



President
Mr. Dave Warren
City of Placerville

Vice President
Ms. Jose Jasso
City of Rio Vista

Treasurer
Ms. Jen Lee
City of Rio Vista

Secretary
Ms. Jennifer Styczynski
City of Marysville

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND BOARD OF DIRECTORS MEETING AGENDA

DATE/TIME: Thursday, April 22, 2021 at 10:30 a.m.

A - Action
I - Information

LOCATION: Zoom Teleconference
Call-in Number: 669-900-6833
Meeting ID: 980 9534 8638

1 - Attached
2 - Hand Out
3 - Separate Cover
4 - Verbal

MISSION STATEMENT

The Northern California Cities Self Insurance Fund, or NCCSIF, is an association of municipalities joined to protect member resources by stabilizing risk costs in a reliable, economical and beneficial manner while providing members with broad coverage and quality services in risk management and claims management.

A. CALL TO ORDER

B. ROLL CALL

C. PUBLIC COMMENTS

This time is reserved for members of the public to address the Board of Directors on matters pertaining to NCCSIF that are of interest to them.

pg. 6 **D. CONSENT CALENDAR**

A 1

All matters listed under the consent calendar are considered routine with no separate discussion necessary. Any member of the public or the Board of Directors may request any item to be considered separately.

- pg. 7 1. Board Meeting Minutes – December 10, 2020
- pg. 13 2. Check Register from January 1, 2021 to March 31, 2021
- pg. 17 3. Investment Reports
 - a. Chandler Asset Management Short/Long Term - January 2021 to March 2021
 - b. Local Agency Investment Fund (LAIF) Report as of December 31, 2020
 - c. Treasurer’s Report as of December 31, 2020
- pg. 50 4. Sedgwick Workers’ Compensation Quarterly Claims Report
- pg. 51 5. 20/21 Alliant-Commission Opt-Out Letter dated November 3, 2020
- pg. 55 6. FY 20/21 NorCal Cities SIF Workers Compensation Program Claims
- pg. 56 Audit and Sedgwick response



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pg. 66	7. FY 20/21 PRISM Workers Compensation Claims Audit and Sedgwick response		
pg. 116	E. GENERAL RISK MANAGEMENT ISSUES <i>This is an opportunity for a member to discuss a topic of interest or seek guidance and input from the group about a current issue, risk management topic or exposure the member is facing.</i>	I	4
pg. 117	F. ADMINISTRATION REPORTS	I	
	1. President’s Report <i>Dave Warren will address the Committee on items pertaining to NorCal Cities.</i>		4
	2. CJPRMA Update <i>The Board will receive an update on CJPRMA matters pertinent to NorCal Cities. Minutes of the last meeting can be found at http://www.cjprma.org.</i>		4
	3. Program Administrator’s Report <i>Alliant will address the Committee on items pertaining to NorCal Cities.</i>		4
pg. 118	• 2020-21 Member Training Fund usage		
pg. 119	• Remote Employee Outside CA Workers’ Compensation Coverage		
pg. 123	4. Summary of the March 25, 2021 Executive Committee Meeting <i>The Board will receive an update of the actions taken at the Executive Committee meeting.</i>		1
pg. 124	5. FY 20/21 PRISM Member Annual Report <i>Marcus Beverly will provide an update on the benefits achieved as a result of NCCSIF’s participation in the PRISM’s program.</i>		1
pg. 137	G. FY 20/21 OFFICERS AND EXECUTIVE COMMITTEE <i>The Board will be provided information regarding the Executive Committee Rotation Schedule.</i>	I	1
	H. FINANCIAL REPORTS		
pg. 143	1. Quarterly Financial Report for Period Ending December 31, 2020 <i>James Marta & Company will present the quarterly financial report ending December 31, 2020 for the Board to Accept and File.</i>	A	1



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pg. 180	2. Budget to Actual as of December 31, 2020 <i>The Board will receive an update on the Budget to Actual as of December 31, 2020.</i>	I 1
	I. JPA BUSINESS	
pg. 181	1. FY 21/22 NCCSIF Administration Budget <i>The Board will review and may provide direction regarding the Preliminary Admin Budget.</i>	I 1
	2. Actuarial Services - Mike Harrington, Bickmore Actuarial	A 1
pg. 184	a. Actuarial Study for Workers' Compensation Program <i>The Board will review and may approve the Actuarial Study for the Workers' Compensation Program.</i>	
pg. 221	b. Actuarial Study for Liability Program <i>The Board will review and may approve the Actuarial Study for the Liability Program.</i>	
	3. Workers' Compensation Program	A 1
pg. 264	a. Annual Banking Plan Adjustments - James Marta & Company <i>The Board will review and may approve adjustments to the Banking Layer for the Workers' Compensation program.</i>	
pg. 266	b. Annual Shared Risk Plan Adjustments - Alliant Insurance Services <i>The Board will review and may approve adjustments to the Shared Risk Layer for the Workers' Compensation program.</i>	
pg. 268	c. FY 21/22 Deposit Premium Calculations <i>The Board will review and may approve the Preliminary Deposit Premium Calculations for the Workers' Compensation Program.</i>	
	4. Liability Program	A 1
pg. 272	a. Annual Banking Plan Adjustments - James Marta & Company <i>The Board will review and may approve adjustments to the Banking Layer for the Liability program.</i>	



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- pg. 274 b. **Annual Shared Risk Plan Adjustments - Alliant Insurance Services**
The Board will review and may approve adjustments to the Shared Risk Layer for the Liability program.
- pg. 276 c. **FY 21/22 Deposit Premium Calculations**
The Board will review and may approve the Preliminary Deposit Premium Calculations for the Liability Program.
- pg. 281 5. **Sedgwick Liability Claims Administration Services Renewal Agreement** A 1
The Board will be asked to review the Executive Committee Recommendation to approve the agreement.
- pg. 284 6. **FY 21/22 FY 21/22 Renewal Updates** A 1
The Board will receive an update on the various insurance program renewals, including property and cyber renewal options.
- pg. 285 7. **FY 21/22 Meeting Calendar** A 1
The Board will be asked to approve the Preliminary FY 20/21 Meeting Calendar.
- pg. 287 8. **Board Officer Handbook** A 1
The Board will review the NCCSIF Board Officer Handbook.
- J. INFORMATION ITEMS**
- pg. 301 1. Glossary of Terms I 1
- pg. 310 2. NCCSIF Organizational Chart
- pg. 311 3. NCCSIF 2020-2021 Meeting Calendar
- pg. 312 4. NCCSIF Resource Contact Guide
- pg. 325 5. Sedgwick Who's Who in Claims - WC and Liability Contacts
- pg. 327 6. James Marta & Company Accounting team bio
- pg. 329 7. Claims Reporting Documents

**K. ADJOURNMENT
UPCOMING MEETINGS**

- Police Risk Management Committee Meeting - May 6, 2021
- Impact of AB 392 on Police Criminal and Civil Liability Training May 6,2021
- Claims Committee Meeting - May 27, 2021
- Executive Committee Meeting - May 27, 2021



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Per Government Code 54954.2, persons requesting disability related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Jenna Wirkner at Alliant Insurance Services at (916) 643-2714.

The Agenda packet will be posted on the NCCSIF website at www.nccsif.org. Documents and material relating to an open session agenda item that are provided to the NCCSIF Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection and copying at 2180 Harvard Street, Suite 460, Sacramento, CA 95815.

Access to some buildings and offices may require routine provisions of identification to building security. However, NCCSIF does not require any member of the public to register his or her name or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3.



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021**

Agenda Item D.

CONSENT CALENDAR

ACTION ITEM

ISSUE: Items on the Consent Calendar should be reviewed by the Board, and if any item requires clarification or amendment such item(s) should be pulled from the agenda for separate discussion. *Items pulled from the Consent Calendar will be placed back on the agenda in an order determined by the President.*

RECOMMENDATION: Adoption of the Consent Calendar after review by the Board.

FISCAL IMPACT: None.

BACKGROUND: The Board places the following items on the Consent Calendar for adoption. The Board may accept the Consent Calendar as presented, or pull items for discussion and separate action while accepting the remaining items.

ATTACHMENT(S):

1. Board Meeting Minutes- December 10, 2020
2. Check Register from January 1, 2021 to March 31, 2021
3. Investment Reports
 - a. Chandler Asset Management Short/Long Term – January 2021 to March 2021
 - b. Local Agency Investment Fund (LAIF) Report as of December 31, 2020
 - c. Treasurer’s Report as of December 31, 2020
4. Sedgwick Workers’ Compensation Quarterly Claims Report
5. 20/21 Alliant-Commission Opt-Out Letter dated November 3, 2020
6. FY 20/21 NorCal Cities SIF Workers’ Compensation Program Claims Audit and Sedgwick response
7. FY 20/21 PRISM Workers’ Compensation Claims Audit and Sedgwick response



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
BOARD OF DIRECTORS MEETING MINUTES
WEBEX TELECONFERENCE
DECEMBER 10, 2020**

BOARD OF DIRECTORS PRESENT

Kristina Miller, City of Corning	Rachel Ancheta, City of Dixon
Brad Koehn, City of Elk Grove	Stephanie Van Steyn, City of Galt
Elisa Arteaga, City of Gridley	Dalacie Blankenship, City of Jackson
Jennifer Styczynski, City of Marysville(Secretary)	Loree McCay, City of Nevada City
Liz Ehrenstrom, City of Oroville	Crystal Peters, Town of Paradise
Dave Warren, City of Placerville (Chair)	Sandy Ryan, City of Red Bluff
Jose Jasso, City of Rio Vista (Vice Chair)	Andy Schiltz, City of Rocklin
Spencer Morrison, City of Yuba City	

OTHER MEMBERS PRESENT

Jim Ramsey, City of Elk Grove	Susan Walters, City of Folsom
Ishra Aziz-Khan, City of Colusa	

BOARD OF DIRECTORS ABSENT

Liz Cottrell, City of Anderson	Cristina Shafer, City of Auburn
Lori McGraw, City of Ione	Veronica Rodriguez, City of Lincoln
Jen Lee, City of Rio Vista (Treasurer)	Wayne Peabody, City of Willows

CONSULTANTS & GUESTS

Marcus Beverly, Alliant Insurance Services	Dave Beal, Sedgwick
Michael Simmons, Alliant Insurance Services	Dori Zumwalt, Sedgwick
Raychelle Maranan, Alliant Insurance Services	Jill Petrarca, Sedgwick
Jenna Wirkner, Alliant Insurance Services	Conor Boughey, Alliant Insurance Services

A. CALL TO ORDER

Chair Dave Warren called the meeting to order at 10:36 a.m.

