



**MINUTES OF THE  
NCCSIF BOARD OF DIRECTORS MEETING  
ZOOM TELECONFERENCE  
JUNE 25, 2020**

**BOARD OF DIRECTORS PRESENT**

Liz Cottrell, City of Anderson  
Rachel Ancheta, City of Corning  
Kristine Haile, City of Folsom (**Vice Chair**)  
Elisa Arteaga, City of Gridley  
Jennifer Styczynski, City of Marysville  
Liz Ehrenstrom, City of Oroville (**Chair**)  
Dave Warren, Placerville  
Andy Schiltz, City of Rocklin

Kristina Miller, City of Corning  
Brad Koehn, City of Elk Grove  
Stephanie Van Steyn, City of Galt  
Dalacie Blankenship, City of Jackson  
Loree McCay, City of Nevada City  
Gina Will, Town of Paradise  
Sandy Ryan, City of Red Bluff  
Spencer Morrison, City of Yuba City

**OTHER MEMBERS PRESENT**

Jim Ramsey, City of Elk Grove  
Brooke Kerrigan, Town of Paradise

**BOARD OF DIRECTORS ABSENT**

Cristina Shafer, City of Auburn  
Jon Hanken, City of Ione  
Jose Jasso, City of Rio Vista

Toni Benson, City of Colusa  
Veronica Rodriguez, City of Lincoln  
Tim Sailsbery, City of Willows

**CONSULTANTS & GUESTS**

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

James Marta, James Marta & Company  
Dori Zumwalt, Sedgwick  
Dee C. Leger Garcia-, James Marta & Company  
Conor Boughey, Alliant Insurance Services

**A. CALL TO ORDER**

Chair Liz Ehrenstrom called the meeting to order at 10:13 a.m.

**B. ROLL CALL**

Roll call was made and the above-mentioned members were present constituting a quorum.

**C. PUBLIC COMMENTS**

There were no public comments.



#### **D. CONSENT CALENDAR**

1. Board of Directors Meeting Minutes - April 23, 2020
2. Check Register from March 1, 2020 to May 20, 2020
3. Investment Reports
  - a. Chandler Asset Management Short/Long Term - March 2020 to April 2020
  - b. Local Agency Investment Fund (LAIF) Report as of March 31, 2020
  - c. Treasurer's Report as of March 31, 2020
4. 2020/2021 Lexipol Fire Subscription Services Memorandum of Understanding
5. 2020/2021 Lexipol Law Enforcement Subscription (LES) Services MOU
6. 2020/2022 ACI Employee Assistance Program Group Discount Contract
7. Crowe LLP Financial Auditing Services Engagement Letter
8. Critical Incident Video Services General Retainer Agreement
9. Precision Concrete Cutting Services Agreement
10. Cordico Inc. Services Agreement
11. Sedgwick Worker's Compensation Quarterly Report as of June 2020
12. P&P A-9: Liability Defense Counsel List, revised May 28, 2020

**A motion was made to approve the Consent Calendar as posted.**

**MOTION:** Liz Cottrell

**SECOND:** Dave Warren

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Ancheta, Koehn, Haile, Van Steyn, Blankenship, Styczyknski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz

**Nays:** None

#### **E. GENERAL RISK MANAGEMENT ISSUES**

Marcus Beverly gave a brief overview on general risk management issues and reviewed the Public Entity Risk Matrix. Will discuss the impact of recent protests and calls to defund the police. Recommending working with the County in regards to concerns with providing additional social services. The Board discussed protests in Cities and asked if damages in the City would be covered by insurance.

#### **F. ADMINISTRATION REPORTS**

##### **F.1. President's Report**

Elizabeth Ehrenstrom's last meeting as Board President and no additional updates.



## **F.2. CJPRMA Update**

Mr. Beverly let the Board know that we received notice that one of the excess quotes has been pulled and CJPRMA is looking to replace the carrier. NCCSIF may need to be flexible with the budget to approve the changes to the CJPRMA Excess Layer.

*Jim Ramsey joined the meeting at 10:16 A.M*

*Spencer Morrison joined the meeting at 10:16 A.M*

## **F.3. Program Administrator's Report**

### **a. Service Provider Survey**

The Service Provider Survey will be sent out in August for review at the October Meeting.

### **b. Board Member Update**

Thank you to Elizabeth Ehrenstrom for her service to NCCSIF. Gina Will be leaving and going to the County of Nevada and Brooke Kerrigan will be taking over her position. Welcome to Kristine Haile as President and Jennifer Styczynski as Secretary.

### **c. Lawyer of the Year Award**

The team that worked on the Oroville sewer back up won Lawyer of the Year Award from the California Bar Association.

