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**MINUTES**  
**ICRMA BOARD OF DIRECTORS MEETING**  
**June 20, 2024**

**MEMBERS PRESENT:**

Adelanto	Jessie Flores
Bell	Rickey Manbahal <i>(left at 2:16 p.m.)</i>
Downey	James McQueen
El Monte	Rigoberto Gutierrez
El Segundo	Rebecca Redyk
Fullerton	Pamela Mackie
	Veronica Gutierrez <i>(left at 1:40 p.m.)</i>
Glendora	Marie Ricci <i>(arrived at 10:14 a.m.)</i>
	Rita Wendling <i>(arrived at 10:14 a.m.; left at 1:40 p.m.)</i>
Huntington Park	Eduardo Sarmiento
Inglewood	Debra Carter
Lynwood	Patrick Matson
Santa Ana	Aarti Kaushal
San Fernando	Sergio Ibarra
	Erica Melton <i>(left at 1:40 p.m.)</i>
South Gate	Thurman Green

**MEMBERS ABSENT:**

Hawthorne

**OTHERS PRESENT:**

AdminSure	Kristen Vanscourt <i>(left at 1:40 p.m.)</i>
Eide Bailly	Brent Mason <i>(left at 1:40 p.m.)</i>
Gallagher	Susan Blankenburg <i>(left at 1:40 p.m.)</i>
	Anthony Carlton <i>(left at 1:40 p.m.)</i>
Johnson Schachter & Lewis	Kellie Murphy
Lan Wan Enterprise IT Solutions	Rami Dababneh <i>(arrived at 12:00 p.m.; left at 1:10 p.m.)</i>
	Jesse Rich <i>(arrived at 12:00 p.m.; left at 1:10 p.m.)</i>
Mainstream Unlimited	Bob May <i>(left at 1:40 p.m.; returned at 2:13 p.m.)</i>
OneSource	Louise Edler <i>(left at 1:40 p.m.; returned at 2:13 p.m.)</i>
Risk Program Administrators	Amber Anderson <i>(left at 1:40 p.m.; returned at 2:13 p.m.)</i>
	Tyler LaMantia <i>(left at 1:40 p.m.; returned at 2:13 p.m.)</i>
	Dani Rogacki <i>(left at 1:40 p.m.; returned at 2:13 p.m.)</i>
	Nilsa Quandt <i>(left at 1:40 p.m.)</i>

**1. CALL TO ORDER**

President Jessie Flores called the meeting to order at 10:06 a.m.

**2. ESTABLISHMENT OF QUORUM/INTRODUCTIONS**

A quorum was established, and roll call was taken.

**3. PUBLIC COMMENTS**

Dani Rogacki, Interim Executive Director, announced there would be a Lunch and Learn session at this meeting. Rami Dababneh and Jesse Rich of Lan Wan Enterprise IT Solutions were onsite for a presentation on Shielding Our Cities: Advancing Cybersecurity in California's Municipal Landscape. Ms. Rogacki stated that if there were any other suggestions from the Board for a future Lunch and Learn topic to please let the Administration team know.

**4. APPROVAL OF AGENDA AS PSTED**

*Motion by Pamela Mackie (Fullerton), seconded by Rickey Manbahal (Bell), to approve the agenda as amended. Motion passed unanimously by all voting members present. Glendora was not present.*

**5. CONSENT CALENDAR**

Sergio Ibarra requested to pull consent item B. Notice of Intent to Withdraw – City of Hawthorne.

*Motion by Sergio Ibarra (San Fernando), seconded by Eduardo Sarmiento (Huntington Park) to approve items A) Minutes of the May 16, 2024 Board Meeting, and receive and file items C) Summary of Board Approved Program Coverage Renewals, D) Disbursements Register: May 2024, E) Board of Directors Attendance Record to Date, F) Claims Committee Membership, G) Annual Calendar Overview, and H) ICRMA Strategic Plan Status Report. Motion passed unanimously by all voting members present.*

**B. Notice of Intent to Withdraw: City of Hawthorne**

Mr. Ibarra inquired about the reasoning behind City of Hawthorne's withdrawal. Dani Rogacki, Executive Director, gave the Board a summary of her conversation with Samuel English, Board representative for Hawthorne.

