

**YOLO COUNTY PUBLIC AGENCY RISK  
MANAGEMENT INSURANCE AUTHORITY  
(YCPARMIA)**

**BYLAWS**

Amended June 24, 2021

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# BYLAWS

**THE FOLLOWING BYLAWS ARE FOR THE REGULATION OF THE YOLO COUNTY PUBLIC AGENCY RISK MANAGEMENT INSURANCE AUTHORITY, EXCEPT AS OTHERWISE PROVIDED BY STATUTE OR THE AGREEMENT CREATING THE YOLO COUNTY PUBLIC AGENCY RISK MANAGEMENT INSURANCE AUTHORITY.**

## ARTICLE I

### **DEFINITIONS**

The terms in these Bylaws shall be the same as those that are defined in the Agreement creating the Yolo County Public Agency Risk Management Insurance Authority, unless otherwise specified herein.

- (a) **"Associate Member agency"** means any public agency which is a non-voting party to this agreement. A listing of the **"Associate Member Agencies"** will be an addendum to these Bylaws;
- (b) **"Authority"** means the Yolo County Public Agency Risk Management Insurance Authority created by this Agreement;
- (c) **"board"** is the governing board of the Authority;
- (d) **"broker"** is the insurance broker authorized by the board to acquire insurance coverage;
- (e) **"claims"** shall mean demands made against the Participating agencies or the Authority arising out of occurrences which are within the Authority's joint protection program as developed by the board;
- (f) **"claims adjuster"** is the claims adjuster hired by the board to determine losses and make or recommend payments from the appropriate central loss funds;
- (g) **"Coverage agreement"** is the document issued by the Authority to Participating agencies specifying the scope and amount of pooled protection provided to each Participating agency by the Authority;
- (h) **"covered loss"** shall be any loss resulting from a claim or claims against a Participating agency or the Authority which is in excess of the respective self-

funded retention, and is covered by a coverage agreement issued by the Authority or any purchased programs and shall include loss payments, defense costs, and other charges directly attributed to the resolution of the matter including defense costs incurred by the Authority;

- (i) "**excess insurance**" shall mean that any self-insurance, insurance, or reinsurance purchased by the Authority to cover losses in excess of the Authority's self-insured retention;
- (j) "**incurred loss**" is the sum of monies paid and reserved by the Authority that is necessary to investigate and defend a claim and to satisfy a covered loss sustained by a Participating agency or the Authority;
- (k) "**member**" means a member of the board and includes an alternate member;
- (l) "**Member agency**" means any of the public agencies which are a party to this Agreement and have voting rights pursuant to Article 7. A listing of the "**member agencies**" will be an addendum to these Bylaws.
- (m) "**Participating agency**" means any Associate Member agency or Member Agency who is a party to this agreement.
- (n) "**risk coverages**" are property, workers' compensation, liability, fidelity and other risk coverages subject to such exclusions as may be determined by the board from time to time;
- (o) "**Executive Director**" is the person or firm appointed by the board to be its Secretary and the Chief Administrative Officer of the Authority;
- (p) "**special district**" shall mean special districts within the County of Yolo which provide governmental service; provided, however, "special district" shall not include school districts.

## ARTICLE II

### **DIRECTORS AND OFFICERS**

A. **Members.** Each Member agency's policy-making body shall appoint either its Chief Executive Officer, a department head, or staff person, having some responsibility for its risk management function to the Board of Directors. The individual appointed shall have sufficient knowledge and authority to represent and vote on behalf of their member agency. Each Member agency's policy-making body shall also appoint one alternate member. The appointment of the member and the alternate member shall be made in writing or electronically and becomes effective upon the date of receipt of notice from

the agency or such date as stated in the communication, whichever date is later. The alternate may attend, participate in, and vote at any meeting of the Board at which the regular member from the alternate's agency is absent. Each member of the board has one vote.