### **d. FY 19/20 Member Training Fund Usage report**

## **F.4. Summary of the May 28, 2020 Executive Committee Meeting**

Mr. Beverly discussed what the Executive Committee approved at the May 28<sup>th</sup> 2020 Meeting. The Committee did approve remaining at the \$500,000 SIR and funding at \$750,000. The Committee also recommended moving up the Strategic Plan Meeting to the October Board meeting and having a facilitator.

*Elisa Arteaga joined the meeting at 10:23 A.M*

## **G. FINANCIAL REPORTS**

### **G.1. Quarterly Financial Report for Period Ending March 31, 2020**

Dee. C. Leegar Garcia gave a brief overview of the Quarterly Financial Report for Period Ending March 31, 2020 and went over the summary on page 101 on the financial report. Assets are still healthy and not much has changed in terms of market fluctuation. There was an operating loss at the end of the quarter of \$2.6 million. Net position is not really affected, still at \$21.8 million, with a healthy cash flow from operating activity. Compared to budget you were in line with expectations



for the quarter. The market will continue to move. Jim Marta will have a recommendation for hedging and Dee. C. Leegar Garcia will follow-up with him.

Mr. Beverly reviewed the liability Banking and Shared layer graphs, compared to the negative trends for every other city or city pool we have been doing well. Claims in the Workers' Compensation Banking and Shared Layers have been trending higher.

Board Members asked if Jim Marta had any recommendations for the Liability Program. Also discussed when we will need to make a decision on the SIR for 2021/2022. We will probably need to go to a \$1 million retention next year. The current funding of the pool is not sustainable. Suggested communicating to the CJPRMA Board that they need to fund higher. Mr. Beverly will draft a letter and send it to CJPRMA.

Michael Simmons mentioned that the rule of thumb is having 5 times your SIR. We need to a plan to get to that amount. We should have enough money in our net position to cover normal losses in that layer plus frequency of losses that are abnormal. We need to give them notice in December so that they will property fund the pool and look for other options in March of 2021.

*Information only, no action taken.*

## **G.2. Budget-to-Actual as of March 31, 2020**

Marcus Beverly gave a brief overview of the Budget to Actual as of March 31, 2020, we have 30% of our budget remaining mainly due to the Risk Management Trainings. We still have a decent amount in the member training and police risk management budget. Our claims expense on the Banking Layer is way below budget. The Shared Layer expenses are way above the budget. The Workers Compensation Shared Layer is below expectations.

*Information only, no action taken.*

## **H. JPA BUSINESS**

### **H.1. FY 20/21 NCCSIF Memorandum of Coverage (MOC)**

#### **H.1.a. Liability MOC**

Mr. Beverly discussed the FY 20/21 NCCSIF Liability Memorandum of Coverage. We are seeing COVID-19 exclusions placed on most excess insurance policies. We have at least \$5 million in coverage for next year including COVID-19. Discussed the four options for Liability MOC Disease Exclusions. The four options are do nothing, exclude coverage, limit coverage and monitor and adjust if needed. We would not want to limit or sublimit the coverage unless it was over



\$500,000. We couldn't afford everyone to have a \$500,000 claim. It would be more appropriate to have an aggregate deductible.

Mr. Simmons discussed amending the MOC mid-year and cities should be aware that we may need to make an amendment.

Board members discussed going with Option #4, and discussing in October and monitoring.

**A motion was made to approve the FY 20/21 NCCSIF Liability Memorandum of Coverage with Option # 4 as presented and make an amendment at the October board meeting if necessary.**

**MOTION:** Sandra Ryan

**SECOND:** Andrew Schiltz

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Ancheta, Koehn, Haile, Van Steyn, Blankenship, Styczyknski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison, Arteaga

**Nays:** None

### **H.1.b. Workers' Compensation MOC**

Mr. Beverly gave a brief overview of the Worker's Compensation MOC, our excess carrier PRISM is having a change to coverage that wouldn't impact us specifically. COVID-19 claims will be one occurrence per employee. This has been grandfathered in to the PRISM endorsement.

Mr. Simmons, discussed that York has been told to track the COVID-19 claims with special handling. Each City will have a \$5,000 SIR on any COVID-19 claim per city. The Cities will pay less because all claims are one claim. The disease is COVID-19, if this effects someone in September 2020, it would still be COVID-19, and they will still be one claim and one occurrence.

