

**BOARD OF DIRECTORS
MEETING MINUTES
May 10, 2023**

President Taylor called the regular Board meeting of the Golden State Risk Management Authority to order at 6:00 PM.

1. WELCOME AND INTRODUCTIONS:

2. ROLL CALL:

Board Members present:

Ron Goings, Rick Beale, Tom Arnold, Gina Taylor

Board Members joined via Zoom: John Viegas, Isaiah Wright

Board Member Absent: Jim Yoder

Also present:

Executive Director Scott Schimke, Director of Claims Tricia Alderman, Executive Assistant Erica Forster, Workers' Compensation Claims Assistant Tracey Crosby, Risk Control Advisor Steve Wood, and IT Manager Sam Adams. Via Zoom: Risk Control Analyst Brian Edinger, General Counsel Gary Krup, and Accounting Manager Jennifer Chilton from James Marta & Company.

3. UNSCHEDULED MATTERS:

No unscheduled matters were discussed.

4. COMMUNICATION FROM THE PUBLIC - PUBLIC COMMENT

No comment from the public.

5. CONSENT AGENDA:

Executive Director Schimke reviewed the consent agenda including the March 8, 2023, meeting minutes.

A motion to approve the consent agenda was moved by Board Member Beale and seconded by Board Member Arnold. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isiah Wright, Gina Taylor
Noes: None
Absent: Jim Yoder

6. INFORMATION - REPORTS:

a) Member Services/Loss Prevention

Executive Director Schimke updated the Board on the following items:

- GSRMA conference October 19-20
- Membership status notice to withdraw
- Loss Prevention Subsidy Fund
- Member Visits, Meetings, and Trainings Completed since March 2023

No action was taken by the Board.

b) Claims

Claims Manager Tricia Alderman updated the Board on the following items:

- Assembly Bill 452
- Upcoming Workers' Compensation claims audit by PRISM
- Rollout of new management software Origami beginning July 2023

No action was taken by the Board.

c) Executive Director

Executive Director Schimke updated the Board on the following items:

- CAJPA Conference September 12-15, 2023
 - John Viegas indicated he wants to attend.

No action was taken by the Board.

d) Board Comments

None

7. FINANCE REPORTS:

- a) Current bills for payment approval, claims payment accounts transaction summaries, and financial reports.

Accounting Manager Jennifer Chilton of James Marta & Company reviewed with the Board the disbursements made between January 1, 2023, and March 31, 2023; claim payments made between January 1, 2023, and March 31, 2023, the Treasurer's report, and the financial statements through March 31, 2023.

Accounting Manager Jennifer Chilton updated the Board on the following items:

- Red Canary subscription
- Total asset numbers
- Investment earnings

A motion to approve the financial reports as presented was moved by Board Member Arnold and seconded by Board Member Viegas. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor

Noes: None

Absent: Jim Yoder

- b) Resolution 2023-1 Delegating authorized bank signers

Executive Director Schimke presented staff recommendation to approve Resolution 2023-1.

A motion to approve Resolution 2023-1 as presented was moved by Board Member Arnold and seconded by Board Member Viegas. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor

Noes: None

Absent: Jim Yoder

8. GSRMA MEMBERSHIP

a) New member for Board Ratification

Executive Director Schimke presented staff recommendation to ratify membership to Lockeford Community Services District effective 7/1/23.

A motion to approve the membership of Lockeford Community Services District was moved by Board Member Arnold and seconded by Board Member Viegas. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor

Noes: None

Absent: Jim Yoder

b) El Medio Fire Dissolution

Executive Director Schimke presented staff recommendation to cancel membership of El Medio Fire effective 12/1/22.

A motion to approve the cancellation of El Medio Fire due to dissolution was moved by Board Member Beale and seconded by Board Member Goings. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor

Noes: None

Absent: Jim Yoder

9. ADMINISTRATION:

a) 2022/23 Risk Management Accreditation Program (RMAP) awards

Risk Control Advisor Steve Wood presented the proposed RMAP awards. GSRMA received 54 applications and 35 of those received the full 10% award. Six new members received accreditation and there were 4 new applications. The 2022/23 RMAP awards totaled \$776,980.27.

Board Member Beale said he added RMAP to the cemetery newsletter he sends out. He said he highly recommends it.

Risk Control Advisor Steve Wood announced there will be a drawing to pick a winner to send to the 2024 Public Agency Risk Management Association (PARMA) Annual Conference. Board Member Taylor drew the following member names:

1. Browns Valley Cemetery District
2. Orland Cemetery District
3. Oroville Cemetery District
4. County of Glenn

A motion to approve the 2022/23 RMAP awards was moved by Board Member Arnold and seconded by Board Member Goings. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor
Noes: None
Absent: Jim Yoder

b) Excess insurance program renewal costs for 2023/24

- Option to increase workers' compensation SIR from \$300k/occ. to \$400k/occ.
- Option to increase general liability SIR from \$250k to \$350k with a \$700k IMCD

Executive Director Schimke presented staff recommendation for workers' compensation of taking on more risk. Recommendation to move to a \$400k SIR due to loss history and financial standing.

