



MINUTES OF THE JUNE 18, 2025 BOARD OF DIRECTORS MEETING

A meeting of the Board of Directors was held at the SpringHill Suites in Downey, CA.

VOTING MEMBERS PRESENT:

| | |
|--------------|--------------------|
| Bell | Rickey Manbahal |
| Fullerton | Veronica Gutierrez |
| Glendora | Rita Wendling |
| Inglewood | Debra Carter |
| Lynwood | Patrick Matson |
| San Fernando | Sergio Ibarra |
| Santa Ana | Luisa Najera |
| South Gate | Thurman Green |

MEMBERS ABSENT:

Adelanto
Downey
El Monte
El Segundo
Hawthorne
Huntington Park

OTHERS PRESENT:

| | |
|---------------------------|-------------------|
| Bickmore Actuarial | Mike Harrington |
| | Mikael Gabouchian |
| Downey (Guest) | Maria Rivas |
| Eide Bailly | Brent Mason |
| | Devin Sinner |
| El Segundo (Guest) | Sharon Brennan |
| Frost Brown Todd LLP | Rick Navarrette |
| Johnson Schachter & Lewis | Kellie Murphy |
| OneSource | Tyler Conlin |
| Gallagher | Susan Blankenburg |
| | Natalie Bates |
| Sedgwick | Eric Dahlen |
| | Marina Acosta |
| | Ramon Hernandez |
| | Jon Paulsen |
| | Min Su |

1. CALL TO ORDER

President Sergio Ibarra called the meeting to order at 10:30 a.m.

2. ESTABLISHMENT OF QUORUM/INTRODUCTIONS

Roll call was taken, and a quorum was established.

Kellie Murphy, General Counsel, reminded the Board that guests are not permitted to vote or attend Closed Session. She advised Board members to review their city council-approved resolutions to confirm who is authorized to represent their city on the ICRMA Board as voting member or alternate.

3. PUBLIC COMMENTS

None.

4. APPROVAL OF AGENDA AS POSTED OR AMENDED

Motion by Rickey Manbahal (Bell), seconded by Debra Carter (Inglewood), to approve the agenda as posted. Motion passed unanimously.

5. CONSENT CALENDAR

A Board member requested to pull the following Consent Calendar item: A. Minutes of the May 15, 2025, Board of Directors Meeting.

Motion by Luisa Najera (Santa Ana), seconded by Thurman Green (South Gate) to approve items:

B) Disbursements Register: May 2024; C) Board of Directors Attendance Record to Date; D) Annual Calendar Overview; E) Inglewood Cyber Withdrawal; F) Increase in Glendora's Member Retention Limit.

Motion to approve the Consent Calendar items B-F passed unanimously.

A. Minutes of the May 15, 2025, Board of Directors Meeting

A Board member noted that the minutes inaccurately reflected the representation of the City of San Fernando and requested that the correct representative be properly identified.

Motion by Sergio Ibarra (San Fernando), seconded by Rickey Manbahal (Bell), to approve the Minutes of the May 15, 2025, Board of Directors Meeting with the requested correction. Motion passed unanimously.

6. OPEN SESSION

A. Claims Committee Membership

Eric Dahlen, Executive Director, reviewed the current Claims Committee membership and requested Board input.

Patrick Matson of Lynwood, serving as interim Vice Chair, was reappointed by Board President Sergio Ibarra to continue in the role through June 30, 2025.

Thurman Green, Risk Manager for the City of South Gate, was appointed as the sixth member of the Committee. With insurance experience since 1989, including claims adjusting, mediation, and municipal risk management, Mr. Green brings valuable expertise to the team.

Motion by Sergio Ibarra (San Fernando), seconded by Rita Wendling (Glendora), to reappoint Patrick Matson and appoint Thurman Green to the Claims Committee. Motion passed unanimously.

B. Adoption of Final Budget for Fiscal Year

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

- Terrorism Program: 2.9% decrease
- Cyber Liability Program: 20.4% decrease
- Crime Program: 2.0% decrease
- Earth Movement and Flood Program: 13.0% decrease
- Auto Physical Damage Program: 2.9% decrease

Changes to programs from the preliminary budget:

- Administrative Expenses: 2.6% decrease
- Property and Equipment Breakdown: 9.5% decrease
- Workers' Compensation Program: 1.3% decrease
- Liability Program: 1.5% decrease

At the May 15, 2025, Board meeting, the Board directed Min Su of Sedgwick to develop cost allocation options. Mr. Su presented methodologies for allocating Administrative Expenses and Broker Fees. After review, the Board agreed the topic required further discussion and scheduled it as a dedicated agenda item for the August 21, 2025, meeting.

