



**MINUTES OF THE
NCCSIF EXECUTIVE COMMITTEE MEETING
ROCKLIN EVENT CENTER, ROCKLIN, CA
SEPTEMBER 27, 2018**

COMMITTEE MEMBERS PRESENT

Liz Cottrell, City of Anderson
Kristina Miller, City of Corning
Liz Ehrenstrom, City of Oroville

Gina Will, Town of Paradise
Dave Warren, City of Placerville (**Chair**)

COMMITTEE MEMBERS ABSENT

Juan Solis, City of Gridley
Sandy Ryan, City of Red Bluff

Tim Sailsbery, City of Willows

OTHER MEMBERS PRESENT

Yujun Du, City of Rio Vista

CONSULTANTS & GUESTS

Marcus Beverly, Alliant Insurance Services
Michael Simmons, Alliant Insurance Services
Raychelle Maranan, Alliant Insurance Services

James Marta, James Marta & Company
Dori Zumwalt, York Risk Services
Cameron Dewey, York Risk Services

A. CALL TO ORDER

Chair Dave Warren called the meeting to order at 11:37 a.m.

B. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

Motion: Liz Ehrenstrom **Second:** Liz Cottrell
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

Motion Carried

C. PUBLIC COMMENTS

There were no public comments.



D. CONSENT CALENDAR

1. Executive Committee Meeting Minutes - May 17, 2018
2. Check Register from May 1, 2018 to August 31, 2018
3. Investment Reports
 - a. Chandler Asset Management Short/Long Term - May 2018 to August 2018
 - b. Chandler Asset Management GASB 40 Reports as of June 30, 2018
 - c. Chandler Asset Management GASB 72 Reports as of June 30, 2018
 - d. Local Agency Investment Fund (LAIF) Report as of June 30, 2018
 - e. Treasurer's Report as of June 30, 2018
4. 18/19 Alliant Deadly Weapon Response Program Proposal
5. Alliant Deadly Weapon Response Program Brochure
6. Police Risk Management Grant Funds Utilization Report as of September 20, 2018
7. AssetWorks Property Appraisal Services Agreement

A motion was made to approve the Consent Calendar as presented.

Motion: Liz Ehrenstrom

Second: Liz Cottrell

Motion Carried

Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

E. ADMINISTRATION REPORTS

E1. President's Report

Chair Warren handed out the Federal Emergency Management Institute training course list that he obtained from the FEMA website. He stated that FEMA has a lot of emergency management planning and response training on different subjects that is available free and encouraged members to use it as a resource for city or community. Chair Warren directed the Program Administrators to share the training list to the rest of the members.

E2. CJPRMA Update

Mr. Marcus Beverly updated the Committee as follows:

- CJPRMA hired a new Claims Administrator - Marinda Griese from Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA).
- David Clovis official retirement date is November 3, 2018.
- Tony Giles will officially assume the role of General Manager. Mr. Giles will be in attendance at the December 13, 2018 Board meeting.



E3. Program Administrator's Report

Mr. Beverly updated the Committee on the following:

- 17/18 CSAC EIA Payroll Audit resulted in a \$400 premium credit.
- Property Appraisals are underway. City of Rio Vista is not part of the Property Program, but requested appraisal of their properties and was able to avail the group fee rate.
- CAJPA Accreditation is underway. Program Administrators had to retrieve old records from Secretary of State's office to complete the accreditation requirements.

F. FINANCIAL REPORTS

F1. Quarterly Financial Report for Period Ending June 30, 2018

Mr. James Marta provided a presentation of NCCSIF Financial Status at June 30, 2018. Highlights of the presentation as follows:

- Decrease in net position for the fiscal year ended June 30, 2018 was \$377,089 for the pool as a whole.
- Increase in prior year's claims liabilities totaled \$642,527: \$404,930 for the liability program and \$237,597 for workers' compensation.
- Expenses during the year included dividends to members totaling \$3,541,291.
- Assessments to members totaled \$268,520 all in the banking layer. No liability shared layer assessment for FY 17/18.
- Liability shared layer ended the year with positive net position of \$1,509,875 – up \$121,929 from last year's ending balance of \$1,387,946.

It was noted the net refunds to members over the last ten years is \$32 million, and over twenty-three years totaled \$48 million.

A motion was made to accept and file the Quarterly Financial Report for the period ending June 30, 2018.

Motion: Liz Ehrenstrom

Second: Gina Will

Motion Carried

Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

F2. Budget-to-Actual as of June 30, 2018

The year-to-date administrative expenses were \$1,206,338, or \$56,792 (4%) below the budgeted amount of \$1,263,130. The significant categories that were below budget were the member training grants of \$4,000 each member, and the regional training/risk assessment outside training fund. Mr. Beverly indicated that these categories will be utilized more often this year as members and service providers are more aware of these resources. The DIR Office of Self Insurance Plan Assessment is the wildcard due to varying factors in the calculation of the assessment.



Presented as information only, no action taken.