Executive Director Schimke presented staff recommendation for general liability of option \$350k SIR with a \$700k IMCD.

A motion to approve the excess insurance program renewal costs for both options proposed by Director Schimke was moved by Board Member Beale and seconded by Board Member Viegas. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor
Noes: None
Absent: Jim Yoder

c) Move liability coverage for the GSRMA JPA so it is within the standard member policy

Executive Director Schimke presented staff recommendation to approve moving GSRMA JPA liability coverage to GSRMA's master policy. Director Schimke stated that GSRMA will save \$108k. Board Member Beale asked if we will get the same coverage. Director Schimke responded yes, just a higher SIR.

A motion to move GSRMA JPA liability coverage for the GSRMA master policy was moved by Board Member Viegas and seconded by Board Member Goings. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor
Noes: None
Absent: Jim Yoder

d) 2023/24 actuarial studies for the Liability and Workers' Compensation programs

Executive Director Schimke stated that there are no changes in the actuarial studies that was passed during the 3/8/23 Board meeting. Staff recommendation is to approve actuarial studies of self-insured programs as presented.

A motion to approve the 2023/24 actuarial studies for Liability and Workers' Compensation was moved by Board Member Goings and seconded by Board Member Arnold. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor
Noes: None
Absent: Jim Yoder

e) Proposed contributions by line of coverage for 2023/24

Executive Director Schimke presented to the Board staff's recommendation regarding the 2023/24 Liability, Workers' Compensation, and Property contributions. He recommends to set the funding levels at the 70% actuarial rate for both the Liability and Workers' Compensation programs. He also noted that the Property rates went up significantly based off the X.S. costs and coverage changes for 2023/24. He advised the Board that these proposed rates were significantly better than most of the pools in California.

A motion to approve the proposed contributions by line of coverage was moved by Board Member Goings and seconded by Board Member Beale. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor
Noes: None
Absent: Jim Yoder

f) Analysis of a possible dividend for 2023/24

Executive Director Schimke presented staff's recommendation to the Board to approve \$250,000 Liability dividend to be applied to 2023/24 contributions. Board Member Taylor stated that it is a good faith gesture. Director Schimke said it's a morale boost for the industry. Board Member Beale asked if this pool has ever had to do an assessment. Director Schimke responded never. Board Member Beale stated he was impressed by Director Schimke and the staff and said it shows how good you are. Board Member Viegas said he echoes that and stated that Scott and staff do an excellent job of looking after the membership.

A motion to approve a \$250k dividend in the liability program for 2023/24 was moved by Board Member Viegas and seconded by Board Member Arnold. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor
Noes: None
Absent: Jim Yoder

g) Proposed budget for 2023/24

Executive Director Schimke presented staff recommendation to approve the 23/24 budget as presented. He noted that an amended budget will be presented to the Board in the July meeting. Board Member Beale asked if this number will hold up. Director Schimke stated the net revenue will only get better.

A motion to approve the 23/24 budget as presented was moved by Board Member Goings and seconded by Board Member Arnold. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor
Noes: None
Absent: Jim Yoder

h) Bylaws revision

Executive Director Schimke presented and recommended to the Board the proposed changes to GSRMA's Bylaws effective 7/1/23. He noted that these changes would:

- Confirm that the Board can make an exception to the requirement that members join for all "Basic Risk Coverage."
- Removes the ability to pay board stipends and institutes a \$5,000 annual payment to represented districts for professional development.
- Relaxes requirement for Board rescheduling of regular meetings.
- Simplifies new member underwriting and contribution calculation.
- Eliminates 3-year fixed rate requirement for new members.
- Eliminates 3-year membership commitment for new members.
- Allow the Board flexibility under the five year time out provision.

The Risk Manager noted that per the Bylaws, a notice of said changes needs to be distributed to the membership within 30 days of Board action.

A motion to approve the bylaws revision as presented was moved by Board Member Arnold and seconded by Board Member Goings. The motion carried unanimously as follows:

Ayes: Board Members Ron Goings, Rick Beale, John Viegas, Tom Arnold, Isaiah Wright, Gina Taylor
Noes: None
Absent: Jim Yoder

10. FUTURE MEETINGS:

- July 12, 2023
- September - TBD
- November - TBD

11. CLAIMS REPORTS:

a) Current Claims:

Executive Director Schimke updated the board on storm losses.

No action was taken by the Board.

b) Closed Session (Pending Litigation):

The Board of Directors of the Golden State Risk Management Authority did not meet in closed session.

Special note prior to adjournment:

Executive Director Schimke shared a thank you notice to Board member Ron Goings thanking him for his tenure on the GSRMA Board of Directors.

Executive Director Schimke shared a thank you notice to General Counsel Gary Krup thanking him for over 40 years of service to GSRMA.

ADJOURNMENT:

The Board meeting adjourned at 7:24 PM.