



**MINUTES OF THE
NCCSIF BOARD OF DIRECTORS MEETING
ROCKLIN EVENT CENTER, ROCKLIN, CA
JUNE 15, 2017**

BOARD OF DIRECTORS PRESENT

Liz Cottrell, City of Anderson
Kristina Miller, City of Corning
Kim Stalie, City of Dixon (Alternate)
Brad Koehn, City of Elk Grove
Kristine Haile, City of Folsom (Alternate)
Matt Michaelis, City of Gridley
Jon Hanken, City of Ione
Dalacie Blankenship, City of Jackson (Alternate)

Astrida Trupovnieks, City of Lincoln
Corey Shaver, City of Nevada City
Liz Ehrenstrom, City of Oroville
Dave Warren, City of Placerville (**Chair**)
Sandy Ryan, City of Red Bluff
Jason Johnson, City of Rocklin (Alternate)
Natalie Springer, City of Yuba City

OTHER MEMBERS PRESENT

Julie Rucker, City of Elk Grove

BOARD OF DIRECTORS ABSENT

Nita Wracker, City of Auburn
Toni Benson, City of Colusa
City of Dixon (primary Board vacant)
Jim Francis, City of Folsom
Cora Hall, City of Galt
City of Jackson (primary Board vacant)

City of Marysville (primary Board vacant)
Gina Will, Town of Paradise
Donna Lee, City of Rio Vista
Kimberly Sarkovich, City of Rocklin
Tim Sailsbery, City of Willows

CONSULTANTS & GUESTS

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

Dori Zumwalt, York Risk Services
Alana Theiss, James Marta & Company

A. CALL TO ORDER

Chair Dave Warren called the meeting to order at 11:49 a.m.

B. INTRODUCTIONS

Introduction was made and the majority of the members were present constituting a quorum.



own insurance, but would not be covered if employee has five or more points on their driving records over the last three years.

Mr. Beverly explained the hammer clause stipulated in the MOC requires CJPRMA to seek member city's approval prior to settling a claim for a specific amount. However, if the member city does not approve the recommended figure, the consent to settlement clause states that CJPRMA will not be liable for any additional monies required to settle the claim or for the defense costs that accrue from the point after CJPRMA makes the settlement recommendation.

A motion was made to approve the FY 17/18 NCCSIF Liability Memorandum of Coverage as presented.

Motion: Astrida Trupovnieks **Second:** Liz Cottrell **Motion Carried**
Ayes: Cottrell, Miller, Stalie, Koehn, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Warren, Ryan, Johnson, Springer
Nays: None

H.1.b. Workers' Compensation MOC

Mr. Beverly indicated that there are no changes to the NCCSIF MOC. Mr. Beverly noted that NCCSIF do not cover 4850 benefits. York tracks that information and adjust the coordination of benefits accordingly.

A motion was made to approve the FY 17/18 NCCSIF Workers' Compensation Memorandum of Coverage as presented.

Motion: Liz Ehrenstrom **Second:** Natalie Springer **Motion Carried**
Ayes: Cottrell, Miller, Stalie, Koehn, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Warren, Ryan, Johnson, Springer
Nays: None

H.2. FY 17/18 Property Program Renewal

H.2.a. Property Renewal Proposal

Mr. Beverly indicated that the Total Insured Values (TIV) for the fifteen members that have property coverage through the Alliant Property Insurance Program (APIP) have increased since last year by 6.8%, from \$992,351,869 to \$1,059,819,052. The property rate increased 1.5% from the prior year, from \$0.08 to \$0.081 per \$100 of TIV for All Risk Primary and Excess coverage with \$5,000 deductible. Rates for vehicle and other coverages remain unchanged, except for a 5% increase in Pollution coverage. These changes result in a total premium increase of 8.36%, from \$794,983.42 to \$861,481.82. Members were provided with a brief summary of the changes to the coverage offered by the APIP Program for FY 17/18.



It was noted that APIP provides extremely broad coverage and is a unique property program. It provides coverage on Pollution Liability and Cyber Liability coverage. Some members have their vehicle physical damage coverage through the Alliant Mobile Vehicle Program (AMVP). AMVP is separate from the APIP program. Mr. Beverly mentioned the obvious difference between the vehicle coverage in APIP and AMVP is the replacement cost basis where in AMVP it is limited to the first three years of the life of the vehicle whereas the replacement cost in APIP, if elected by the member, covers regardless of the age of the vehicle.