B. ROLL CALL

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

Mr. Dave Warren would like to move H.6 before item H.4., so the Board can discuss the survey results and contract renewal at the end of the meeting.-

C. PUBLIC COMMENTS

There were no public comments.



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
BOARD OF DIRECTORS MEETING MINUTES
WEBEX TELECONFERENCE
DECEMBER 10, 2020**

D. CONSENT CALENDAR

1. Board of Directors Meeting Minutes – November 12, 2020
2. Check Register November 2020
3. Investment Reports
 - a. Chandler Asset Management Short/Long Term – October 2020 to November 2020
 - b. Local Agency Investment Fund (LAIF) Report as of October 15, 2020
 - c. Treasurer’s Report as of September 30, 2020
4. FY 21/22 EIA PRISM Excess Workers’ Compensation Premium Estimate

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

MOTION: Liz Ehrenstrom

SECOND: Andy Schiltz

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Miller, Ancheta, Koehn, Van Steyn, Blankenship, Styczynski, McCay, Ehrenstrom, Warren, Ryan, Jasso, Schiltz, Morrison

Nays: None

Crystal Peters joined the meeting at 10:38 a.m.

E. GENERAL RISK MANAGEMENT ISSUES

Mr. Dave Warren asked members if they had any general risk management issues that they wanted to review with the board. Members discussed pensions for City employees and what they were doing at the City level.

F. ADMINISTRATION REPORTS

F.1. President’s Report

Dave Warren shared employee morale and the challenges facing public- entities today. This has been a very hard year for everyone. Local government is very important for our Community and democracy. Mr. Warren thanked members and shared some words of encouragement for the members.

F.2. Program Administrator’s Report

Marcus Beverly said thank you to Dave Warren for sharing his kind words and wished a Happy Holidays to all of the members.

Elisa Arteaga joined the meeting at 10:45 a.m.



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
BOARD OF DIRECTORS MEETING MINUTES
WEBEX TELECONFERENCE
DECEMBER 10, 2020**

G. FINANCIAL REPORTS

G.1. Quarterly Financial Report for Period Ending September 30, 2020

G.2. Budget-to-Actual as of September 30, 2020

Mr. Beverly reviewed the Quarterly Financial Report for the Period Ending September 30, 2020. The operating income is at \$595,540 and normal for this time of year. The Liability Banking Layer has a Net Position of just over \$4M, with \$2.8M in the Shared Layer. The Liability Program overall has been experiencing good results, particularly in FY 17/18, and that is helping the Shared Layer.

Mr. Beverly discussed the Budget-to Actual as of September 30, 2020. The annual state funding was a little higher than the budget and will be reflected in the next Report, but we are in good shape overall.

Jim Marta's office is now keeping track of Risk Management Reserves and sending out monthly reports. Members can set aside some of their dividends for Risk Management purposes. The Police Risk Management grant is also tracked in the quarterly financials.

Mr. Dave Warren mentioned these are management reports and not audited financial statements.

Stephanie Van Steyn left the meeting at 10:51 a.m.

Stephanie Van Steyn joined the meeting at 10:55 a.m.

A motion was made to approve to receive and file the statement.

MOTION: Jose Jasso

SECOND: Jennifer Styczynski

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Miller, Ancheta, Koehn, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Peters, Warren, Ryan, Jasso, Schiltz, Morrison

Nays: None.

H. JPA BUSINESS

H.1. CJPRMA Update & Membership

Mr. Beverly gave a brief update on CJPRMA funding. Their Board has approved the plan that was recommended. CJPRMA will be changing the formula to the actuary's recommended funding at a 75% CL for FY 21/22, increasing to 80 % in FY 22/23 and to 85% in FY 23/24. They are also recommending a decrease in the Discount Factor from 2% to 1% and eliminating the \$500,000 SIR in FY 22/23.



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
BOARD OF DIRECTORS MEETING MINUTES
WEBEX TELECONFERENCE
DECEMBER 10, 2020**

This will result in an approximate 12% increase in Liability funding based on current rates. We will have a better estimate of the increase at the April Board of Directors Meeting.

The good news is their Board has approved a reasonable funding plan and there is no need to authorize a notice of withdrawal at this time.

Mike Simmons discussed that CJPRMA's Net Position has decreased by over (-54M) since 2012. This is very common with excess pools. It's not a good time to be changing excess partners during a hard market.

Dave Warren suggested sending a thank you letter to the CJPRMA Board.

H.2. Board Officer Handbook

Mr. Beverly discussed the Board Handbook for NCCSIF and asked if members had any suggestions on making it more helpful for new members. The FPPC and form 700 filing is very important so please let us know if you have Board Members leave so we can have them file the form 700. Mr. Beverly will add a section on Roberts Rules of order information and helpful tips.

Spencer Morrison discussed having a section for claim settlements and how much we will really have to pay for claim settlements.

Members agreed this is a great tool for new Board Members and asked that we include the list of definitions.

A motion was made to approve the handbook with revisions.

MOTION: Brad Koehn

SECOND: Liz Ehrenstrom

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Miller, Ancheta, Koehn, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Peters, Warren, Ryan, Jasso, Schiltz, Morrison

Nays:

Kristina Miller joined the call at 11:15 a.m.

H.3. Wildfire Risk Management Services & Best Practices

Mr. Beverly discussed the Wildfire Risk Management Services and Best Practices for members. The wildfire best practices would be helpful when Sedgwick visits your City for Risk Management Assessments. The Best Practices are only a guideline and not mandatory. Members should share any Wildfire best practices they use or ideas they have to add to the best practices. The Fire Safe Council website offers fire grants. The XMR Fire offers grant writing services and Program Administrators will look into the services XMR fire offers and see if they know of any available grants.



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
BOARD OF DIRECTORS MEETING MINUTES
WEBEX TELECONFERENCE
DECEMBER 10, 2020**

The members had no discussion. Information only.

A motion was made to approve the handbook with revisions.

MOTION: Brad Koehn

SECOND: Liz Ehrenstrom

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Miller, Ancheta, Koehn, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Peters, Warren, Ryan, Jasso, Schiltz, Morrison

Nays:

Item H.6 was presented before H.4 and H.5.

H.6. State of the Market

Conor Boughey gave a presentation on the State of the Public Entity Insurance Market and Emerging Risks. Mr. Boughey reviewed the key industry metrics we use to evaluate the insurance industry. The combined ratio is the total claims cost compared to premiums taken in. This is only from quarter 1 and before COVID-19 and the wildfires. Overall growth for the insurance industry. We have started to see a significant drop during quarter 1. History of Pooling Compared to Net Written Premium. In 1975-78 CA changes legislation and starts WC pool and 1984-87 CA liability pools were formed. We're seeing a very hard market but a JPA is in an entity that was designed for hard markets. It will take a few years to really understand. The new normal for liability and Large Public Entity Verdicts/Settlements. It's important to work with law enforcement and trainings. Deescalating training is very critical for Law Enforcement.

H.4. Service Provider Survey Results

Mr. Beverly discussed the Service Provider survey results. We have seen improvement from the first survey we did. Dori Zumwalt and Steven Scott have been very responsive with members and Program Administrators. Jill Petrarca has followed up with members on concerns with the liability claims services. The members wanted to discuss the Service Provider Survey Results so service providers left the meeting and Program Administrators stayed on to review the survey results for Sedgwick Liability Claims Administrator services.

H.5. Liability Claims Administrator Renewal

The Liability Claims Administrator contract expires on June 30, 2021. Jill Petrarca from Sedgwick addressed the survey results and their service standards. Members should be getting updates and a report within 30 days of a new claim filing. At every 90 days you should also be getting a status update. Sedgwick should be investigating the claims and should not need prompting. Members should reach out to Jill Petrarca if they have any issues so she can resolve them.



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
BOARD OF DIRECTORS MEETING MINUTES
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DECEMBER 10, 2020**

A motion was made to negotiate a liability claims administrator contract renewal with Sedgwick.

MOTION: Kristina Miller

SECOND: Jose Jasso

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Miller, Ancheta, Koehn, Van Steyn, Arteaga, Blankenship, Styczynski, McCay, Ehrenstrom, Peters, Warren, Ryan, Jasso, Schiltz, Morrison

Nays: None

I. INFORMATION ITEMS

1. Glossary of Terms
2. NCCSIF Organizational Chart
3. NCCSIF 2020-21 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.

M. ADJOURNMENT

The meeting was adjourned at 12:06 a.m.

Next Meeting Date:

Respectfully Submitted,

Jennifer Styczynski, Secretary

Date

Company Name: NCCSIF
Report Name: NCCSIF Check Register Board Report
Created On: 12/21/2020

Check#	Date	Vendor	Account Title	Account Memo	Amount
11870	12/4/2020	Sedgwick CMS, Inc	Claims Admin - Liability	51135 07/20-10/20 Time & Exp NCCSIF GL	5,978.60
11871	12/4/2020	York Risk Svcs Group Inc.	On Site	52204 Safety and Risk Ctrl Svcs - Nov 2020	14,873.33
11872	12/4/2020	Dept of Industrial Relations	SF Fraud Assessment	52304 Assessment for FY 20-21	345,404.11
11873	12/4/2020	JM and Co LLP	Accounting Services	52403 Monthly Acctg Svcs - Nov 2020	9,120.00
11874	12/4/2020	Sedgwick CMS, Inc	Claims Admin - WC Only	52300 Nov 2020 WC Claims	50,699.33
11875	12/4/2020	Alliant Ins Svcs Inc	Program Admin Fee	52401 Dec 2020 Monthly Installment	29,166.92
11876	12/4/2020	CAM, Inc	Investment Income	44040 Investment Income	4,877.08
11877	12/21/2020	Sedgwick CMS, Inc	Claims Admin - Liability	51135 Nov 2020 Liab Claims	21,177.67
11878	12/21/2020	Gibbons and Conley	Legal Services	52103 Nov 2020 General Matters	969.65
11879	12/21/2020	Crowe	Financial Audit	52102 Final Billing for 6.30.20 Audit	3,700.00
11880	12/21/2020	Folsom Police Dept.	Police RM Grant Funds	52209 Reimb - IA Pro / Blue Team	15,150.00

