook voting in favor, Trepa was absent.

K. Approval of One Year Contract with the Current Financial Audit Firm, Crowe, LLP

It was the intention of YCPARMIA to engage in an RFP process prior to the Financial Audit for the 20-21 Fiscal Year. However, as James Marta and Co are resigning as of May 1, YCPARMIA would again be rushing the bidding process. In light of this we are recommending that consideration of the bidding process be postponed to the Spring of 2021 and that YCPARMIA enter into an additional one year engagement with Crowe, LLP for the Financial Audit for the Fiscal Year ending June 30, 2021

Amanda Berlin moved to approve the updated and consolidated administrative policies as presented; seconded by Jill Cook. A roll call vote was taken. Motion passed with Emmett, Berlin, McShane, Spiva, and Cook voting in favor, Trepa was absent.

L. Consideration of Part Time Clerical Position

Janet Emmett moved to approve extending the current temporary position through the June Board meeting; seconded by Rebecca Spiva. A roll call vote was taken. Motion passed with Emmett, Berlin, McShane, Spiva, and Cook voting in favor, Trepa was absent.

9. INFORMATION ITEMS

A. Workers' Compensation Analysis Report

The Board reviewed the Workers' Compensation Analysis Report.

B. Notification of New Claims Received Since the Previous Board Meeting

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

C. Closed Liability Files

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

D. State Controller's Compensation Report

The Board was provided the State Controller's Compensation Report

E. City of Davis - Sample Exemption from Workers' Compensation

The Board was provided a Sample Workers' Compensation waiver

10. ADJOURNMENT

The April 29, 2021 YCPARMIA Board Meeting adjourned at 12:48 p.m. by general consent.

Respectfully submitted,

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

Lily Viek
Administrative Assistant, YCPARMIA