Motion by Thurman Green (South Gate), seconded by Rickey Manbahal (Bell), to approve the final budget for the 2025-26 fiscal year. Motion passed unanimously.

C. Pooled Liability Program Actuarial Report Projected to June 30, 2025

Mike Harrington and Mikael Gabouchian presented the Liability Program actuarial report projected to June 30, 2025.

Motion by Rickey Manbahal (Bell), seconded by Rita Wendling (Glendora), to 1) receive and file, and 2) Approve self-funding of the 2025-26 Liability Program at a 75% confidence level with a 3% discount factor, for a total funding of \$8.7M. Motion passed unanimously.

D. Pooled Workers' Compensation Actuarial Report Projected to June 30, 2025

Mike Harrington and Mikael Gabouchian presented the Workers' Compensation actuarial report projected to June 30, 2025.

Motion by Debra Carter (Inglewood), seconded by Rickey Manbahal (Bell), to 1) receive and file, and 2) Approve self-funding of the 2025-26 Workers' Compensation Program at a 75% confidence level with a 2% discount factor, for a total funding of \$862K. Motion passed unanimously.

E. Actuarial Review of the Self-Insurance Auto Physical Damage Program Projected to June 30, 2025

Mike Harrington and Mikael Gabouchian presented the Auto Physical Damage Program actuarial report to June 30, 2025.

Motion by Rickey Manbahal (Bell), seconded by Debra Carter (Inglewood), to 1) receive and file, and 2) Approve self-funding of the 2025-26 Auto Physical Damage Program at a 75% confidence level with a 0% discount factor, for a total funding of \$110K. Motion passed unanimously.

F. Elections of Officers - Treasurer

Board President Sergio Ibarra introduced two nominees for the position of ICRMA Board Treasurer:

- Rickey Manbahal, City of Bell
Mr. Manbahal shared his qualifications, including a degree in accounting and over 20 years of experience as a Finance Director. He also previously served as an auditor and budget analyst for Los Angeles County.
- James McQueen, City of Downey
Mr. McQueen was not present. Mr. Ibarra noted that he currently serves as the Director of Human Resources for the City of Downey and has held the position for several years.

Following the vote, Rickey Manbahal was elected Board Treasurer by a 6-2 majority.

G. ICRMA Marketing Materials

This item was deferred and was scheduled for discussion at the August 21, 2025, Board of Directors meeting.

H. CorVel Workers' Compensation Third-Party Administrators Contract Review

Mr. Dahlen provided an update on CorVel, selected through a 2024 RFP process, which began servicing the City of El Segundo in September 2024 under a letter of intent. El Segundo is currently the only member utilizing the contract, though it is structured to allow other members to opt in.

A draft contract was included in the agenda packet. Mr. Dahlen noted that he and Ms. Murphy will propose revisions to CorVel and requested Board approval of the contract, contingent upon final legal review.

Motion by Debra Carter (Inglewood), seconded by Rita Wendling (Glendora), to approve the contract with CorVel to serve ICRMA as an additional Workers' Compensation Administrator contingent upon final legal review. Motion passed unanimously.

I. Origami Contract Renewal

Mr. Dahlen stressed the importance of accurate data in supporting key program functions such as insurance renewals and actuarial studies. However, administrative staff identified discrepancies, which were later confirmed—after multiple discussions with Origami staff and data engineers—to be caused by backend data computation errors within Origami. The full scope of these issues is still under review.

Mr. Dahlen also reported a significant cost increase—more than 2.5 times the original 2019 price—primarily due to increased service hours from Origami. To address ongoing data mapping issues, the administrative team plans to initiate a remapping project with Origami. He explained that ICRMA has been purchasing additional service hours annually to manage these issues, which were not fully understood during earlier contract negotiations and have only recently been confirmed as system-related errors. Unresolved data issues may impact key program areas, including future insurance renewals and actuarial studies.

Motion by Debra Carter (Inglewood), seconded by Rickey Manbahal (Bell), to authorize staff to negotiate a contract with Origami for up to three years, contingent on resolving backend data issues, providing a system roadmap, including a 90-day termination clause, a performance guarantee, and a flat renewal fee. Motion passed; Santa Ana and Glendora opposed.