Company Name: NCCSIF
Report Name: NCCSIF Check Register Board Report
Created On: 12/21/2020

Check#	Date	Vendor	Account Title	Account Memo	Amount
11881	1/5/2021	Sedgwick Claims Mgmt Svcs, Inc.	Claims Admin - Mnthly WC	52300 Dec 2020 WC Claims	50,699.33
11882	1/5/2021	Alliant Ins Svcs, Inc.	Program Admin Fee	52401 Jan 2021 Monthly Installment	29,166.92
11883	1/5/2021	JM and Co. LLP	Accounting Services	52403 Monthly Acctg Svcs - Dec 2020	9,120.00
11884	1/5/2021	Sedgwick Claims Mgmt Svcs, Inc	Claims Admin - Liability	51135 Dec 2020 Liab Claims	21,177.67
11885	1/5/2021	York Risk Services Group Inc.	On Site	52204 Safety and Risk Ctrl Svcs - Dec20	14,873.33
11886	1/21/2021	CAJPA	JPA Accreditation	52106 2021 CAJPA Accreditation	5,850.00
11887	1/21/2021	CAM, Inc.	Investment Income	44040 Investment Income	4,885.74
11888	1/21/2021	Gibbons and Conley	Legal Services	52103 Dec 2020 General Matters	451.00
11889	1/21/2021	Angela Livingston Collab, Inc.	Claims Audit	52101 19/20 WC Claims Audit	14,625.00

Company Name: NCCSIF
Report Name: NCCSIF Check Register Board Report
Created On: 12/21/2020

Check#	Date	Vendor	Account Title	Account Memo	Amount
11890	2/3/2021	Sedgwick CMS, Inc	Claims Admin - Liab	51135 Jan 2021 Liab Claims	21,177.67
11891	2/3/2021	Sedgwick CMS, Inc	Claims Admin - WC	52300 Jan 2021 WC Claims	50,699.33
11892	2/3/2021	AGRIP, Inc.	Assn Memberships	52504 2/21-12/21 Membership Renewal - CAJPA	2,754.84
11893	2/3/2021	CAM, Inc.	Investment Income	44040 Investment Income	4,887.20
11894	2/3/2021	JM and Co. LLP	Accounting Services	52403 Mnthly Acctg Svcs - Jan 2021	9,152.43
11895	2/3/2021	City of Jackson	Police RM Grant Funds	52209 8 body worn cameras	9,090.00
11896	2/3/2021	Alliant Ins Svcs Inc	Program Admin Fee	52401 Feb 2021 Monthly Installment	29,166.92
11897	2/20/2021	Rachel Ancheta	Member Trng and RM	52207 11/19-11/22 CALPELRA Mtg	185.80
11898	2/20/2021	Gibbons and Conley	Legal Services	52103 Jan 2021 General Matters	1,330.45
Voided -					
11728	2/19/2021	Rachel Ancheta	Member Trng and RM	52207 11/19-11/22 CALPELRA Mtg	-185.80

Company Name: NCCSIF
Report Name: NCCSIF Check Register Board Report
Created On: 3/31/2021

Check#	Date	Vendor	Account Title	Account	Memo	Amount
11899	3/4/2021	York Risk Svcs Grp Inc.	On Site	52204	Safety & Risk Ctrl Svcs-Jan/Feb 21	29,746.66
11900	3/4/2021	Sedgwick CMS, Inc	Claims Admin - Liab ULAE	51135	Feb 2021 Liab Claims	21,177.67
11901	3/4/2021	Sedgwick CMS, Inc	Claims Admin - WC Only	52300	Feb 2021 WC Claims	50,699.33
11902	3/4/2021	JM and Co. LLP	Acctg Svcs	52403	Monthly Acctg Svcs - Feb 2021	9,120.00
11903	3/4/2021	Alliant Ins Svcs Inc	Program Admin Fee	52401	Mar 2021 Monthly Installment	29,166.92
11904	3/4/2021	CAM, Inc.	Investment Income	44040	Investment Income	4,870.34
11905	3/4/2021	City of Lincoln	Police RM Grant Funds	52209	14 WatchGuard body cameras	11,632.00
11906	3/18/2021	Gibbons and Conley	Legal Services	52103	Feb 2021 General Matters	496.10



Northern CA Cities Self Ins. Fund Short Term - Account #170

MONTHLY ACCOUNT STATEMENT

DECEMBER 1, 2020 THROUGH DECEMBER 31, 2020

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.53
Average Coupon	1.93%
Average Purchase YTM	1.81%
Average Market YTM	0.29%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.79 yrs
Average Life	2.59 yrs

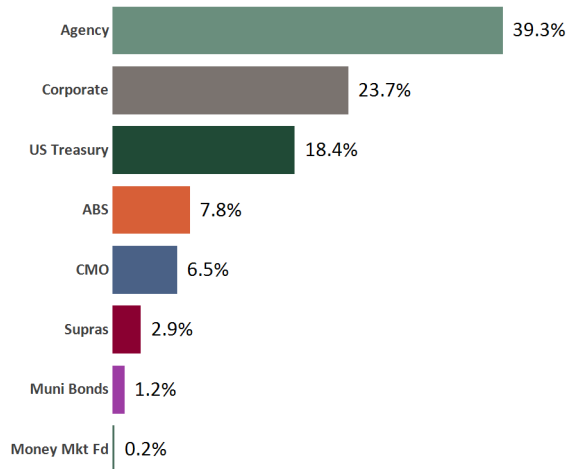
ACCOUNT SUMMARY

	Beg. Values as of 11/30/20	End Values as of 12/31/20
Market Value	28,210,672	28,265,783
Accrued Interest	123,684	114,917
Total Market Value	28,334,356	28,380,700
Income Earned	42,553	42,082
Cont/WD		0
Par	27,184,648	27,254,366
Book Value	27,283,413	27,351,254
Cost Value	27,303,076	27,372,878

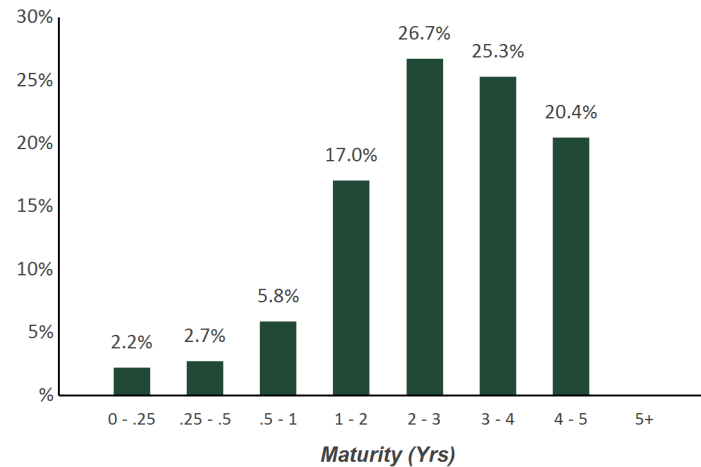
TOP ISSUERS

Federal National Mortgage Assoc	19.1%
Government of United States	18.4%
Federal Home Loan Mortgage Corp	17.0%
Federal Home Loan Bank	9.7%
John Deere ABS	2.4%
Inter-American Dev Bank	1.9%
Honda ABS	1.9%
Deere & Company	1.4%
Total	71.8%

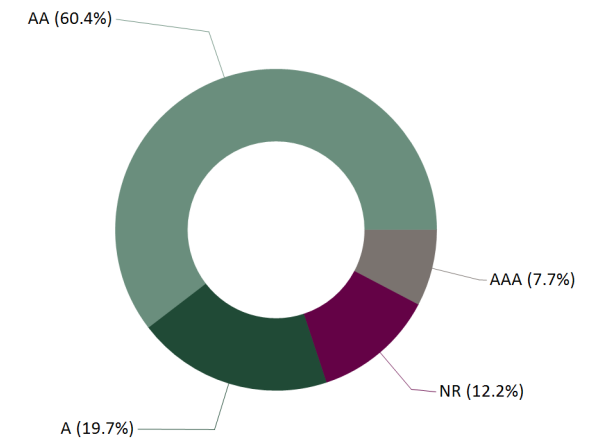
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized									
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	12/31/1997	
Northern CA Cities Self Ins. Fund Short Term	0.16%	0.26%	4.54%	4.54%	4.57%	3.54%	2.60%	2.04%	3.86%	
ICE BAML 1-5 Year US Treasury/Agency Index	0.07%	0.02%	4.22%	4.22%	4.20%	3.30%	2.33%	1.78%	3.54%	
ICE BAML 1-5 Yr US Issuers Corp/Govt Rtd AAA-A Idx	0.09%	0.10%	4.36%	4.36%	4.40%	3.41%	2.46%	1.93%	3.66%	

Statement of Compliance

As of December 31, 2020



Northern California Cities Self-Insurance Fund - Short Term

The portfolio complies with state law and with the Client's investment policy.