Mr. Michael Simmons forewarned members to provide the Claims reporting information to all departments specifically the Public Works department need to be aware of the 7 days reporting period in case of environmental incident as ACE pollution coverage would be limited if members do not promptly report a claim. The Cyber Liability is through Beazley and members were encouraged to notify Beazley immediately upon knowing of incident that may lead to a loss as coverage doubles from \$500,000 to \$1 million if Beazley vendor services are used.

As APIP provides broader Terrorism Coverage than TRIA (the Terrorism Risk Insurance Act), the Board was asked to grant President Dave Warren with authority to sign the D1 Form, the Request to Bind document and decline the TRIA coverage.

After review and discussion, a motion was made to approve the FY 17/18 Property Program renewal through Alliant Property Insurance Program and have the President sign the declination of TRIA and D1 Disclosure Form.

Motion: Liz Ehrenstrom **Second:** Jon Hanken **Motion Carried**
Ayes: Cottrell, Miller, Stalie, Koehn, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Warren, Ryan, Johnson, Springer
Nays: None

H.2.b. APIP Claims Reporting Acknowledgments

Mr. Marcus Beverly reiterated the importance of promptly reporting claims. All members that have coverage in APIP will be asked to sign and return the claims reporting acknowledgment form.

Information only.

Michael Simmons left the meeting at 1:10 p.m.

H.2.c. Cyber Liability Optional Coverage Enhancement Options

Mr. Beverly presented two options for enhanced Cyber Coverage to the Board - Cyber Enhancement Option (CEO) and Alliant Cyber Excess Solutions (ACES). Mr. Beverly indicated the key difference is the dedicated limit and separate out the privacy notification. There are two different options for limits in the ACES Program either \$2 Million or \$3 Million which does not contain privacy notification.



H.3. FY 17/18 Crime Coverage Renewal

Mr. Beverly indicated that the Crime Insurance coverage is through the Alliant Crime Insurance Program (ACIP) at \$3 million policy limit. This coverage is for loss due to Employee Dishonesty, including Faithful Performance and fraud exposures. The renewal premium with the same coverage as the expiring policy increased by 1.7%, \$864, due to the addition of City of Rio Vista.

A motion was made to renew the FY 17/18 Crime Insurance coverage at \$3 million policy limit with ACIP and the President to sign the bind order.

Motion: Sandy Ryan **Second:** Astrida Trupovnieks **Motion Carried**
Ayes: Cottrell, Miller, Stalie, Koehn, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Warren, Ryan, Johnson, Springer
Nays: None

H.4. FY 17/18 Identity Fraud Expense Reimbursement Renewal

Mr. Beverly noted the Identity Fraud Expense Reimbursement is the same coverage as last year. The coverage is for employees including family members. The limit of liability is \$25,000 per insured person for reimbursement of expenses associated with resolving a fraud event, including resolving and replacing documents. There is no deductible and the premium is based on group as a whole. Mr. Beverly noted the cost of this coverage is included in the Administrative Budget.

A motion was made to renew the FY 17/18 Identity Fraud Expense Reimbursement coverage as presented.

Motion: Sandy Ryan **Second:** Astrida Trupovnieks **Motion Carried**
Ayes: Cottrell, Miller, Stalie, Koehn, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Warren, Ryan, Johnson, Springer
Nays: None

H.5. FY 17/18 NCCSIF Administration Budget

Mr. Beverly reviewed the FY 17/18 Administration Budget and noted the Administrative Expenses are consistent with the service provider contracts. It was noted the ACI Wellness has been eliminated and re-allocated to the budget for Conferences - which is now Member Training and Risk Management with \$4,000 allocated to each member. It was noted that members can use the training allowance for travel related expenses to regional trainings. Overall, the administrative expenses are estimated to be a 4% increase over FY 16/17.

A motion was made to approve the FY 17/18 NCCSIF Administration Budget as presented.

Motion: Dalacie Blankenship **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Miller, Stalie, Koehn, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Warren, Ryan, Johnson, Springer
Nays: None



H.6. FY 17/18 Deposit Calculations

H.6.a. Liability

Mr. Beverly indicated at the April meeting the Board approved to increase the funding level from 70% Confidence Level (CL) to 75% CL for the FY 17/18. Mr. Beverly reviewed the deposit calculation spreadsheet with the Board. The total funding at a 75% CL is estimated at \$5,603,424, an increase of 3.9% over FY 16/17 funding at the 70% CL. Individual member increases do not need to be capped at 25% this year, with the largest increase at 24.94% when comparing funding at the 70% CL. Two members exceeded the 25% cap when comparing to the 75% CL: City of Colusa and City of Jackson.

