



Yolo County Public Agency Risk Management Insurance Authority

BOARD MEETING MINUTES **February 24, 2022**

The meeting of the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA) was held on February 24, 2022, via teleconference in accordance with Government Code Section 54953(e).

BOARD MEMBERS PRESENT: Kathleen Trepa (*President, City of Winters*), Amanda Berlin (*Vice President, City of West Sacramento*), Christopher Bensch (*City of Davis*), Kimberly McKinney (*City of Woodland*), Alberto Lara (*County of Yolo*), Rebecca Spiva (*Esparto USD*)

BOARD MEMBERS ABSENT: None.

OTHERS PRESENT: Carol Richardson (*YCPARMIA Interim Executive Director*), Lily Viek (*YCPARMIA Program and Services Administrator*), David Due (*YCPARMIA Claims Administrator*), Samuel Kennedy (*YCPARMIA Administrative and Claims Analyst*), Thomas Palmieri (*YCPARMIA Finance Officer*), Thomas McGuire (*YCPARMIA Loss Prevention Analyst*), Kellie Murphy (*Legal Counsel*), Cha Yang (*County of Yolo*), Janet Emmett (*City of Davis*), Mike Harrington (*Bickmore Actuarial*)

1. CALL TO ORDER

President Kathleen Trepa called the meeting to order at 9:02 a.m.

2. APPROVAL OF AGENDA

Kimberly McKinney moved to approve the agenda as posted; seconded by Amanda Berlin. 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 9:08 a.m. to discuss the following item:

A. Public Employee Appointment Under Government Code Section 54957:

- Title: Executive Director
No Reportable Action

5. CONSIDERATION OF APPOINTMENT OF BARBARA LUBBEN AS YCPARMIA'S EXECUTIVE DIRECTOR AND APPROVAL OF EMPLOYMENT AGREEMENT

The position of Executive Director (previously called CEO/Risk Manager) has been vacant since May 2020. Since then, the duties and responsibilities have been provided first by James Marta and Company, then by Carol Richardson. After both interim leaderships provided reports to the Board discussing options for the future of YCPARMIA, the Board decided to move forward with recruitment of a permanent Executive Director. The Board held interviews for a permanent hire on January 27, 2022, at which time Barbara Lubben was selected as the candidate to move forward in the selection process. The Board was provided a copy of the Executive Director Employment Agreement for approval.

Kimberly McKinney moved to approve the Employment Agreement and appoint Barbara Lubben as YCPARMIA Executive Director; seconded by Christopher Bensch. Motion passed unanimously.

6. COMMUNICATIONS

A. Board Members

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

Christopher Bensch, City of Davis, reported the City has been working on site inspections with Tom McGuire, YCPARMIA Loss Prevention Analyst.

Kim McKinney, City of Woodland, reported that the City has been working on recruitments due to staffing shortages. The City partnered with the City of Davis, City of West Sacramento, and City of Roseville to order self-test kits. The City is waiting on County and State mandates before implementing policies regarding testing or vaccines.

Rebecca Spiva, Esparto Unified School District, reported that the District that school is still in session and they are waiting for guidance on making requirements for schools.

Vice President Amanda Berlin, City of West Sacramento, reported that the City's policy regarding vaccinations and testing will be effective February 28, 2022. The City is considering fully re-opening and having staff return to the office.

President Kathleen Tropa, City of Winters, advised they are recruiting for a new HR Manager.

Alberto Lara, County of Yolo, reported the County has three finalists for County Administrative Officer. The County has also been busy monitoring COVID Cases.

B. Executive Director

Interim Executive Director Carol Richardson introduced the Board to YCPARMIA's new Administrative and Claims Analyst Samuel Kennedy. She also provided reminders to the Board on the PARMA Conference, Form 700 Filings, and the YCPARMIA Risk Control Fund.

7. **CONSENT AGENDA**

- A. Resolution 2022-03 per AB 361
- B. County of Yolo Department of Financial Services Authorization Form
- C. Approval of Minutes

Kimberly McKinney moved to approve Resolution 2022-03, the County of Yolo Department of Financial Services Authorization Form, and the Minutes of the January 27, 2022 Board Meeting; seconded by Amanda Berlin. A roll call vote was taken. Motion passed unanimously.