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Government & Agencies	No limitation; Include: mortgage-backed, mortgage passthrough securities, and collateralized mortgage obligations issued by the federal government or federal agency/GSE issuers	Complies
Supranationals	AA rating category or better by a NRSRO; 30% maximum; 5 years max maturity; Issued by IBRD, IFC or IADB only	Complies
Municipal Securities	5 years max maturity	Complies
Asset-Backed & Mortgage-Backed Securities	AA rating category or better by a NRSRO; 20% maximum; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A-1/P-1 by a NRSRO; 25% maximum; 270 days max maturity	Complies
Corporate Medium Term Notes	A rating category or better by a NRSRO; 30% maximum; 5 years max maturity	Complies
Money Market Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit; Collateralized Bank Deposits	5 years max maturity	Complies
LAIF	Maximum as law permits	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
Prohibited	Common or preferred stocks, convertible or junk bonds, commodities, options, limited partnerships, GICs, Reverse repurchase agreements, uninsured deposits, Inverse floaters; ranges notes, mortgage derived, interest only strips, Zero interest accrual securities if held to maturity; Investments denominated in Non-USD; Collateralized Mortgage Obligations (CMOs) with collateral not specifically GNMA, FHLMC, or FNMA; Purchasing or selling securities on margin Securities lending or any other form of borrowing or leverage	Complies
Max Per Issuer	5% per issuer or institution unless explicitly stated in the policy, excluding U.S. government, agency, investment pool, and money market funds	Complies
Maximum Maturity	10 years	Complies

Reconciliation Summary

As of December 31, 2020



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$27,283,413.28
Acquisition		
+ Security Purchases	\$740,299.15	
+ Money Market Fund Purchases	\$89,502.34	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$829,801.49
Dispositions		
- Security Sales	\$636,692.60	
- Money Market Fund Sales	\$99,268.33	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$40,515.99	
Total Dispositions		\$776,476.92
Amortization/Accretion		
+/- Net Accretion	(\$2,476.40)	
		(\$2,476.40)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$16,992.45	
		\$16,992.45
ENDING BOOK VALUE		\$27,351,253.90

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$68,944.27
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$636,692.60	
Accrued Interest Received	\$4,837.95	
Interest Received	\$48,984.92	
Dividend Received	\$1.43	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$40,515.99	
Total Acquisitions	\$731,032.89	
Dispositions		
Withdrawals	\$0.00	
Security Purchase	\$740,299.15	
Accrued Interest Paid	\$499.73	
Total Dispositions	\$740,798.88	
ENDING BOOK VALUE		\$59,178.28



Northern Cal. Cities Self Ins. Fund Long Term - Account #171

MONTHLY ACCOUNT STATEMENT

DECEMBER 1, 2020 THROUGH DECEMBER 31, 2020

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	3.74
Average Coupon	2.12%
Average Purchase YTM	2.05%
Average Market YTM	0.41%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	4.04 yrs
Average Life	3.93 yrs

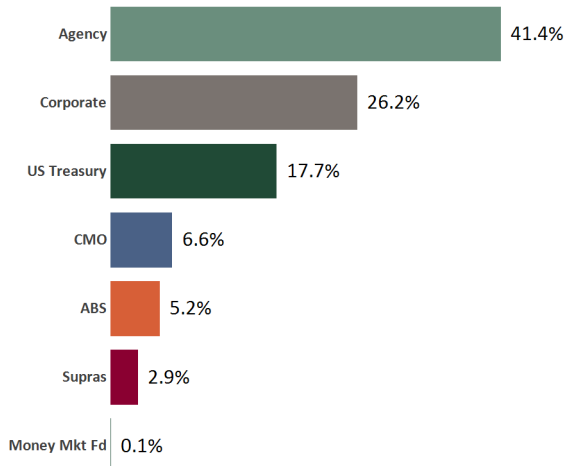
ACCOUNT SUMMARY

	Beg. Values as of 11/30/20	End Values as of 12/31/20
Market Value	29,942,275	30,007,052
Accrued Interest	140,533	148,157
Total Market Value	30,082,807	30,155,209
Income Earned	49,453	49,088
Cont/WD		0
Par	28,312,025	28,378,973
Book Value	28,399,870	28,451,489
Cost Value	28,378,943	28,435,584

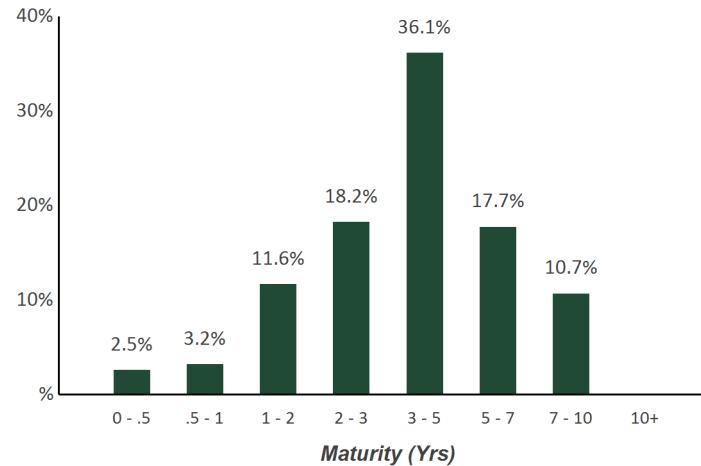
TOP ISSUERS

Government of United States	17.7%
Federal National Mortgage Assoc	16.6%
Federal Home Loan Bank	15.6%
Federal Home Loan Mortgage Corp	12.1%
Tennessee Valley Authority	3.6%
Inter-American Dev Bank	2.9%
US Bancorp	1.5%
Apple Inc	1.4%
Total	71.4%

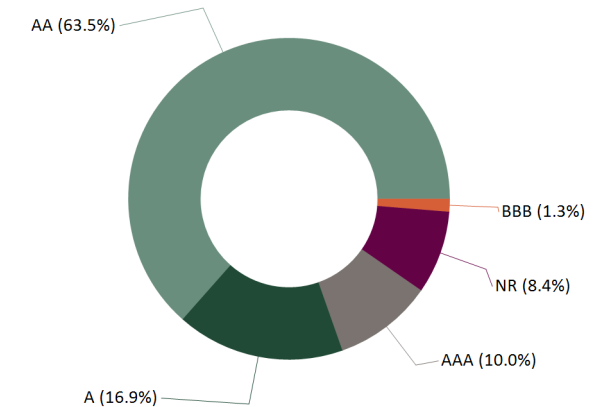
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				
					2YRS	3YRS	5YRS	10YRS	5/31/2006
Northern Cal. Cities Self Ins. Fund Long Term	0.24%	0.26%	6.08%	6.08%	5.95%	4.39%	3.27%	2.84%	3.94%
ICE BAML 1-10 Yr US Treasury/Agency Index	0.03%	-0.22%	5.62%	5.62%	5.37%	4.04%	2.86%	2.48%	3.55%
ICE BAML 1-10 Yr US Corporate/Govt Rated AAA-A Idx	0.09%	0.07%	5.97%	5.97%	5.95%	4.35%	3.22%	2.83%	3.74%

Reconciliation Summary

As of December 31, 2020



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$28,399,869.75
Acquisition		
+ Security Purchases	\$525,909.38	
+ Money Market Fund Purchases	\$55,405.56	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$581,314.94
Dispositions		
- Security Sales	\$409,843.75	
- Money Market Fund Sales	\$114,082.02	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$14,375.50	
Total Dispositions		\$538,301.27
Amortization/Accretion		
+/- Net Accretion	(\$1,550.05)	
		(\$1,550.05)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$10,155.42	
		\$10,155.42
ENDING BOOK VALUE		\$28,451,488.79

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$78,209.55
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$409,843.75	
Accrued Interest Received	\$2,384.51	
Interest Received	\$41,028.54	
Dividend Received	\$1.52	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$14,375.50	
Total Acquisitions	\$467,633.82	
Dispositions		
Withdrawals	\$0.00	
Security Purchase	\$525,909.38	
Accrued Interest Paid	\$400.90	
Total Dispositions	\$526,310.28	
ENDING BOOK VALUE		\$19,533.09

Statement of Compliance

As of December 31, 2020



Northern California Cities Self-Insurance Fund - Long Term

The portfolio complies with state law and with the Client's investment policy.

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Government & Agencies	No limitation; Include: mortgage-backed, mortgage passthrough securities, and collateralized mortgage obligations issued by the federal government or federal agency/GSE issuers	Complies
Supranationals	AA rating category or better by a NRSRO; 30% maximum; 5 years max maturity; Issued by IBRD, IFC or IADB only	Complies
Municipal Securities	5 years max maturity	Complies
Asset-Backed & Mortgage-Backed Securities	AA rating category or better by a NRSRO; 20% maximum; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A-1/P-1 by a NRSRO; 25% maximum; 270 days max maturity	Complies
Corporate Medium Term Notes	A rating category or better by a NRSRO; 30% maximum; 5 years max maturity	Complies
Money Market Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit; Collateralized Bank Deposits	5 years max maturity	Complies
LAIF	Maximum as law permits	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
Prohibited	Common or preferred stocks, convertible or junk bonds, commodities, options, limited partnerships, GICs, Reverse repurchase agreements, uninsured deposits, Inverse floaters; ranges notes, mortgage derived, interest only strips, Zero interest accrual securities if held to maturity; Investments denominated in Non-USD; Collateralized Mortgage Obligations (CMOs) with collateral not specifically GNMA, FHLMC, or FNMA; Purchasing or selling securities on margin Securities lending or any other form of borrowing or leverage	Complies
Max Per Issuer	5% per issuer or institution unless explicitly stated in the policy, excluding U.S. government, agency, investment pool, and money market funds	Complies
Maximum Maturity	10 years	Complies



Northern CA Cities Self Ins. Fund Short Term - Account #170

MONTHLY ACCOUNT STATEMENT

JANUARY 1, 2021 THROUGH JANUARY 31, 2021

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.56
Average Coupon	1.88%
Average Purchase YTM	1.76%
Average Market YTM	0.30%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.82 yrs
Average Life	2.63 yrs

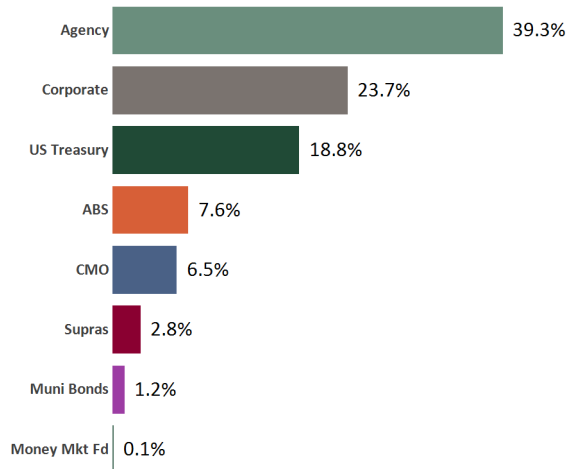
ACCOUNT SUMMARY

	Beg. Values as of 12/31/20	End Values as of 1/31/21
Market Value	28,265,783	28,264,662
Accrued Interest	114,917	112,383
Total Market Value	28,380,700	28,377,045
Income Earned	42,082	41,059
Cont/WD		-913
Par	27,254,366	27,325,467
Book Value	27,351,254	27,417,990
Cost Value	27,372,878	27,450,479