**A motion was made to approve the FY 20/21 NCCSIF Workers' Compensation Memorandum of Coverage as presented.**

**MOTION:**

**SECOND:**

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Ancheta, Koehn, Haile, Van Steyn, Blankenship, Styczyknski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison, Arteaga

**Nays:** None.

### **H.2. FY 20/21 Property Program Renewal**

#### **H.2.a. NCCSIF Property Renewal Proposal**



Mr. Beverly gave an overview of the FY 20/21 Property Renewal Proposal, the rates are going up about 26%, and the blended rate went up from about \$0.11 to \$0.14. The total premium increase of 33% includes a 6% increase in values. Pollution and Cyber are included and Cyber is up 7%, vehicle physical damage is up 22%. Flood coverage rate is up 17% for existing members Auburn, Ione, Maryville and Yuba City. The rate for new members and limits is very high. Will go over with cities individually.

The \$5,000 property deductible option is still available for all members in APIP. The grand total premium for each City in APIP is listed with all coverages in the APIP program. Boiler and Machinery, remember to get inspections done. Cyber coverage is the same at \$2 million per member. This is a claims made policy and a shared limit. Claims need to be made immediately.

Valuation for is actual cash value, the wild fire deductible for Paradise is \$2,500,000, Mr. Beverly and Mr. Simmons are working with the underwriter to get it taken down.

Recommend rejecting terrorism coverage and staying at the \$5,000 deductible.

**A motion was made to approve the APIP proposal at the \$5,000 deductible and rejecting the terrorism form.**

**MOTION:** Andrew Schiltz

**SECOND:** Sandra Ryan

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Ancheta, Koehn, Haile, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison

**Nays:** None

### **H.2.b. Infectious Disease Coverage Special Notice**

Information only.

### **H.2.c. APIP Claims Reporting Acknowledgments**

Members all need to sign the APIP Claims Reporting Acknowledgements.

Information only.

### **H.2.d. Excess Cyber Coverage Renewal**

Mr. Beverly reviewed the coverage provided by the Beazley Breach Response program and other Excess Cyber Liability Options. Would recommend that group purchase at the group rate. Everyone in the property program currently has the Excess Cyber Coverage Renewal. Mr. Simmons recommended higher limits for Excess Cyber Coverage. Group discussed going with the \$4million deductible, some cities were concerned with limited budgets and this being a new



coverage. Recommended going with the higher amount. We can try to remove the coverage for those cities who are not interested.

If you aren't interested in the excess layer, please write a letter to Marcus to provide to the underwriter.

**A motion was made to group purchase with 10 million limit.**

**MOTION:** Liz Cotrell                      **SECOND:** Sandy Ryan                      **MOTION CARRIED UNANIMOUSLY**

**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz

**Nays:** Spencer Morrison

**H.2.e. Alliant Deadly Weapon Response Program (ADWRP)**

Mr. Beverly gave a brief overview on the ADWRP program, the event would have to occur on a location on your schedule of values. If you do have any events that are planned and ticketed over 500 people, please let us know. Add any special events to your schedule before hosting the event. Sub-limits for crisis management, counseling services, funeral expenses, and demo/clearance/memorialization. A number of exclusions reviewed, including COVID-19. This is a group purchase.

Andrew Schiltz from Rocklin asked if the amphitheater would be excluded. Also, asked if the structures in the parks need to be listed separately.

**A motion was made to approve the FY 20/21 Alliant Deadly Weapon Response Program renewal as presented.**

**MOTION:** Sandra Ryan                      **SECOND:** Andrew Schiltz                      **MOTION CARRIED UNANIMOUSLY**

**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison

**Nays:** None

**. H.2.f. Flood Coverage**

Mr. Beverly gave an overview of the Flood Coverage Form, this is for individual members. If you don't wish to purchase flood please submit the Flood Coverage Form.

Information only, no action needed.





### **H.3. FY 20/20 Crime Coverage Renewal**

Mr. Beverly gave an overview of the FY 20/21 Crime Coverage Renewal. The renewal rate is flat and members will have two options. Members will have a \$3M or \$5M option. James Marta and Company is designated. You do have coverage for vendor theft for up to \$1M. The lowest deductible on the \$5M limit is \$25,000.

Mr. Simmons recommended the \$5M limit, but it is a significant increase in your premium. We haven't seen many claims over \$3M. Recommended staying at \$3M this year.

**A motion was made to approve the FY 20/21 Crime Coverage Renewal at \$3M limit.**

**MOTION:** Sandra Ryan                      **SECOND:** Andrew Schiltz                      **MOTION CARRIED UNANIMOUSLY**  
**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison  
**Nays:** None

### **H.4. FY 20/21 Identity Fraud Expense Reimbursement Coverage Renewal**

Mr. Beverly discussed the FY 20/21 ID Fraud Expense Reimbursement Coverage Renewal, also covers spouses, children and parents.

**A motion was made to renew the FY 20/21 Identity Fraud Expense Reimbursement coverage as presented.**

**MOTION:** Sandra Ryan                      **SECOND:** Dave Warren                      **MOTION CARRIED UNANIMOUSLY**  
**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison  
**Nays:** None

### **H.5. Administration Budget 20/21 Program Budget**

Mr. Beverly reviewed the FY/20/21 program budget.

