



**NOTES/MINUTES OF THE
NCCSIF BOARD OF DIRECTORS MEETING
ZOOM TELECONFERENCE
APRIL 23, 2020**

BOARD OF DIRECTORS PRESENT

Liz Cottrell, City of Anderson
Brad Koehn, City of Elk Grove
Stephanie Van Steyn, City of Galt
Jon Hanken, City of Ione
Loree McCay, City of Nevada City
Gina Will, Town of Paradise
Sandy Ryan, City of Red Bluff
Andy Schiltz (Alternate), City of Rocklin
Spencer Morrison, City of Yuba City

Kristina Miller, City of Corning
Kristine Haile, City of Folsom (**Vice Chair**)
Elisa Arteaga (Alternate), City of Gridley
Dalacie Blankenship (Alternate), City of Jackson
Liz Ehrenstrom (**Chair**), City of Oroville
Dave Warren, City of Placerville
Jose Jasso, City of Rio Vista
Tim Sailsbery, City of Willows

OTHER MEMBERS PRESENT

Mike Solley, City of Marysville

BOARD OF DIRECTORS ABSENT

Cristina Shafer, City of Auburn
Toni Benson, City of Colusa
Yvonne Kimball, City of Dixon
Jennifer Styczynski, City of Marysville

Rachel Ancheta, City of Dixon
Jim Francis, City of Folsom
Veronica Rodriquez, City of Lincoln
Kimberly Sarkovich, City of Rocklin

CONSULTANTS & GUESTS

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

Dori Zumwalt, York Risk Services Group
Mike Harrington, Bickmore Actuarial
James Kim, Bickmore Actuarial
James Marta, Marta
Eric Small, Sedgwick

A. CALL TO ORDER

Chair called the meeting to order at 1:05 p.m.

B. ROLL CALL

C. APPROVAL OF AGENDA AS POSTED



A motion was made to approve the Agenda as posted.

Motion: Kristine Haile

Second: Dave Warren

Motion Carried

Ayes: All

Nays: None

D. PUBLIC COMMENTS

No public comments.

E. CONSENT CALENDAR

1. Board Meeting Minutes – January 16, 2020
2. Check Register from January 1, 2020 to February 28, 2020
3. Investment Reports
 - a. Chandler Asset Management Short/Long Term - January 2020 to February 2020
 - b. Local Agency Investment Fund (LAIF) Report as of December 31, 2019
 - c. Treasurer's Report as of December 31, 2019
4. Sedgwick Workers' Compensation Quarterly Claims Report
5. 19/20 Alliant-Commission Opt-Out Letter dated April 6, 2020
6. Excess Cyber Proposal and Bind Order

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

Motion: Kristine Haile

Second: Andy Schiltz

Motion Carried

Ayes: All

Nays: None

F. GENERAL RISK MANAGEMENT ISSUES

No discussion.

G. ADMINISTRATION REPORTS

G.1. Presidents Report



During RMC Meeting discussed process of re-opening cities and bringing employees back. Placerville is releasing a re-opening plan tomorrow.

G.2. CJPRMA Update

Marcus, CJPRMA update from meeting a choice between \$500,000 or \$750,000 SIR. Or other higher options. Getting rid of \$500,000 next year. Will discuss during agenda.

G.3. Program Administrator's Report

- a. New NCCSIF Staff member
- b. NCCSIF Website update- up in next couple weeks.

G.4. Summary of the March 26, 2020 Executive Committee Meeting

Information only: Marcus Beverly reviewed March EC Meeting.

G.5. FY 19/20 EIA Member Annual Report

Information only: Changed CSAC EIA name to PRISIM. Excess Workers Compensation savings \$516,856.

H. FY 20/21 Officers and Executive Committee

Reviewed EC recommendations to nominate. Kristine Haile for President, Dave Warren Vice President, and Jennifer Styczynski for Secretary. Anyone else may nominate someone or themselves.

A motion was made to nominate Kristine Haile for President, Dave Warren Vice President, and Jennifer Styczynski for Secretary.

Motion: Brad Koehn

Second: Jon Hanken

Motion Carried

Ayes: All

Nays: None

I. Financial Reports

I.1. Quarterly Financial Report for Period Ending December 31, 2019

Loree McCay joined meeting 1:24



Jim Marta gave a brief overview of the quarterly report. This won't include effects of new actuary. 47,810 all baking layer. Liability program, focus on Total Net position. Admin layer also includes contingency. Members putting aside. Look to see if members have negatives. pg. 101. Escalation for Work Comp for previous years. We have been meeting our targets. Claims prior to new actuary. Shared layer 2019 year, actuary responding. Actuary did note that they have been seeing some growth. Risk Management Grant reserves, historic usage for members to keep track of. Use it because it will help reduce costs. Police Grant usage. Marcus: give a choice on your refund, a check, refund on premium or contribute to reserve fund.

A motion was made to approve financial report.

Motion: Tim Sailsbery

Second: Kristine Haile

Motion Carried

Ayes:

Nays:

I.2. Budget-to-Actual as of December 31, 2019

State comp assessment budgeted 267,000 and it a \$280,000 fee

Information only, no action taken.