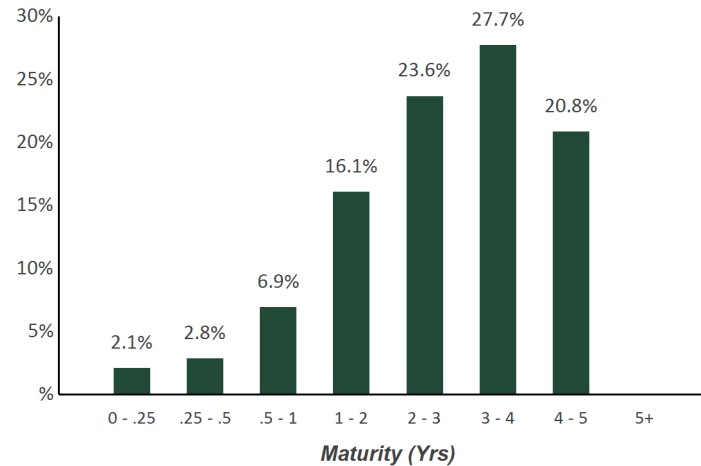
TOP ISSUERS

Federal National Mortgage Assoc	19.1%
Government of United States	18.8%
Federal Home Loan Mortgage Corp	16.9%
Federal Home Loan Bank	9.7%
John Deere ABS	2.3%
Inter-American Dev Bank	1.9%
Honda ABS	1.8%
Deere & Company	1.4%
Total	71.9%

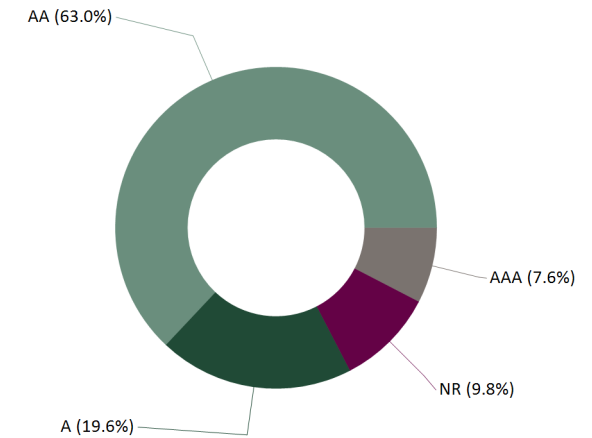
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized									
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	12/31/1997	
Northern CA Cities Self Ins. Fund Short Term	-0.01%	0.29%	-0.01%	3.68%	4.31%	3.70%	2.40%	2.01%	3.85%	
ICE BAML 1-5 Year US Treasury/Agency Index	-0.04%	0.10%	-0.04%	3.28%	4.01%	3.48%	2.10%	1.75%	3.53%	
ICE BAML 1-5 Yr US Issuers Corp/Govt Rtd AAA-A Idx	-0.05%	0.15%	-0.05%	3.42%	4.16%	3.59%	2.25%	1.89%	3.64%	

Statement of Compliance

As of January 31, 2021



Northern California Cities Self-Insurance Fund - Short Term

The portfolio complies with state law and with the Client's investment policy.

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Government & Agencies	No limitation; Include: mortgage-backed, mortgage passthrough securities, and collateralized mortgage obligations issued by the federal government or federal agency/GSE issuers	Complies
Supranationals	AA rating category or better by a NRSRO; 30% maximum; 5 years max maturity; Issued by IBRD, IFC or IADB only	Complies
Municipal Securities	5 years max maturity	Complies
Asset-Backed & Mortgage-Backed Securities	AA rating category or better by a NRSRO; 20% maximum; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A-1/P-1 by a NRSRO; 25% maximum; 270 days max maturity	Complies
Corporate Medium Term Notes	A rating category or better by a NRSRO; 30% maximum; 5 years max maturity	Complies
Money Market Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit; Collateralized Bank Deposits	5 years max maturity	Complies
LAIF	Maximum as law permits	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
Prohibited	Common or preferred stocks, convertible or junk bonds, commodities, options, limited partnerships, GICs, Reverse repurchase agreements, uninsured deposits, Inverse floaters; ranges notes, mortgage derived, interest only strips, Zero interest accrual securities if held to maturity; Investments denominated in Non-USD; Collateralized Mortgage Obligations (CMOs) with collateral not specifically GNMA, FHLMC, or FNMA; Purchasing or selling securities on margin Securities lending or any other form of borrowing or leverage	Complies
Max Per Issuer	5% per issuer or institution unless explicitly stated in the policy, excluding U.S. government, agency, investment pool, and money market funds	Complies
Maximum Maturity	10 years	Complies

Reconciliation Summary

As of January 31, 2021



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$27,351,253.90
Acquisition		
+ Security Purchases	\$1,138,060.35	
+ Money Market Fund Purchases	\$95,872.48	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,233,932.83
Dispositions		
- Security Sales	\$1,013,964.06	
- Money Market Fund Sales	\$121,059.02	
- MMF Withdrawals	\$912.50	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$52,799.53	
Total Dispositions		\$1,188,735.11
Amortization/Accretion		
+/- Net Accretion	(\$2,516.26)	
		(\$2,516.26)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$24,055.09	
		\$24,055.09
ENDING BOOK VALUE		\$27,417,990.45

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$59,178.28
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$1,013,964.06	
Accrued Interest Received	\$4,242.95	
Interest Received	\$43,072.23	
Dividend Received	\$0.72	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$52,799.53	
Total Acquisitions	\$1,114,079.49	
Dispositions		
Withdrawals	\$912.50	
Security Purchase	\$1,138,060.35	
Accrued Interest Paid	\$1,205.68	
Total Dispositions	\$1,140,178.53	
ENDING BOOK VALUE		\$33,079.24



Northern Cal. Cities Self Ins. Fund Long Term - Account #171

MONTHLY ACCOUNT STATEMENT

JANUARY 1, 2021 THROUGH JANUARY 31, 2021

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	3.70
Average Coupon	2.09%
Average Purchase YTM	2.02%
Average Market YTM	0.46%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	4.00 yrs
Average Life	3.89 yrs

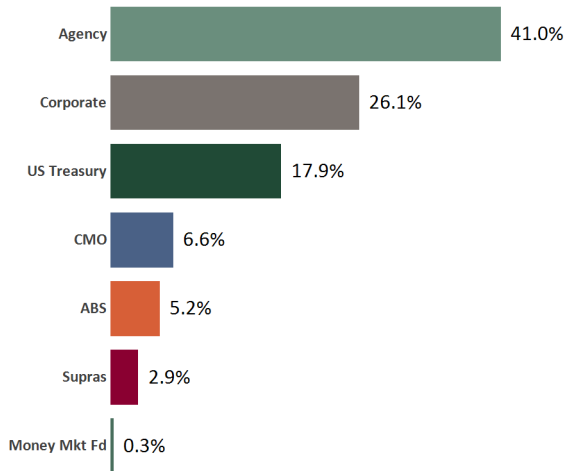
ACCOUNT SUMMARY

	Beg. Values as of 12/31/20	End Values as of 1/31/21
Market Value	30,007,052	29,935,083
Accrued Interest	148,157	143,992
Total Market Value	30,155,209	30,079,075
Income Earned	49,088	48,669
Cont/WD		0
Par	28,378,973	28,473,720
Book Value	28,451,489	28,536,698
Cost Value	28,435,584	28,517,500

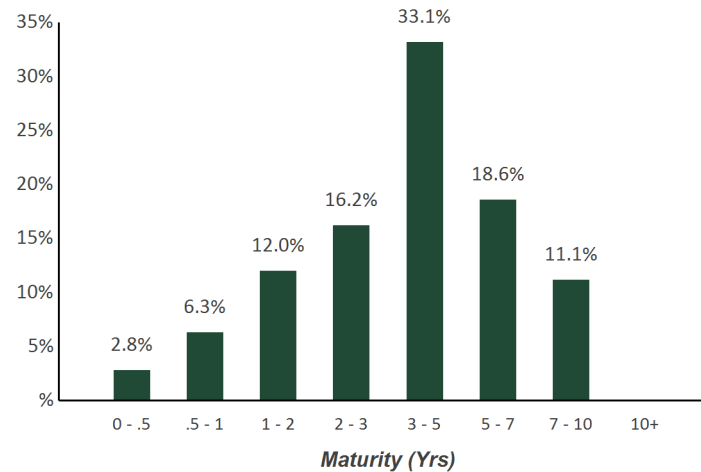
TOP ISSUERS

Government of United States	17.9%
Federal National Mortgage Assoc	16.2%
Federal Home Loan Bank	15.6%
Federal Home Loan Mortgage Corp	12.1%
Tennessee Valley Authority	3.6%
Inter-American Dev Bank	2.9%
US Bancorp	1.5%
State Street Bank	1.4%
Total	71.3%

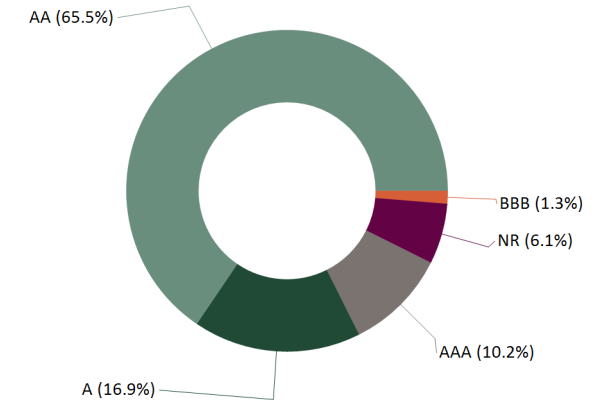
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized									
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	5/31/2006	
Northern Cal. Cities Self Ins. Fund Long Term	-0.25%	0.23%	-0.25%	4.49%	5.48%	4.57%	2.90%	2.78%	3.90%	
ICE BAML 1-10 Yr US Treasury/Agency Index	-0.28%	-0.12%	-0.28%	3.89%	5.00%	4.27%	2.48%	2.42%	3.51%	
ICE BAML 1-10 Yr US Corporate/Govt Rated AAA-A Idx	-0.29%	0.08%	-0.29%	4.23%	5.46%	4.55%	2.88%	2.77%	3.70%	

Statement of Compliance

As of January 31, 2021



Northern California Cities Self-Insurance Fund - Long Term

The portfolio complies with state law and with the Client's investment policy.