F3. FY 17/18 Financial Audit Update

Mr. Beverly indicated that Crowe LLP has just concluded the financial audit for FYE June 30, 2018. Mr. Marta indicated that there were no recommended adjustment and Crowe is issuing an unmodified opinion. Crowe will present the audit findings at the October 25, 2018 Board meeting.

G. CLAIMS SERVICES

G1. Approval of NCCSIF Defense Attorney List for Liability

It was noted that this matter was reviewed during the Claims Committee meeting earlier that morning.

A motion was made to approve the addition of Charleton S. Pearse, Benjamin D. Oram, and Adam Ambrozy from Lenahan, Lee, Slater, Pearse & Majernik, LLP to the Liability Counsel Approved List.

Motion: Liz Ehrenstrom **Second:** Liz Cottrell **Motion Carried**
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

G2. FY 18/19 Workers' Compensation Claims Audit

Mr. Beverly indicated that NCCSIF is scheduled to conduct the Workers' Compensation (WC) Claims Audit this year. Alliant has requested proposal from Farley Consulting Services (FCS), the firm that has conducted the last audit for NCCSIF. The proposal is for \$11,200, but was budgeted for \$10,500, a 6.7% increase from the last audit. This audit is normally done in October however, CSAC EIA, excess WC carrier, is also conducting a claims audit in October and therefore, FCS audit will be delayed until March 2019.

A motion was made to approve Farley Consulting Services proposal as the Workers' Compensation Claims Auditor for FY 18/19 as presented.

Motion: Gina Will **Second:** Kristina Miller **Motion Carried**
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

G3. Workers' Compensation Claims Administration Performance Plan Follow-up Survey Result

Mr. Beverly reported that 100% of the members responded to the survey. The Committee discussed the survey result and Chair Warren asked York staff and Marta to step out of the room.

Dori Zumwalt, Cameron Dewey and James Marta stepped out of the room at 12:28 p.m.



Overall the comments are positive. Program Administrator can identify the respondents and will follow up with those that noted concerns.

York staff and Marta re-joined the meeting.

Chair Warren informed York that the Committee is releasing the WC team from the 2016 Performance Improvement Plan based on the survey result.

Mr. Beverly stated that he plans to shore up a return to work program and collaboratively work with York in implementing best practices. The Committee also discussed the practical approach to returning injured employees to a safe and productive work environment. Although injured employees may be unable to perform their regular jobs, they can do alternative work while recovering fully from injuries. Ms. Liz Ehrenstrom suggested adding “other duties as assigned” in employment contract or job description as mitigating factor to place anyone on modified duty in conjunction with doctor’s medical opinion.

A motion was made to file and receive the survey results, release York Workers’ Compensation team from the Performance Improvement Plan, continue benchmark survey with the rest of the service providers every other year, for Program Administrator to work with York on Return-to-Work Program and address the minor concerns reflected in the survey, and recommend to the Board to take the same action.

Motion: Liz Cottrell **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

H. JPA BUSINESS

H1. Preliminary 2019 Meeting Calendar

Mr. Beverly asked the Committee to review the dates and advise if there are any conflicts. The proposed dates were changed to work around the CJPRMA meeting dates to lessen conflict with the CJPRMA Board Representative. The 40th Anniversary celebration is scheduled in conjunction with the October Board meeting. The plan is to have a formal luncheon, invite former Board and staff members to the celebration, and a group tour of the Rocklin Adventure Park. Mr. Beverly suggested moving the usual December Board meeting to January 2019 to gain more attendance and the January meeting date will be a Long-Range Planning session.

A motion was made to recommend the Preliminary 2019 Meeting Calendar to the Board of Directors with January 2019 meeting date for the Long-Range Planning session and 40th Anniversary Celebration in October with a group tour at Rocklin Adventure Park.

Motion: Liz Ehrenstrom **Second:** Gina Will **Motion Carried**
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren



H2. Appointment of NCCSIF Secretary and CJPRMA Board Representative

Chair Warren indicated that Gina Will has agreed to a two-year commitment as Secretary and CJPRMA Board Representative. Ms. Will has served on the Board of Directors for 10 years.

A motion was made to nominate Gina Will as Secretary and CJPRMA Board Representative for the remainder of the current term and for the upcoming 2019 and 2020 term of office.

Motion: Liz Ehrenstrom **Second:** Liz Cottrell **Motion Carried**
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

H3. Nomination of Officers - 2019

Mr. Beverly indicated that five seasoned Board members are rotating off the Executive Committee by December 31, 2018: Liz Cottrell, City of Anderson; Kristina Miller, City of Corning; Sandy Ryan, City of Red Bluff; Tim Sailsbery, City of Willows; and Dave Warren, City of Placerville. Five new Board members are rotating on effective January 1, 2018: Kris Haile, City of Folsom; Cora Hall, City of Galt; Loree McCay, City of Nevada City; Yujun Du, City of Rio Vista; and Veronica Rodriguez, City of Lincoln. Mr. Beverly noted four of the five Board members that are rotating on, with the exception of Kris Haile, are newly appointed Board members, and the City of Lincoln has not officially appointed Veronica Rodriguez but is underway.