B. **Officers.** The Board shall elect a president and vice-president from among its members prior to the succeeding fiscal year. Each officer shall assume the duties of his/her office at the beginning of the fiscal year. If either the president or vice-president ceases to be a member, the resulting vacancy shall be filled at the next regular meeting of the Board which is held after the vacancy occurs. The president shall preside at and conduct all meetings of the Board and perform such other duties as the Board may specify. In the absence or inability of the president to act, the vice-president acts as president and performs such other duties as the Board may specify.

The Board shall appoint an Executive Director who shall be the Secretary and Chief Executive Officer of the Authority. The Executive Director shall administer the operations of the Authority, cause minutes to be kept as specified by the Board, maintain or cause to be maintained all accounting and other financial records of the Authority, to file financial reports of the Authority, and to perform other such duties as the Board may specify.

The Board shall appoint as a treasurer/auditor a person who need not be a member of the Board, but whose qualifications shall be set by Addendum V and by Board policy. This person shall have the powers, duties and responsibilities specified in Government Code Section 6505.5.

All other staff positions will be appointed by the Executive Director subject to budget approval by the Board.

The Board shall require the Executive Director and the treasurer/auditor to file with the Authority an individual or a master bond in the amount to be fixed by the Board, but not less than \$100,000. The Authority shall pay the cost of the premiums for the bond required by it. This bond may be separately endorsed through YCPARMIA's Fidelity Coverage.

### ARTICLE III

#### **OFFICES**

The principal executive office for the transaction of business of the Authority and receipt of all notices is hereby fixed and located as described in Addendum II attached hereto and incorporated herein by reference. The Board shall have the authority to change the location of the principal executive office. Other business offices may at any time be established by the Board at any place or places where the Authority is qualified to do business.

## ARTICLE IV

### **BOARD MEETINGS AND RECORDS**

A. Regular Meetings. The Board shall fix the time and place for its meetings and shall hold at least one annual meeting. The risk manager may request special meetings as needs dictate. Special meetings may also be called upon written request by at least one-third of the members. Notice of such special meetings shall be delivered personally or by mail to each Board member at least 24 hours before the time of such meeting.

B. Ralph M. Brown Act. All meetings of the Board, including without limitation, regular, adjourned regular, and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, or any other applicable State law.

C. Minutes. The risk manager shall cause minutes of all regular, adjourned regular and special meetings kept. As designated by the Board, a copy of the minutes will be forwarded to each member of the Board and to each Participating agency.

D. Quorum. No business may be transacted without a quorum of the members of the Board being present. A quorum shall consist of two-thirds of the members of the entire Board.

E. Committees. The Board may establish committees and delegate to them functions not otherwise reserved to the entire Board.

## ARTICLE V

### **DUTIES OF MEMBERS**

The Board of Directors shall be responsible for governing the Authority either directly or by delegation to other bodies or persons unless prohibited by law or the Joint Powers Agreement and shall exercise all those powers not specifically reserved to the Participating agencies in the Joint Powers Agreement. Each member shall have the authority to bind their Member agency on all matters pertaining to the Agreement as provided in the Agreement. Each member of a Member agency shall be entitled to cast one vote in all matters requiring a vote, except in a case of an actual or potential conflict of interest.

ARTICLE VI

**ACCOUNTS AND RECORDS**

A. Yolo County Public Agency Risk Management Insurance Authority shall maintain such funds and accounts in accordance with acceptable accounting practices or by any provision of the law or any policy of the Board. Books and records in the possession of the treasurer or the Board's designee shall be open to inspection at all reasonable times by designated representatives of the member agencies.

B. The Treasurer, or the Board's designee, shall report to the Board as required by State law and Board policy.

C. The Board shall contract with a certified public accountant to make an annual audit of the accounts and records of the Authority at the end of each fiscal year. The audit report shall be filed within 6 months of the end of the fiscal year under examination. The Authority shall bear the cost of the audit.

D. The Authority shall adopt an annual budget not later than the first day of its fiscal year.

E. The "Fiscal Year" of the Authority is the period from the first day of July of each year to and including the last day of June of the following year.

F. The Authority shall maintain or have maintained accurate loss records for all covered risks, for all claims paid, and for such other losses as it requires or directs be maintained.