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Government & Agencies	No limitation; Include: mortgage-backed, mortgage passthrough securities, and collateralized mortgage obligations issued by the federal government or federal agency/GSE issuers	Complies
Supranationals	AA rating category or better by a NRSRO; 30% maximum; 5 years max maturity; Issued by IBRD, IFC or IADB only	Complies
Municipal Securities	5 years max maturity	Complies
Asset-Backed & Mortgage-Backed Securities	AA rating category or better by a NRSRO; 20% maximum; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A-1/P-1 by a NRSRO; 25% maximum; 270 days max maturity	Complies
Corporate Medium Term Notes	A rating category or better by a NRSRO; 30% maximum; 5 years max maturity	Complies
Money Market Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit; Collateralized Bank Deposits	5 years max maturity	Complies
LAIF	Maximum as law permits	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
Prohibited	Common or preferred stocks, convertible or junk bonds, commodities, options, limited partnerships, GICs, Reverse repurchase agreements, uninsured deposits, Inverse floaters; ranges notes, mortgage derived, interest only strips, Zero interest accrual securities if held to maturity; Investments denominated in Non-USD; Collateralized Mortgage Obligations (CMOs) with collateral not specifically GNMA, FHLMC, or FNMA; Purchasing or selling securities on margin Securities lending or any other form of borrowing or leverage	Complies
Max Per Issuer	5% per issuer or institution unless explicitly stated in the policy, excluding U.S. government, agency, investment pool, and money market funds	Complies
Maximum Maturity	10 years	Complies

Reconciliation Summary

As of January 31, 2021



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$28,451,488.79
Acquisition		
+ Security Purchases	\$439,476.88	
+ Money Market Fund Purchases	\$76,934.73	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$516,411.61
Dispositions		
- Security Sales	\$445,083.70	
- Money Market Fund Sales	\$0.00	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$17,187.93	
Total Dispositions		\$462,271.63
Amortization/Accretion		
+/- Net Accretion	(\$1,305.85)	
		(\$1,305.85)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$32,375.26	
		\$32,375.26
ENDING BOOK VALUE		\$28,536,698.18

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$19,533.09
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$445,083.70	
Accrued Interest Received	\$3,736.98	
Interest Received	\$51,341.91	
Dividend Received	\$0.75	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$17,187.93	
Total Acquisitions	\$517,351.27	
Dispositions		
Withdrawals	\$0.00	
Security Purchase	\$439,476.88	
Accrued Interest Paid	\$939.66	
Total Dispositions	\$440,416.54	
ENDING BOOK VALUE		\$96,467.82



Northern CA Cities Self Ins. Fund Short Term - Account #170

MONTHLY ACCOUNT STATEMENT

FEBRUARY 1, 2021 THROUGH FEBRUARY 28, 2021

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.53
Average Coupon	1.85%
Average Purchase YTM	1.73%
Average Market YTM	0.45%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.81 yrs
Average Life	2.60 yrs

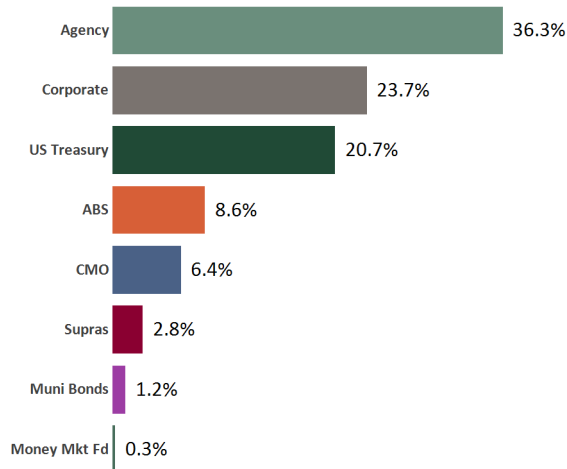
ACCOUNT SUMMARY

	Beg. Values as of 1/31/21	End Values as of 2/28/21
Market Value	28,264,662	28,159,405
Accrued Interest	112,383	116,244
Total Market Value	28,377,045	28,275,649
Income Earned	41,059	40,488
Cont/WD		0
Par	27,325,467	27,384,865
Book Value	27,417,990	27,470,830
Cost Value	27,450,479	27,506,947

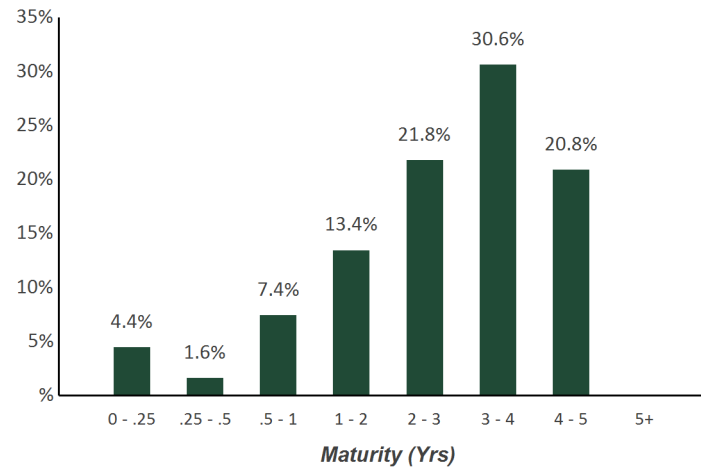
TOP ISSUERS

Government of United States	20.7%
Federal Home Loan Mortgage Corp	16.8%
Federal National Mortgage Assoc	16.2%
Federal Home Loan Bank	9.7%
John Deere ABS	2.1%
Honda ABS	2.1%
Inter-American Dev Bank	1.9%
Deere & Company	1.4%
Total	70.9%

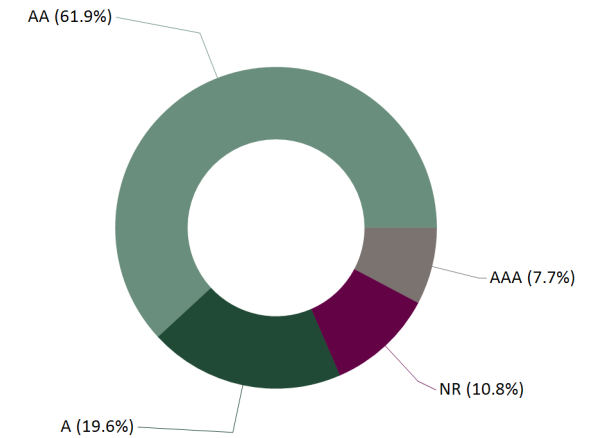
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized									
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	12/31/1997	
Northern CA Cities Self Ins. Fund Short Term	-0.36%	-0.20%	-0.37%	2.27%	4.04%	3.64%	2.28%	1.98%	3.82%	
ICE BAML 1-5 Year US Treasury/Agency Index	-0.38%	-0.35%	-0.42%	1.72%	3.80%	3.39%	1.97%	1.73%	3.50%	
ICE BAML 1-5 Yr US Issuers Corp/Govt Rtd AAA-A Idx	-0.38%	-0.33%	-0.42%	1.89%	3.93%	3.51%	2.12%	1.87%	3.61%	

Statement of Compliance

As of February 28, 2021



Northern California Cities Self-Insurance Fund - Short Term

The portfolio complies with state law and with the Client's investment policy.

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Government & Agencies	No limitation; Include: mortgage-backed, mortgage passthrough securities, and collateralized mortgage obligations issued by the federal government or federal agency/GSE issuers	Complies
Supranationals	AA rating category or better by a NRSRO; 30% maximum; 5 years max maturity; Issued by IBRD, IFC or IADB only	Complies
Municipal Securities	5 years max maturity	Complies
Asset-Backed & Mortgage-Backed Securities	AA rating category or better by a NRSRO; 20% maximum; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A-1/P-1 by a NRSRO; 25% maximum; 270 days max maturity	Complies
Corporate Medium Term Notes	A rating category or better by a NRSRO; 30% maximum; 5 years max maturity	Complies
Money Market Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit; Collateralized Bank Deposits	5 years max maturity	Complies
LAIF	Maximum as law permits	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
Prohibited	Common or preferred stocks, convertible or junk bonds, commodities, options, limited partnerships, GICs, Reverse repurchase agreements, uninsured deposits, Inverse floaters; ranges notes, mortgage derived, interest only strips, Zero interest accrual securities if held to maturity; Investments denominated in Non-USD; Collateralized Mortgage Obligations (CMOs) with collateral not specifically GNMA, FHLMC, or FNMA; Purchasing or selling securities on margin Securities lending or any other form of borrowing or leverage	Complies
Max Per Issuer	5% per issuer or institution unless explicitly stated in the policy, excluding U.S. government, agency, investment pool, and money market funds	Complies
Maximum Maturity	10 years	Complies

Reconciliation Summary

As of February 28, 2021



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$27,417,990.45
Acquisition		
+ Security Purchases	\$893,100.80	
+ Money Market Fund Purchases	\$391,308.10	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,284,408.90
Dispositions		
- Security Sales	\$808,392.80	
- Money Market Fund Sales	\$350,206.45	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$86,703.72	
Total Dispositions		\$1,245,302.97
Amortization/Accretion		
+/- Net Accretion	(\$2,479.51)	
		(\$2,479.51)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$16,212.65	
		\$16,212.65
ENDING BOOK VALUE		\$27,470,829.52

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$33,079.24
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$808,392.80	
Accrued Interest Received	\$900.17	
Interest Received	\$38,777.83	
Dividend Received	\$0.56	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$86,703.72	
Total Acquisitions	\$934,775.08	
Dispositions		
Withdrawals	\$0.00	
Security Purchase	\$893,100.80	
Accrued Interest Paid	\$572.63	
Total Dispositions	\$893,673.43	
ENDING BOOK VALUE		\$74,180.89



Northern Cal. Cities Self Ins. Fund Long Term - Account #171

MONTHLY ACCOUNT STATEMENT

FEBRUARY 1, 2021 THROUGH FEBRUARY 28, 2021

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

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PORTFOLIO CHARACTERISTICS

Average Modified Duration	3.71
Average Coupon	2.05%
Average Purchase YTM	2.00%
Average Market YTM	0.68%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	4.05 yrs
Average Life	3.91 yrs

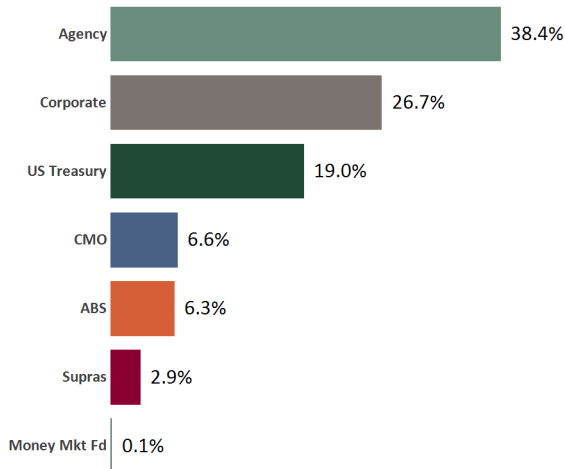
ACCOUNT SUMMARY

	Beg. Values as of 1/31/21	End Values as of 2/28/21
Market Value	29,935,083	29,665,461
Accrued Interest	143,992	145,117
Total Market Value	30,079,075	29,810,578
Income Earned	48,669	48,541
Cont/WD		0
Par	28,473,720	28,573,235
Book Value	28,536,698	28,614,206
Cost Value	28,517,500	28,597,447