*Motion by Sergio Ibarra (San Fernando), seconded by Pamela Mackie (Fullerton), to receive and file item B. Notice of Intent to Withdraw – City of Hawthorne. Motion passed unanimously by all voting members present.*

**6. OPEN SESSION**

**A. Election of Officers**

Kellie Murphy, General Counsel, reviewed the current makeup of the Board stating that President Jessie Flores (Adelanto) and Vice President Eduardo Sarmiento (Huntington Park) would be concluding two-year terms on June 30, 2024. Both officers indicated a willingness to continue to serve in their respective roles. In addition, Sergio Ibarra (San Fernando) expressed interest in the President role. In accordance with the Bylaws, Ms. Murphy advised, nominations could also be made from the floor.

Following an initial start to the voting process, Mr. Flores announced he no longer wished to run for President, stating he would not be able to give the role the attention it requires. Mr. Flores subsequently nominated himself for the Vice President role, and Ricky Manbahal (Bell) nominated himself for the role of President.

All candidates were then asked to provide speeches outlining their qualifications for the desired position. After speeches concluded, the voting process was again initiated, with results as follows:

**President (term expiring 6/30/2026):**

Sergio Ibarra was elected with representatives from Adelanto, Downey, El Monte, El Segundo, Glendora, Inglewood, Lynwood, San Fernando and South Gate voting to confirm. Bell, Huntington Park and Santa Ana voted for Mr. Manbahal.

**Vice President (term expiring 6/30/2026):**

Eduardo Sarmiento was elected with representatives from Downey, El Monte, El Segundo, Fullerton, Glendora, Huntington Park, Inglewood, Lynwood and Santa Ana voting to confirm. Adelanto, Bell, and San Fernando voted for Mr. Flores. South Gate was not present for the vote.

Mr. Ibarra advised that he would appoint a member to fill the vacant role of Secretary at a later date. Also, with Mr. Ibarra's new appointment as Board President, Erica Melton (San Fernando) announced she would step down from the Claims Committee to avoid a conflict with the Bylaws, which state both that the Board President and Vice President must serve on the Committee and that no member shall have more than one representative at a time serving on the Committee.

**B. RPA Contract Deliverables**

Dani Rogacki, Interim Executive Director, recapped at the last board meeting it was requested the Administration staff provide an update regarding marking prospects for growing the pool. Ms. Rogacki reviewed the efforts of Administration staff to date. Also reviewed were conferences Administration staff will attend, and at which of those conferences ICRMA will host an exhibitor booth.

*Information Only.*

**C. The Counseling Team International Contract Renewal and Utilization**

Amber Anderson, Assistant Executive Director, reminded the Board of the services TCTI provides as on demand counseling services available to sworn and non-sworn police department employees. Each year utilization is provided along with the contract for the next year's services, and Ms. Anderson advised that during the period of July 2023 through April 2024, ICRMA member law enforcement personnel received over 750 hours of counseling services. This average of over 80 hours/month is up about 30% from the first year, which had a total of 60

hours/month. For renewal, the total budgeted for TCTI was \$16.00 per covered employee, or \$365,300.

*Motion by Sergio Ibarra (San Fernando), seconded by Rigoberto Gutierrez (El Monte), to approve contract with TCTI for the 2024-25 program year. Motion passed unanimously by all voting members present.*

**D. Addition to Attorney to the Liability Defense Panel**

Louise Edler, Liability Program Manager, stated that Steve Rolon, Liability TPA, submitted a request to add an attorney Michael Wroniak of Collins & Collins to ICRMA's approved Liability Defense Panel (Panel) in conjunction with the City of Huntington Park. While typically the Claims Committee reviews additions before they are presented to the Board, Mr. Wroniak is being substituted in on a case and requires timely approval. It was noted that Mr. Wroniak is a former member of the approved Panel.