ARTICLE VII

**RECEIPT AND DISBURSEMENT OF FUNDS**

Revenues of the Authority shall be received by the principle executive officer. The Treasurer or the Board's designee shall safeguard and invest funds in accordance with the Authority's current Investment Policy. All checks disbursing funds of the Authority shall be signed by the appropriate employees or officers as established by the action of the Board. The Board's designee shall be authorized to make all expenditures for goods and services without specific approval, to the extent such funds have been included and approved by adoption of the budget or as previously approved by the Board.

## ARTICLE VIII

### **SETTLEMENT OF CLAIMS**

Settlement Authorization for Liability, Property, and Workers' Compensation is determined by Board-approved Policy and Procedures.

## ARTICLE IX

### **POOLED RISK COVERAGE PROGRAMS**

The Authority shall provide pooled risk coverage programs for automobile/general liability, workers' compensation, property, and other risk coverages as determined by the Board of Directors. All Participating agencies, unless otherwise mandated by the State of California, must participate in the automobile/general liability program in order to maintain their membership in the Authority. The terms and conditions of each pooled risk coverage program including, but not limited to, agency participation commitment, choices of self-insured retentions, cash payments, formulas, and other relevant details will be determined by the Board through these Bylaws, addendum, and policy.

Any pooled risk coverage program in effect on the effective date of these Bylaws shall be continued in the absence of specific action by the Board of Directors to the contrary.

The automobile/general liability, workers' compensation, general property, boiler and machinery, and fidelity programs of the Authority shall provide coverage in accordance with the terms of the current coverage agreement and with limits and self-insured retention options that are determined by the Board of Directors.

Coverage may be provided by a self-funded risk sharing pool and/or purchased coverage program as determined by the Board of Directors as described in policy or the attached Addendum and incorporated by reference herein.

Each pooled risk coverage program will be funded by annual cash payments of the Participating agencies at a level that is determined to be sufficient to cover the predicted losses, loss adjustment expenses, defense costs, excess insurance premiums, and proportionate share of general administrative expenses of the Authority.

The cash payments shall be calculated by taking into consideration the above expenses as well as each Participating agency's incurred loss experience and deductible selected. The formula for establishing the cash payments is detailed in the Underwriting Policy.

The cash payments will be pooled with each year's cash payment to provide a central pool for each pooled risk coverage program. These cash payments paid to the Authority



and any investment income attributed to such fund shall be held in trust by the Authority to carry out the purposes of the Authority as set forth in these Bylaws and the Authority Agreement. No cash refund of excess funds shall be made to the Participating agencies. Excess funds or reserves may be distributed as credits to the current or subsequent year's program cash payment based on the board established pro rata share of each Participating agency's cash contribution. Excess funds in one pooled risk coverage program shall not be used to fund a different pooled risk coverage program. This is further detailed in the Policy and Procedure: Utilization of Excess Reserve Funds.

Cash payment invoices are payable upon receipt and become in arrears thirty (30) days after the invoice date. The Installment Billing Policy allows for a cash payment installment billing.

## ARTICLE X

### **SURCHARGE CASH PAYMENT**

The Board, by two-thirds (2/3) vote of the entire Board, shall have the authority to levy a surcharge cash payment for any pooled coverage program. There must be a finding by the Board that there are insufficient funds available to the Authority to meet its legal obligations for that pooled coverage program. The surcharge cash payment will be levied against all members participating in the pooled coverage program in the amount determined by the Board.

The surcharge cash payment will be due and payable 30 days from the date the Board declares the surcharge cash payment, unless otherwise indicated. Any costs, including attorney's fees, incurred by the Authority in collecting such cash payment, shall be reimbursed in full by the Participating agency against which such collection action has been taken.

## ARTICLE XI

### **MEMBERSHIP**

A. New Members. The Authority may allow entry into the program new members approved by the Board only at the beginning of the Authority's fiscal year following the Authority's fiscal year in which the request to join the Authority is submitted to the Board by the Agency requesting membership. Request for membership shall only be considered by the Board if the Agency requesting membership has submitted a written request to the Board at least six months prior to the beginning of the Authority's fiscal year in which the Agency seeks membership. Moreover, the Board shall not consider a request for membership unless it includes such information, including, but not limited to premium, loss experience and risk exposure data as the Board shall specify. Agencies entering under this Article shall be required to pay their share of organizational expenses as determined by the Board, including those necessary to analyze their loss data and determine their premiums.