8. **ACTION ITEMS**

- A. Consideration of Financial Statements For Fiscal Years Ending June 30, 2021 and 2020 and Auditor's Report

Crowe, LLP has completed the Financial Statements for Fiscal Years Ending June 30, 2021 and 2020 as well as the annual audit. The Board was mailed a hard copy of the provided documents.

YCPARMIA programs have funded reserves and confidence margins for all programs. The reserves reflect the estimated cost of claims and the confidence margin increases program reserves to provide a cushion. In addition, per Board policy, a catastrophic fund has been established which is intended to protect against unanticipated and unbudgeted expenses caused by large losses or sudden shifts in claims frequency or severity. For the fiscal year ending 2021, the catastrophic fund amount for Liability was \$1,650,000 and \$1,800,000 for Worker's Compensation. All of the insurance programs had fully funded program reserves and confidence margins. However, the Liability and Worker's Compensation Programs' catastrophic funds are not fully funded. Liability is funded at 46% and Worker's Compensation is funded at 62%. For Fiscal Year 2020-2021, YCPARMIA ended the year with a net operating income of \$36,994 and an increase in overall net position of \$116,573.

Rebecca Spiva moved to receive and file the Financial Statements for Fiscal Years Ending June 30, 2021 and 2020 and Auditor's Report; seconded by Kimberly McKinney. Motion passed unanimously.

- B. Consideration of Claims Servicing Agreement- Amendment #4 with LWP for Workers Compensation Services

LWP has been providing Workers Compensation claims administration services for YCPARMIA since June of 2013. The contract has been amended three times, primarily to extend the term. The latest amendment was effective July 1, 2019 and extended the term until June 30, 2022.

As the current agreement is due to expire at the end of this fiscal year, LWP and the Interim Executive Director discussed the possibility of a one year extension. LWP agreed to a 4% increase for one year along with 2 optional one-year extensions. The optional extensions have a 3% increase for each year.

Rebecca Spiva moved to approve Amendment #4 to the LWP Agreement for Workers' Compensation Services; seconded by Christopher Bensch. Motion passed unanimously.

C. Consideration of Revised Internal Controls Policy (P&P A-7)

The Financial Internal Controls Policy (P&P #A-7) was last revised during the December 2020 Board Meeting. As we have since reclassified roles, updated job titles, and hired a new Finance Officer, we are suggesting several changes to the policy to reflect these updates and improve efficiency.

Amanda Berlin moved to approve the revised Financial Internal Controls Policy (#A-7); seconded by Rebecca Spiva. Motion passed unanimously.

D. Consideration of Exposure Credit for the County of Yolo for the Worker's Compensation and Liability Programs

On July 30, 2021, the County of Yolo submitted a Rescindable Notice of Intent to Withdraw From YCPARMIA. In accordance with the YCPARMIA Joint Powers Agreement, a Member may withdraw from the JPA after having provided written notice of intent to withdraw prior to December 31, to be effective the following July 1.

Since the Rescindable Notice of Intent to Withdraw was submitted, a multitude of information has been gathered and analyzed by YCPARMIA staff, consultants, and County staff. A distillation of this information was provided to the YCPARMIA Board at its meeting on December 9, 2021.

It was discovered that Counties, in general, are considered lower risk institutions and are rated lower in many other risk pools. The County is a valuable member of YCPARMIA and their continued membership is not only good financially for the member agencies but maintains the strength and continuity of local control. Staff believe the County Proposal is reasonable and that approval would benefit YCPARMIA as a whole.

Christopher Bensch moved to agree to the County of Yolo proposal with the exception that the credit be reviewed at the same interval as the Underwriting Policy and funding methodology review; seconded by Amanda Berlin. Motion passed unanimously.

9. INFORMATION ITEMS

A. Changes in Property Program

The Board was provided a summary of changes to the PRISM Property Program for review.

B. New Claims Received Since the Previous Board Meeting

The Board was provided a report on liability files received between 11/22/21 and 2/15/22 for review.

C. Closed Liability Files

The Board was provided a report on liability files closed between 11/22/21 and 2/15/22 for review.

D. Calendar of Meetings

The next YCPARMIA Board Meeting is scheduled for March 24, 2022

10. ADJOURNMENT

The February 24, 2022 YCPARMIA Board Meeting adjourned at 1:15 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

Program and Services Administrator, YCPARMIA