J. JPA BUSINESS

J.1. FY 20/21 NCCSIF Administration Budget

Information only

Fee increase from Lexipol and fraud assessment by 15%. Based on how much we pay in indemnity each year. Very little changes. Nothing should share much between now and the final.

J.2.a. Actuarial Services - Mike Harrington, Bickmore Actuarial

J.2.b. Actuarial Services Transition to "Bickmore Actuarial"

Mike Harrington, Bickmore Actuarial presented Self-Insurance Fund.

Workers Comp- Topics of Discussion Outstanding Liabilities at June 30, 2020 (reserves) and 2020-21 Funding Guidelines (Rates) Actual versus expected incurred- work comp, ultimate lost (outstanding \$35,511,598) 3 out 4 years have gone up. Prior Liabilities (\$30,804.00) 15% increase. Workers comp (Banking layer)-90% confidence level (\$20,140,000). Shared Layer tighter once at 90% confidence level. Projected losses prior estimate (11% increase) prior rate (4% increase). Banking layer Prior Estimate (\$5,683,000 11% increase and prior rate \$1,185 (4.6% increase). Ultimate's and Liabilities are up, surplus and rates are also up.



Liability- Actual versus Expected Incurred. Mike Harrington, 3-4 million dollar per year mark. LOSS and ALAE-\$8,884,000. Net reserves 8.6 million at 90% confidence level. Banking layer at 90% confidence layer. \$3,411,000. Shared Layer surplus \$798,000. Prior liabilities \$5,374,000 (12% increase). Liability summary, ultimate, liabilities, surplus and rates are all up.

A motion was made to accept and file work comp and liability actuary.

Motion: John Hanken **Second:** Andy Schlitz **Motion Carried**
Ayes: All
Nays: None

J.3. Workers' Compensation Program

J.3.a. Annual Baking Plan Adjustments- James Marta and Company

Annual Bank plan adjustment. Need to meet two factors 90% confidence level and 1 million SIR. If you are not meeting the target, trying to get you to meet the target. Figure out how much is available above. Trying to create stability. The board to approve the members to withdrawal to 35% and withdraw form column I.

A motion was made to approve.

Motion: Dave Warren **Second:** Andy Schiltz **Motion Carried**
Ayes: All
Nays: None

J.2.b. Annual Shared Risk Plan Adjustments- Alliant Insurance Services

\$866,000 about 90% confidence level. Outstanding liabilities, generally recommend refund at 50%. Overall well funding. Making a recommendation at 50%. Everyone gets a share. All based on contribution. James Marta recommended being conservative. This year and next could be harder years. When things get bad claims go up. Group would like 25% Elk Grove-No refund support 25%, Andy- Rocklin no refund 25% level. Dave Warren- supporting 25%. Willows comfortable with 25%

A motion was made to approve a refund at 25% level.

Motion: Elk Grove **Second:** Corning **Motion Carried**
Ayes: All
Nays: None



J.4.c. FY 19/20 Deposit Premium Calculations

We have the option to choose \$500,000 or \$750,000 SIR. Review at \$500,000 and \$750,000. With \$750,000-shared and excess layer go up. Bump cap to 30%, have 3 members at the cap. Keeping reallocation about the same. Went over differences if we change to \$750,000. Shared layer goes up \$558,000, Excess decrease \$241, CJPRMA-Using 10 year AVG formula. Showed differences by cities between \$500,000 and \$750,000. Marcus recommended staying at \$500,000 but fund at \$750,000. Keep the balance for surplus for a bad year or to support higher in FY 20/21.

Mike Harrington- Likes third option

Mike Simmons- Sharing risk with cities that worse off. Recommending waiting to see who else stays at \$500,000

A motion was made to fund at \$750,000 option, give authority to EC to make the buy down decision once you know who is left at \$500,000.

Motion: Sandy Ryan

Second: Andy Schiltz Rocklin

Motion Carried

Ayes: All

Nays: None

J.5. FY 20/21 Property Program Renewal

Information only item: COVID, BI losses and legislature stepping in. Market is somewhat in turmoil. Average range or increase of 18-23%. With a wildfire deductible of \$2.5 million. Should be limited. Will know end of the month or May where we are. Would expect to have COID exclusions on polices going forward. NCCSIF has very limited coverage. No claims received yet. Very specific Cyber exclusion.

J.6. Independent Financial Audit Services

Information item: EC Committee reviewed proposals from audit proposals. EC decided to stay with CROW LLP.

J.7. Resolution Establishing Local Claims Procedure Regulations

Marcus Beverly gave a brief overview. Tort claim filling requirement and claim filling deadline for public entity. Each city can approve own claim filling resolution. Reviewed code and exceptions. Can include all of the following. Suggest each cities boards approve this.



J. INFORMATION ITEMS

1. Glossary of Terms
2. NCCSIF Organizational Chart
3. NCCSIF 2020 Meeting Calendar
4. NCCSIF Resource Contact Guide
5. York Who's Who in Claims - WC and Liability Contacts
6. James Marta & Company Accounting Team bio

These items were provided as information only.

K. ADJOURNMENT

The meeting was adjourned at 3:20

Next Meeting Date: June 25, 2020 Via Zoom Teleconference

Respectfully Submitted,

Gina Will, Secretary

6/25/2020

Date