*Motion by Patrick Matson (Lynwood), seconded by Eduardo Sarmiento (Huntington Park), to approve the additional of Michal Wroniak, Collins & Collins, to the ICRMA Approved Defense Panel. Motion passed unanimously by all voting members present.*

**E. Survey Results: Ancillary Risk Management Service Offerings**

Nilsa Quandt, Program Administrator, gave a brief overview of the results for the Ancillary Risk Management Service Offerings survey sent out on April 24, 2024. All members participated in the survey and results were included in the packet. These results will be used to consider future additions to the value added services offered to the membership.

*Information Only.*

**F. Terrorism Coverage Renewal for 2024-25**

Ms. Rogacki and Susan Blankenburg, Gallagher, advised the board of the competing quote (Option 2) stating the premium increase was significantly higher than the current. However, if the Board deems the \$10M limit inadequate, additional coverage options are available at an additional premium. These options include a \$15M or \$25M per occurrence and aggregate limit.

Under the current program, participants share a \$10M pool-wide annual aggregate with no member deductible or pool Self-Insured Retention. For the upcoming policy period of 2024-25, the quoted premium is \$29,303, which represents a 3% increase from the expiring.

Ms. Blankenburg also responded to questions regarding Crisis Response coverage.

*Motion by Sergio Ibarra (San Fernando), seconded by Rigoberto Gutierrez (El Monte), to approve renewal of option 1A: \$10M Occurrence/\$10M Aggregate for Terrorism coverage for Property &*

*Liability with Lloyd's Syndicate (Beazley) at the quoted premium of \$29,303. Motion passed unanimously by all voting members present.*

**G. Liability Program - Buffer Layer for 2024-25**

Ms. Rogacki along with Ms. Blankenburg reviewed the two options for placing the \$2M per occurrence "buy down" layer presented at the May 16, 2024 Board meeting,

The first option presented was from existing carrier Everest Reinsurance Company (Everest), who quoted a premium of \$8.9M, representing an 11% increase from the previous year. This quote included Crisis Response Coverage per the terms of the MOC. Subsequently, Everest presented another quote for a premium of \$8,380,000, representing a 4% increase over prior year. A new alternative option was presented in

The next option presented was for the Retained Risk Financing Program, also known as Alternative Risk Transfer (ART). This option offered a \$20M annual aggregate with a \$40M term aggregate for \$6M. ART is a five (5) year rate guaranteed program. At the prior meeting, further analysis was requested regarding the adequacy of the \$40M aggregate limit. ICRMA's actuary conducted trending analysis and determined a higher aggregate limit of \$50M would be most appropriate.

Consequently, a \$50M five-year term aggregate was requested, and the premium for this option is \$7.235M (compared to the original preliminary quote of \$7.9M). The Broker team confirmed that the \$40M term option was no longer available following further research on losses and trending factors.

The ART option, it was noted, would provide a fixed cost to ICRMA for retaining losses within the layer for a five-year period, removing the volatility involved. However, as Crisis Response Coverage is not included, an alternative product offering, Gallagher Crisis Protect (GCP) which offers comprehensive crisis management solutions is being offered to supplement this at an additional cost of \$163,166.

The Board considered this option over considerable discussion until members asked that Item G be tabled for further discussion following the lunch break.

*Motion made by Jessie Flores (Adelanto), seconded by Aarti Kaushal (Santa Ana) to table item G. Liability Program Buffer Layer for 2024-25. Motion passed unanimously by all voting members present.*

***Lunch & Learn: Cyber Security - Presented by Lan Wan Enterprise IT Solutions***

*A lunch break was taken from 12:00 p.m. to 1:00 p.m., during which a presentation was provided.*

**G. Liability Program - Buffer Layer for 2024-25 (continued)**

After the lunch break, Board Treasurer, Marie Ricci gave an overview of the options the Administration team and Gallagher presented. Ms. Ricci recommended the Board move forward with option 2 - Reinsurance Liability including ART.

*Motion by Marie Ricci (Glendora), seconded by Ricky Manbahal (Bell), to approve the Liability Program Buffer Layer - Alternate Risk Transfer + Gallagher Crisis Protect. Motion passed unanimously by all voting members present.*

**H. Liability Program Renewal – Reinsurance Layers for 2024-25**

Ms. Rogacki reminded the Board that at the May 16, 2024 Board meeting, placement of the lead reinsurance layer with Safety National was approved. This reinsurance layer has an underlying limit of \$4M per occurrence, and the premium for this coverage is \$7,268,853. Additionally, approval was given for the reinsurance layer of \$4M excess of \$9M with Old Republic, with a premium of \$5,225,000.