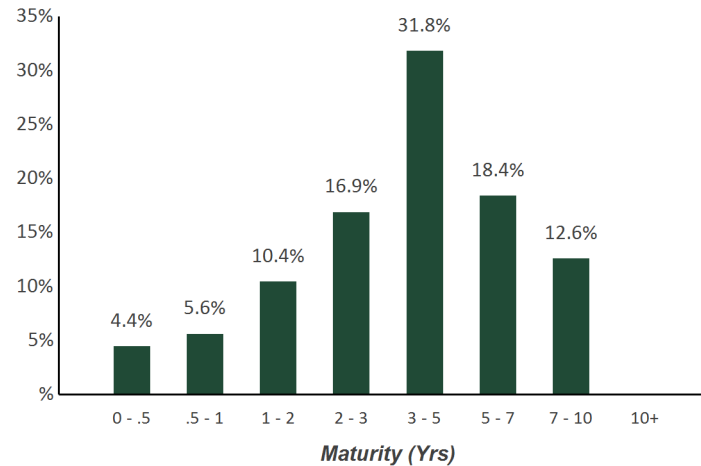
TOP ISSUERS

Government of United States	19.0%
Federal Home Loan Bank	15.4%
Federal National Mortgage Assoc	15.4%
Federal Home Loan Mortgage Corp	10.4%
Tennessee Valley Authority	3.6%
Inter-American Dev Bank	2.9%
Toyota ABS	1.8%
US Bancorp	1.5%
Total	70.2%

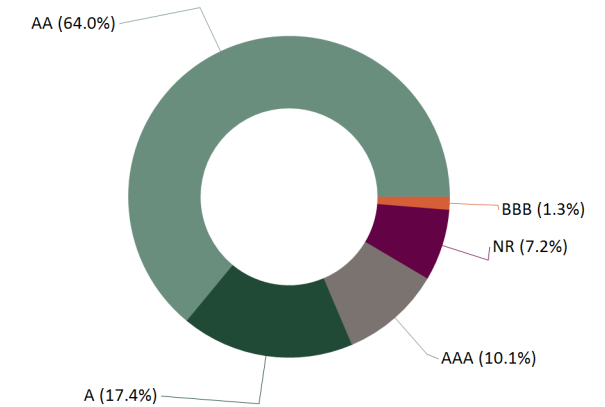
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized									
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	5/31/2006	
Northern Cal. Cities Self Ins. Fund Long Term	-0.89%	-0.90%	-1.14%	2.11%	4.95%	4.37%	2.63%	2.70%	3.81%	
ICE BAML 1-10 Yr US Treasury/Agency Index	-0.96%	-1.20%	-1.23%	1.28%	4.53%	4.03%	2.19%	2.35%	3.43%	
ICE BAML 1-10 Yr US Corporate/Govt Rated AAA-A Idx	-0.94%	-1.14%	-1.23%	1.74%	4.94%	4.35%	2.58%	2.68%	3.61%	

Statement of Compliance

As of February 28, 2021



Northern California Cities Self-Insurance Fund - Long Term

The portfolio complies with state law and with the Client's investment policy.

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Government & Agencies	No limitation; Include: mortgage-backed, mortgage passthrough securities, and collateralized mortgage obligations issued by the federal government or federal agency/GSE issuers	Complies
Supranationals	AA rating category or better by a NRSRO; 30% maximum; 5 years max maturity; Issued by IBRD, IFC or IADB only	Complies
Municipal Securities	5 years max maturity	Complies
Asset-Backed & Mortgage-Backed Securities	AA rating category or better by a NRSRO; 20% maximum; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A-1/P-1 by a NRSRO; 25% maximum; 270 days max maturity	Complies
Corporate Medium Term Notes	A rating category or better by a NRSRO; 30% maximum; 5 years max maturity	Complies
Money Market Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit; Collateralized Bank Deposits	5 years max maturity	Complies
LAIF	Maximum as law permits	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
Prohibited	Common or preferred stocks, convertible or junk bonds, commodities, options, limited partnerships, GICs, Reverse repurchase agreements, uninsured deposits, Inverse floaters; ranges notes, mortgage derived, interest only strips, Zero interest accrual securities if held to maturity; Investments denominated in Non-USD; Collateralized Mortgage Obligations (CMOs) with collateral not specifically GNMA, FHLMC, or FNMA; Purchasing or selling securities on margin Securities lending or any other form of borrowing or leverage	Complies
Max Per Issuer	5% per issuer or institution unless explicitly stated in the policy, excluding U.S. government, agency, investment pool, and money market funds	Complies
Maximum Maturity	10 years	Complies

Reconciliation Summary

As of February 28, 2021



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$28,536,698.18
Acquisition		
+ Security Purchases	\$967,660.88	
+ Money Market Fund Purchases	\$408,483.94	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,376,144.82
Dispositions		
- Security Sales	\$838,658.46	
- Money Market Fund Sales	\$464,809.32	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$24,159.29	
Total Dispositions		\$1,327,627.07
Amortization/Accretion		
+/- Net Accretion	(\$1,102.82)	
		(\$1,102.82)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$30,092.79	
		\$30,092.79
ENDING BOOK VALUE		\$28,614,205.90

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$96,467.82
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$838,658.46	
Accrued Interest Received	\$2,692.80	
Interest Received	\$47,093.45	
Dividend Received	\$0.49	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$24,159.29	
Total Acquisitions	\$912,604.49	
Dispositions		
Withdrawals	\$0.00	
Security Purchase	\$967,660.88	
Accrued Interest Paid	\$1,268.99	
Total Dispositions	\$968,929.87	
ENDING BOOK VALUE		\$40,142.44



Northern CA Cities Self Ins. Fund Short Term - Account #170

MONTHLY ACCOUNT STATEMENT

MARCH 1, 2021 THROUGH MARCH 31, 2021

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

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PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.56
Average Coupon	1.78%
Average Purchase YTM	1.67%
Average Market YTM	0.48%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.84 yrs
Average Life	2.62 yrs

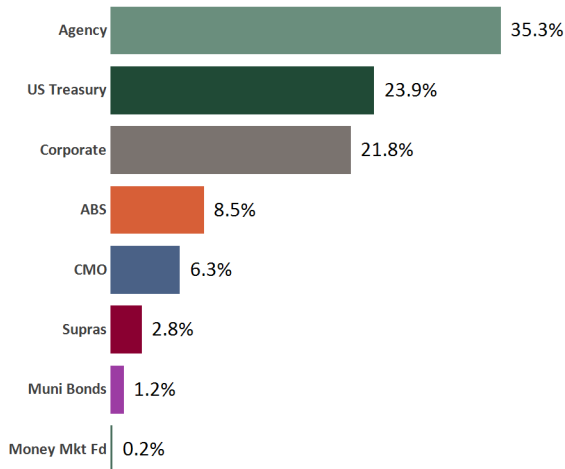
ACCOUNT SUMMARY

	Beg. Values as of 2/28/21	End Values as of 3/31/21
Market Value	28,159,405	28,140,818
Accrued Interest	116,244	96,708
Total Market Value	28,275,649	28,237,526
Income Earned	40,488	49,353
Cont/WD		0
Par	27,384,865	27,465,616
Book Value	27,470,830	27,539,975
Cost Value	27,506,947	27,572,017

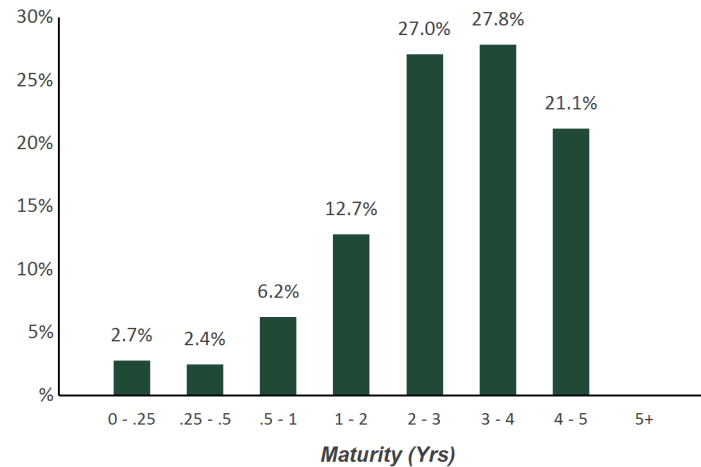
TOP ISSUERS

Government of United States	23.9%
Federal Home Loan Mortgage Corp	16.7%
Federal National Mortgage Assoc	15.2%
Federal Home Loan Bank	9.7%
Honda ABS	2.0%
John Deere ABS	2.0%
Inter-American Dev Bank	1.9%
Honda Motor Corporation	1.3%
Total	72.8%

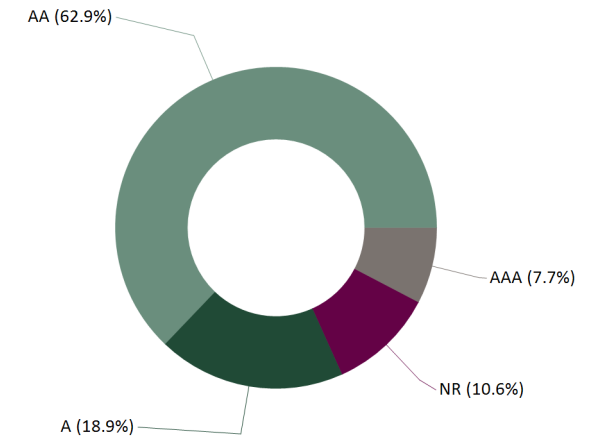
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized									
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	12/31/1997	
Northern CA Cities Self Ins. Fund Short Term	-0.13%	-0.50%	-0.50%	1.63%	3.57%	3.52%	2.18%	1.97%	3.80%	
ICE BAML 1-5 Year US Treasury/Agency Index	-0.10%	-0.52%	-0.52%	-0.07%	3.31%	3.25%	1.91%	1.72%	3.48%	
ICE BAML 1-5 Yr US Issuers Corp/Govt Rtd AAA-A Idx	-0.11%	-0.54%	-0.54%	0.49%	3.43%	3.38%	2.03%	1.86%	3.59%	

Statement of Compliance

As of March 31, 2021



Northern California Cities Self-Insurance Fund - Short Term

The portfolio complies with state law and with the Client's investment policy.