J. The Counseling Team International Contract Renewal

Mr. Dahlen presented the contract renewal proposal from The Counseling Team International (TCTI), noting that participation is optional, and pricing is based on total police department personnel, including sworn and non-sworn staff. With Inglewood's withdrawal, the personnel count will decrease by 231.

A question was raised regarding overlap with city Employee Assistance Programs (EAPs). Mr. Ibarra clarified that TCTI offers services tailored to public safety personnel, including enhanced peer-to-peer support. He shared positive feedback from officers and noted that TCTI staff are available for on-site visits across all shifts.

Despite these benefits, only 122 of 1,902 eligible personnel used the service between July 1, 2024, and March 31, 2025.

Mr. Dahlen confirmed the proposed contract amount reflects Inglewood's departure. He added that future cost reductions may be possible by negotiating a utilization-based pricing model instead of the current per-employee rate.

Motion by Sergio Ibarra (San Fernando), seconded by Rickey Manbahal (Bell), to approve the TCTI contract, with direction to staff to negotiate pricing based on a utilization rate rather than a per-employee rate. Motion passed unanimously by all voting members present.

K. All Risk Property Renewal for 2025-26

Susan Blankenburg (Gallagher) presented a renewal quote from Allianz for All Risk Property coverage. The policy includes a \$250 million per occurrence limit, a \$250,000 pool retention (inclusive of member deductible), and a \$10,000 member deductible.

Ms. Blankenburg noted that the initial quote reflected a 9% rate increase, which was successfully negotiated down to 2%.

Motion by Veronica Gutierrez (Fullerton), seconded by Rickey Manbahal (Bell), to approve renewal of All Risk Property (buildings and contents) coverage with Allianz. Motion passed unanimously.

L. Liability Program Renewal – Reinsurance Layers for 2025-26

Ms. Blankenburg presented the proposed Liability Reinsurance Program for 2025–26. Despite a 9% increase in exposure, the overall rate remains under 1%.

The proposed reinsurance structure includes:

1. Alternative Risk Transfer – \$2M xs \$2M
2. Safety National – \$5M xs \$4M
3. Old Republic – \$4M xs \$9M
4. Allied World – \$2.5M xs \$13M
5. Bowhead – \$2.5M xs \$15.5M
6. Chubb – \$2M xs \$18M
7. Scor Re – \$5M xs \$20M (under negotiation)
8. Bermuda – \$5M xs \$25M
9. Starstone – \$5M xs \$30M

Ms. Blankenburg noted that the \$5M excess of \$20M layer is still being negotiated with additional carriers to explore potential savings, though the final cost will not exceed the amount presented.

Gallagher Crisis Protect (GCP) Coverage - Natalie Bates (Gallagher) presented the GCP policy, introduced last year as a standalone product due to its broader incident coverage. The premium, based on total insured values and employee count, was negotiated down to a 3% increase from the initially proposed 6%.

Board Action - Motion approved to adopt the 2025–26 Liability Reinsurance Program as presented, with direction to staff to continue negotiating a lower rate for the \$5M excess of \$20M layer if possible.

Motion by Debra Carter (Inglewood), seconded by Veronica Gutierrez (Fullerton), to 1) approve the renewal proposal of the 2025-26 Liability Program reinsurance layers, with direction to staff to continue negotiating for a lower rate on the \$5M excess of \$20M layer, if available and 2) approve the 2025-26 renewal proposal for Gallagher Crisis Protect. Motion passed unanimously.

M. 2025-26 Risk Control Plan

This item was deferred and was scheduled for discussion at the August 21, 2025, Board of Directors meeting.

N. Mainstream Unlimited Stewardship Report

This item was deferred and was scheduled for discussion at the August 21, 2025, Board of Directors meeting.

O. Executive Director's Report

This item was deferred and was scheduled for discussion at the August 21, 2025, Board of Directors meeting.

7. CLOSED SESSION

All guests and vendor partners not involved in claim matters exited the meeting prior to the start of closed session. The Board entered closed session at 2:03 p.m.

A. Discussion of Open Claims and Conference with Legal Counsel pursuant to Government Code Section 54956.95:

- Hernandez v. City of South Gate

8. REPORT FROM CLOSED SESSION

The Board reconvened to open session at 2:12 p.m.

General Counsel, Kellie Murphy, stated no reportable actions were taken.

9. CLOSING COMMENTS

Board President, Sergio Ibarra, expressed his appreciation to both staff and Board members for their participation and attendance.

10. ADJOURNMENT

The meeting was adjourned at 2:12 p.m.