Chair Warren indicated that Liz Ehrenstrom is currently the Vice President for the past two and a half years and served as past President.

A motion was made to nominate Liz Ehrenstrom as President for term effective January 1, 2019 to December 31, 2020.

Motion: Dave Warren **Second:** Liz Cottrell **Motion Carried**
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

Mr. Beverly confirmed that Tim Sailsbery is willing to stay on as Treasurer.

A motion was made to nominate Tim Sailsbery as Treasurer for continuity.

Motion: Dave Warren **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

Chair Warren stated that he spoke to Kris Haile, City of Folsom, about the Vice President role and is willing to step up to the plate and serve as Vice President.

A motion was made to nominate Kris Haile as Vice President for term effective January 1, 2019 to December 31, 2020.



Motion: Dave Warren **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

H4. NCCSIF Underwriting Policy

Mr. Beverly mentioned the Underwriting Policy is a new requirement to receive CAJPA Accreditation with Excellence. There are no changes to current practice as this was simply the consolidation of information from the Bylaws and various Policies and Procedures (P&P) of each Program rating process into one document. The Committee reviewed the draft Policy and Procedure A-23 and suggested the following:

- Policy to apply to both new and existing members.
- Provide at least three years, preferably five years of audited financial statements.
- Provide at least five, preferably ten years of loss history.
- Add reference to cost allocation plan.
- Define suitability of a member to include a definition of a Northern California City and comparability of operations to the existing members.
- Consider a five year commitment.

It was noted that some stricter requirement may fall outside of the current terms set forth in the Bylaws and/or P&P. The Committee directed Program Administrators to incorporate additional terms suggested relevant to the existing policies.

A motion was made to revise the Underwriting Policy and incorporate the additional terms suggested relevant to the existing Bylaws and Policies and Procedures and present to the Board of Directors for review.

Motion: Liz Cottrell **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

H5. CJPRMA Drone Coverage

Mr. Beverly indicated that CJPRMA (California Joint Powers Risk Management Authority), excess Liability provider, has begun to charge \$500 per year per drone for Drone Liability coverage. Program Administrators were not informed of this change until after the July 1, 2018 renewal. This is the second year that CJPRMA offered Drone coverage, but they did not charge for this last year. Members with drones include Anderson with two drones and Red Bluff with one drone. One benefit of the additional coverage through CJPRMA is a reduction of the SIR (Self-Insured Retention) from \$500,000 to \$500, eliminating the exposure to the pool and greatly reducing the member's exposure. For coverage to apply, members must register the drone to CJPRMA.

Mr. Marta mentioned that members can deduct the cost of drone coverage from their Liability Program Banking Layer.



A motion was made to apply the Drone coverage as a pass through cost from member's Liability Program Banking Layer and directed the Program Administrators to send an e-mail notice of the additional charge and requirements for coverage to apply.

Motion: Gina Will **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

H6. Service Providers Contract Renewal Strategy

Mr. Beverly reviewed the current plan for the new terms of each contract and suggested staggering the negotiations given the number of contracts to be reviewed by the Committee.

With the change in the Executive Committee makeup in January 1, 2019, the Committee decided to split the review and negotiations: current Committee to take on the Alliant and Bickmore contracts prior to end of 2018; and the new EC can take on the two York contracts in March 2019 EC meeting.

A motion was made to schedule a special meeting of the Executive Committee on November 19, 2018 to review the renewal terms of Alliant and Bickmore contracts.

Motion: Liz Ehrenstrom **Second:** Gina Will **Motion Carried**
Ayes: Cottrell, Miller, Ehrenstrom, Will, Warren

H7. December 2018 Board Training Day and Meeting

Mr. Beverly indicated that the Board Training Day is scheduled to be held on December 13, 2018 and reviewed the list of topics.

The Committee suggested additional topics on Law Enforcement Legislative Updates and Stress Test.

H8. Round Table Discussion

Mr. Mike Simmons warned members about the inherent dangers of allowing scooters on the sidewalk. It poses a risk to a rider or pedestrians. Cities must craft strict regulations for operators to obtain a permit, require scooter riders to wear helmets and add the city as additional insured to vendor's Liability insurance.

Chair Warren mentioned the new state legislature pertaining to sidewalk vendors can fully operate as long as the cart is not blocking traffic.

The impact of Hurricane Florence is unknown at this time.



I. INFORMATION ITEMS

1. York Who's Who in Claims WC Contacts
2. York Who's Who in Claims Liability Contacts
3. NCCSIF Organizational Chart
4. NCCSIF 2018 Meeting Calendar
5. NCCSIF Travel Mileage Reimbursement Form

There was no discussion on these items.

J. ADJOURNMENT

The meeting was adjourned at 1:40 p.m.

Next Meeting Date: November 19, 2018

EC Approval Date of Minutes: 11/19/2018

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Gina Will", is written over a horizontal line.

Gina Will, Secretary

12/4/18
Date