The focus for this item was to finalize remaining reinsurance structure for the Liability Program for 2024-25.

*Motion by Marie Ricci (Glendora), seconded by Eduardo Sarmiento (Huntington Park), to approve renewal of Liability Program reinsurance layer with 1) Allied World for \$2.5M xs \$13M, 2) Bowhead for \$2.5M xs \$15.5M, 3) Chubb for \$2M xs \$18M, 4) Scor Re for \$5M xs \$20M, 5) Bermuda for \$5M xs \$25M, and 6) Starstone for \$5M xs \$30M. Motion passed unanimously by all voting members present.*

**I. Adoption of Final Budget for Fiscal Year 2024-25**

Brent Mason, Finance Manager (Eide Bailly) presented the amended final budget included in the Board packet. The following programs were unchanged from the preliminary budget:

- Program, Operating, & Administrative Expenses: 4.6% increase
- Cyber Liability – 21.8% increase
- Crime - 8.5% increase
- Earth Movement and Flood – 4.8% increase
- Auto Physical Damage – 10.7% increase
- Workers' Compensation – 13.1% increase

Changes to programs from the preliminary budget:

- Liability Program - 12.3% increase
- Terrorism - 5.8% increase
- Property and Equipment Breakdown - 10.1% Increase

*Motion by Aarti Kaushal (Santa Ana), seconded by Rickey Manbahal (Bell), approve the final budget for 2024-25. Motion passed unanimously by all voting members present.*

**J. Contract Hours Discussion for Mainstream Unlimited.**

Ms. Anderson reminded the Board of its discussion at the April 11, 2024 meeting regarding the potential overage on the annual allotted hours under the contract for risk control services with Mainstream Unlimited. The Board's discussion of the contract hours at the April meeting resulted in Staff being directed to provide further invoice details – specifically, a breakdown of how travel has been billed – in order to clarify the fees associated with the expected overage. The requested analysis for July 1, 2023 – March 31, 2024 (75% of the program year) produced the results included in the report provided in the board packet.

Bob May, Mainstream Unlimited, provided the board with a handout and overview of his work and hours historically as of June 19, 2024. The Board then reviewed the projected estimate indicating that an additional 85 hours were needed to complete all remaining requested risk control services the 2023-24 program year.

*Motion by Marie Ricci (Glendora), seconded by Sergio Ibarra (San Fernando), to approve the projected increase to the contract hours for Mainstream Unlimited at 508. Motion passed unanimously by all voting members present.*

**K. Appointment of Executive Director**

Tyler LaMantia, ICRMA's Executive Sponsor representing Risk Program Administrators (RPA), gave a brief overview of the Administrative Services Agreement between ICRMA and RPA, specifically relating to the Executive Director position. Mr. LaMantia posited that removing the "Interim" the current title was in line with the goals of ICRMA and would present a unified ICRMA as the program continues its growth initiatives.

**7. CLOSED SESSION**

*The Board entered into closed session at 1:40 p.m.*

**8. REPORT FROM CLOSED SESSION**

*The Board reconvened to open session at 2:13 p.m.*

Kellie Murphy, General Counsel, stated no reportable action was taken.

**9. OPEN SESSION**

**K. Appointment of Executive Director**

*Motion by Patrick Matson (Lynwood), seconded by Rickey Manbahal (Bell), to approve Danielle Rogacki as Executive Director.*

*A break was taken from 2:13 p.m. to 2:23 p.m.*

**10. CLOSED SESSION**

*The Board entered into closed session at 2:24 p.m.*

**11. REPORT FROM CLOSED SESSION**

*The Board reconvened to open session at 3:07 p.m.*

Ms. Murphy stated no reportable action was taken.

**12. CLOSING COMMENTS**

None.

**13. ADJOURNMENT**

The meeting was adjourned at 3:09 p.m.