## ARTICLE XII

### **AMENDMENTS TO THE BYLAWS**

A. These Bylaws may be amended by submitting a written request to the Board of Directors at least thirty (30) days prior to the proposed date change. A report must be sent to each Participating agency with a request for comment forwarded to each Participating agency prior to any final action of the Board. These Bylaws may be amended by a majority vote of the Member agencies following the thirty (30) day notice to all Participating agencies. The amendment will be effective immediately unless otherwise noted.

## ARTICLE XIII

### **SEVERABILITY**

Should any portion, term, condition or provision of this Bylaws be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California or the United States, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions and provisions shall not be affected thereby.

## ADDENDUM I

### MEMBER AGENCY AND ASSOCIATE MEMBER AGENCY LISTING

#### **Member Agencies**

- ❖ City of Davis (7/1/1979)
- ❖ City of Winters (7/1/1979)
- ❖ City of Woodland (7/1/1979)
- ❖ County of Yolo (7/1/1979)
- ❖ Esparto Unified School District (7/1/1979)
- ❖ City of West Sacramento (1/1/1987)

#### **Associate Member Agencies**

- ❖ Springlake Fire Protection District (10/27/1983)
- ❖ Yolo-Solano Air Quality Management District (7/1/1985)
- ❖ Capay Valley Fire Protection District (8/22/1986)
- ❖ Yolo Emergency Communications Agency (7/28/1988)
- ❖ East Davis County Fire Protection District (5/1/1997)
- ❖ California Superior Courts, County of Yolo (7/1/1999)
- ❖ No Man's Land Fire Protection District (8/23/2000)
- ❖ Yolo County Law Library (4/25/2001)
- ❖ In-Home Supportive Services Public Authority (1/1/2002)
- ❖ Yolo County Local Agency Formation Commission (7/1/2003)
- ❖ Davis Cemetery District (7/1/2003)
- ❖ Madison Fire District (11/1/2003)
- ❖ Yolo Habitat Conservancy JPA (12/1/2003)
- ❖ Winters Cemetery District (12/1/2003)
- ❖ Dunnigan Fire Protection District (9/1/2004)
- ❖ Cottonwood Cemetery District (11/15/2005)
- ❖ Clarksburg Fire Protection District (2/1/2006)
- ❖ Sacramento-Yolo Port District (5/22/2006)
- ❖ Winters Fire Protection District (7/1/2006)
- ❖ Madison Community Service District (11/1/2008)
- ❖ Woodland-Davis Clean Water Agency (9/15/2009)
- ❖ Willow Oak Fire Protection District (7/1/2016)
- ❖ West Plainfield Fire Protection District (7/1/2016)
- ❖ Esparto Fire Protection District (7/1/2017)
- ❖ Valley Clean Energy Alliance JPA (7/1/2017)

ADDENDUM II

**OFFICES**

The principal address of the Yolo County Public Agency Risk Management Insurance Authority for the transaction of business and receipt of all notices shall be:

77 W. Lincoln Avenue, Woodland, CA 95695

ADDENDUM III

**ANNUAL CHARGES FOR SPECIAL COVERAGE PROGRAMS**

YCPARMIA may procure for its Participating agencies special coverages from time to time. These coverages will be at the expense of the requesting Participating agency(ies) and will be funded on a pass-through basis unless otherwise agreed. These special coverages will not be provided at the expense of the agency(ies) not participating in the special coverage program unless prior board approval has been given.

ADDENDUM IV

**QUALIFICATIONS OF THE TREASURER**

As provided in the Government Code, Section 6505.5, YCPARMIA's treasurer may be the treasurer of any of the Participating agencies or a certified public accountant. In order to be flexible and meet the needs of the Authority, the qualifications of the treasurer shall be any combination of experience and education which meets the board's approval.