A motion was made to approve the FY 17/18 Liability Deposit Calculations as presented.

Motion: Astrida Trupovnieks **Second:** Kristina Miller **Motion Carried**
Ayes: Cottrell, Miller, Stalie, Koehn, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Warren, Ryan, Johnson, Springer
Nays: None

H.6.b. Workers' Compensation

Mr. Beverly indicated at the April meeting the Board approved to increase the funding level from 70% Confidence Level (CL) to 75% CL for the FY 17/18. Mr. Beverly reviewed the deposit calculation spreadsheet with the Board. The total funding at a 75% CL is estimated at \$11,573,622, an increase of 9.9% over FY 16/17 funding at the 70% CL. The individual member increase cap of 40% is not applicable this year, with the largest member increase at almost 30% at the 70% CL and 34% at the 75% CL.

A motion was made to approve the FY 17/18 Workers' Compensation Deposit Calculations as presented.

Motion: Brad Koehn **Second:** Corey Shaver **Motion Carried**
Ayes: Cottrell, Miller, Stalie, Koehn, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Warren, Ryan, Johnson, Springer
Nays: None

H.7. Claims Settlement Authority

H.7.a. Settlement of Coryell vs. City of Oroville

Mr. Beverly indicated that the Executive Committee (EC) provided authority to settle this claim at the May meeting due to the limited time constraint placed on the settlement placed by the plaintiff. The details of the case was briefly discussed as the case is settled and release is signed.



A motion was made to ratify the previous approval by the Executive Committee on the settlement of Coryell vs. City of Oroville.

Motion: Astrida Trupovnieks **Second:** Jon Hanken **Motion Carried**
Ayes: Cottrell, Miller, Stalie, Koehn, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Warren, Ryan, Johnson, Springer
Nays: None

Natalie Springer left the meeting at 1:52 p.m.

H.7.b. Executive Committee Authority

The Board reviewed the proposed change to the Policy and Procedure A-6a - Liability Shared Risk Layer Claims Handling Policy and Settlement Authority. It was noted one modification to report claims “activity” at each Board of Directors meeting or at least annually.

A motion was made to approve the Executive Committee the authority to settle claims within the Shared Layer up to \$400,000 and the change to Policy and Procedure A-6a Claims Settlement Authority as amended.

Motion: Sandy Ryan **Second:** Brad Koehn **Motion Carried**
Ayes: Cottrell, Miller, Stalie, Koehn, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Warren, Ryan, Johnson
Nays: None

H.8. York Risk Services Workers’ Compensation Claims Administration

H.8.a. York Quarterly Report

Ms. Dori Zumwalt from York reviewed the quarterly report to the Board. This report is part of the Performance Plan to keep members informed on trends and claims statistics on a quarterly basis. York is conducting Workers’ Compensation (WC) 101 Trainings at member’s locations and ramping up to conduct WC 102 for the City of Rocklin. An overwhelming interest from members for York’s WC 102.

Presented as information only.

H.8.b. WC Claim TPA Survey and Follow up

Mr. Beverly indicated that at the June 2016 Board meeting, York Risk Services was put on a Performance Plan for their Management of Workers’ Compensation Claims Administration. To gauge the progress made to date by York a follow up survey was sent to the members. It was noted that fifteen members responded and based on the survey result York is on track to the Performance Plan. The Board’s consensus to send another follow up survey in September, 2017 requiring all members to respond in order to get feedback of the entire membership.



H.9. Long Range Planning Date and Topics

Mr. Beverly indicated the December 2017 meeting conflicts with the CalPELRA conference and since majority of the Board members attends that conference it was suggested to move the date to December 14th to ensure Board members are available for the Long Range Planning meeting.

A motion was made to move the Long Range Planning and Board meeting date to December 14, 2017.

Motion: Liz Ehrenstrom **Second:** Kim Stalie **Motion Carried**
Ayes: Cottrell, Miller, Stalie, Koehn, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Warren, Ryan, Johnson
Nays: None

I. ROUND TABLE DISCUSSION

Mr. Brad Koehn stated he like the Glossary of Terms.

J. INFORMATION ITEMS

1. Glossary of Terms
2. NCCSIF Organizational Chart
3. NCCSIF 2017 Meeting Calendar
4. NCCSIF Vendor Services Matrix
5. NCCSIF Resource Contact Guide
6. NCCSIF Travel Reimbursement Form

These items were provided as information only.

K. ADJOURNMENT

The meeting was adjourned at 2:28 p.m.

Next Meeting Date: October 19, 2017 in Rocklin, CA

Respectfully Submitted,

Date