**MOTION:** Liz Cotrell                      **SECOND:** Sandra Ryan                      **MOTION CARRIED UNANIMOUSLY**  
**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison  
**Nays:** None.





#### **H.6.a. Liability program budget (2:24)**

Mr. Beverly gave an overview of the Liability Program Budget. The summary of changes: 7% difference in base rate, deposit premium 19% and payroll is 5% of that. The shared layer losses have been going down.

Mr. Simmons recommended approving the budget, subject to the changes in CJPRMA. The CJPRMA meeting is June 30<sup>th</sup>.

**A motion was made to approve the liability program budget subject to the CJPRMA changes.**

**MOTION:** Kristine Haile                      **SECOND:** Andrew Schiltz                      **MOTION CARRIED UNANIMOUSLY**  
**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison  
**Nays:** None

#### **H.6.b. Worker's Compensation program budget**

Mr. Beverly gave an overview of the WC program budget, no members hit the cap this year. PRISM decreased everyone's payroll by 10%. The shared layer losses are up 52%. The summary lists individual premiums for members.

**A motion was made to approve the Workers Compensation Program Budget.**

**MOTION:** Brad Koehn                      **SECOND:** Sandra Ryan                      **MOTION CARRIED UNANIMOUSLY**  
**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison  
**Nays:** None

#### **H.7. Conflict of Interest Code**

Mr. Beverly discussed the Conflict of Interest Code, it has no changes and were asked to approve every other year. Recommended to approve the interest code and submit the Conflict on Interest form. The limit for any one source for gifts is \$500.

**A motion was made to approve the conflict of interest code.**

**MOTION:** Andrew Schiltz                      **SECOND:** Dave Warren                      **MOTION CARRIED UNANIMOUSLY**  
**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison



Nays: None

### **H.8. Strategic Plan Update**

Mr. Beverly discussed having the strategic plan meeting at the October meeting and find a facilitator for the meeting. We don't have the cost at this time.

**A motion was made to approve the Strategic Plan Update meeting to the October meeting.**

**MOTION:** Kristine Haile                      **SECOND:** Loree McCay                      **MOTION CARRIED UNANIMOUSLY**

**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison

Nays: None

### **H.9. Resolution 20-04 Authorizing Signers for the Investment of Monies in the Local Agency Investment Fund (LAIF)**

Mr. Beverly discussed resolution 20-04 Authorizing signers for the investment of monies in the local agency investment fund (LAIF), we have added Kristine Haile as President next FY.

**A motion was made to approve the resolution 20-04.**

**MOTION:** Brad Koehn                      **SECOND:** Loree McCay                      **MOTION CARRIED UNANIMOUSLY**

**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison

Nays: None

### **H.10. Electronic Document Delivery Option**

Mr. Beverly gave a brief overview of the Electronic Document Delivery Option, authorizing Liz to sign for NCCSIF.

**A motion was made to approve members sign the Electronic Document Delivery Option.**

**MOTION:** Andrew Schiltz                      **SECOND:** Elisa Arteaga                      **MOTION CARRIED UNANIMOUSLY**

**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison

Nays: None

### **H.11. CAJPA Request for Donation-Data Collection for Tort Reform**



Mr. Beverly discussed the CAJPA Request for Donation-Data Collection for Tort Reform and a \$10,000 donation request from NCCSIF. They will use the data to educate policy makers to reform tort laws for Public Entity. It's recommended that we take the \$10,000 from this year's budget. Members discussed that it was a great idea and asked if this was a onetime contribution. James Marta would like the bill right away to pay the invoice.

**A motion was made to pay the \$10,000 donation out of the 19/20 budget.**

**MOTION:** Andrew Schiltz

**SECOND:** Dave Warren

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Miller, Ancheta, Koehn, Kristine Haile, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Schiltz, Morrison

**Nays:** None

#### **H.12. 2020/2021 Service Calendar**

The FY 20/21 Service Calendar with service items and due dates for NCCSIF.  
Information only, no action taken.

#### **J. INFORMATION ITEMS**

1. Glossary of Terms
  2. NCCSIF Organizational Chart
  3. NCCSIF FY 2020/2021 Meeting Calendar
  4. NCCSIF Resource Contact Guide
  5. York Who's Who in Claims - WC and Liability Contacts
- These items were provided as information only.

#### **K. ADJOURNMENT**

The meeting was adjourned at 12:53

**Next Meeting Date:** October 29, 2020 in Rocklin, CA

BOD Approval Date of Minutes:

Respectfully Submitted,

Jennifer Styczynski, Secretary

November 13, 2020  
Date