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Government & Agencies	No limitation; Include: mortgage-backed, mortgage passthrough securities, and collateralized mortgage obligations issued by the federal government or federal agency/GSE issuers	Complies
Supranationals	AA rating category or better by a NRSRO; 30% maximum; 5 years max maturity; Issued by IBRD, IFC or IADB only	Complies
Municipal Securities	5 years max maturity	Complies
Asset-Backed & Mortgage-Backed Securities	AA rating category or better by a NRSRO; 20% maximum; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A-1/P-1 by a NRSRO; 25% maximum; 270 days max maturity	Complies
Corporate Medium Term Notes	A rating category or better by a NRSRO; 30% maximum; 5 years max maturity	Complies
Money Market Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit; Collateralized Bank Deposits	5 years max maturity	Complies
LAIF	Maximum as law permits	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
Prohibited	Common or preferred stocks, convertible or junk bonds, commodities, options, limited partnerships, GICs, Reverse repurchase agreements, uninsured deposits, Inverse floaters; ranges notes, mortgage derived, interest only strips, Zero interest accrual securities if held to maturity; Investments denominated in Non-USD; Collateralized Mortgage Obligations (CMOs) with collateral not specifically GNMA, FHLMC, or FNMA; Purchasing or selling securities on margin Securities lending or any other form of borrowing or leverage	Complies
Max Per Issuer	5% per issuer or institution unless explicitly stated in the policy, excluding U.S. government, agency, investment pool, and money market funds	Complies
Maximum Maturity	10 years	Complies

Reconciliation Summary

As of March 31, 2021



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$27,470,829.52
Acquisition		
+ Security Purchases	\$1,258,803.62	
+ Money Market Fund Purchases	\$985,315.47	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$2,244,119.09
Dispositions		
- Security Sales	\$254,997.45	
- Money Market Fund Sales	\$1,004,317.30	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$550,000.00	
- Calls	\$318,844.65	
- Principal Paydowns	\$55,247.96	
Total Dispositions		\$2,183,407.36
Amortization/Accretion		
+/- Net Accretion	\$8,177.97	
		\$8,177.97
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$255.29	
		\$255.29
ENDING BOOK VALUE		\$27,539,974.51

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$74,180.89
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$254,997.45	
Accrued Interest Received	\$219.58	
Interest Received	\$60,881.06	
Dividend Received	\$0.80	
Principal on Maturities	\$550,000.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$318,844.65	
Interest from Calls/Redemption	\$341.00	
Principal Paydown	\$55,247.96	
Total Acquisitions	\$1,240,532.50	
Dispositions		
Withdrawals	\$0.00	
Security Purchase	\$1,258,803.62	
Accrued Interest Paid	\$730.71	
Total Dispositions	\$1,259,534.33	
ENDING BOOK VALUE		\$55,179.06



Northern Cal. Cities Self Ins. Fund Long Term - Account #171

MONTHLY ACCOUNT STATEMENT

MARCH 1, 2021 THROUGH MARCH 31, 2021

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

Bank of New York Mellon
Lauren Dehner
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CHANDLER ASSET MANAGEMENT
chandlerasset.com

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PORTFOLIO CHARACTERISTICS

Average Modified Duration	3.81
Average Coupon	1.99%
Average Purchase YTM	1.95%
Average Market YTM	0.80%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	4.16 yrs
Average Life	4.01 yrs

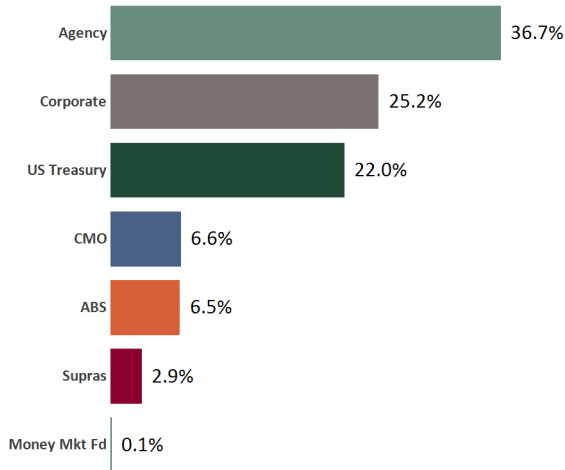
ACCOUNT SUMMARY

	Beg. Values as of 2/28/21	End Values as of 3/31/21
Market Value	29,665,461	29,560,168
Accrued Interest	145,117	107,244
Total Market Value	29,810,578	29,667,412
Income Earned	48,541	58,277
Cont/WD		0
Par	28,573,235	28,732,633
Book Value	28,614,206	28,728,889
Cost Value	28,597,447	28,719,929

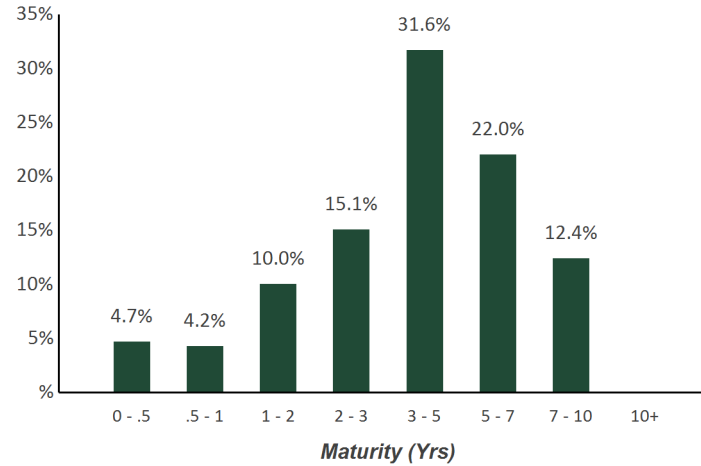
TOP ISSUERS

Government of United States	22.0%
Federal Home Loan Bank	15.3%
Federal National Mortgage Assoc	13.9%
Federal Home Loan Mortgage Corp	10.4%
Tennessee Valley Authority	3.6%
Inter-American Dev Bank	2.9%
Deere & Company	1.9%
Toyota ABS	1.8%
Total	71.9%

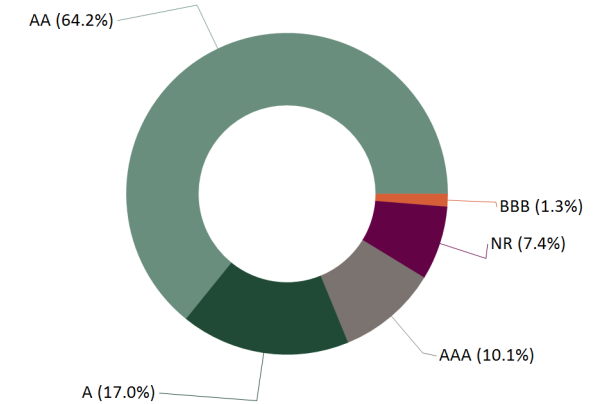
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized									
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	5/31/2006	
Northern Cal. Cities Self Ins. Fund Long Term	-0.48%	-1.62%	-1.62%	0.93%	4.09%	4.07%	2.45%	2.64%	3.76%	
ICE BAML 1-10 Yr US Treasury/Agency Index	-0.48%	-1.71%	-1.71%	-1.32%	3.66%	3.69%	2.05%	2.30%	3.37%	
ICE BAML 1-10 Yr US Corporate/Govt Rated AAA-A Idx	-0.54%	-1.77%	-1.77%	0.23%	4.01%	4.03%	2.39%	2.62%	3.56%	

Statement of Compliance

As of March 31, 2021



Northern California Cities Self-Insurance Fund - Long Term

The portfolio complies with state law and with the Client's investment policy.

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Government & Agencies	No limitation; Include: mortgage-backed, mortgage passthrough securities, and collateralized mortgage obligations issued by the federal government or federal agency/GSE issuers	Complies
Supranationals	AA rating category or better by a NRSRO; 30% maximum; 5 years max maturity; Issued by IBRD, IFC or IADB only	Complies
Municipal Securities	5 years max maturity	Complies
Asset-Backed & Mortgage-Backed Securities	AA rating category or better by a NRSRO; 20% maximum; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A-1/P-1 by a NRSRO; 25% maximum; 270 days max maturity	Complies
Corporate Medium Term Notes	A rating category or better by a NRSRO; 30% maximum; 5 years max maturity	Complies
Money Market Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Mutual Funds	Highest ratings by two NRSROs; 20% maximum	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit; Collateralized Bank Deposits	5 years max maturity	Complies
LAIF	Maximum as law permits	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
Prohibited	Common or preferred stocks, convertible or junk bonds, commodities, options, limited partnerships, GICs, Reverse repurchase agreements, uninsured deposits, Inverse floaters; ranges notes, mortgage derived, interest only strips, Zero interest accrual securities if held to maturity; Investments denominated in Non-USD; Collateralized Mortgage Obligations (CMOs) with collateral not specifically GNMA, FHLMC, or FNMA; Purchasing or selling securities on margin Securities lending or any other form of borrowing or leverage	Complies
Max Per Issuer	5% per issuer or institution unless explicitly stated in the policy, excluding U.S. government, agency, investment pool, and money market funds	Complies
Maximum Maturity	10 years	Complies

Reconciliation Summary

As of March 31, 2021



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$28,614,205.90
Acquisition		
+ Security Purchases	\$1,736,718.95	
+ Money Market Fund Purchases	\$745,994.43	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$2,482,713.38
Dispositions		
- Security Sales	\$975,753.19	
- Money Market Fund Sales	\$757,981.40	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$325,000.00	
- Calls	\$323,987.30	
- Principal Paydowns	\$13,615.52	
Total Dispositions		\$2,396,337.41
Amortization/Accretion		
+/- Net Accretion	\$9,773.47	
		\$9,773.47
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$18,533.89	
		\$18,533.89
ENDING BOOK VALUE		\$28,728,889.23

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$40,142.44
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$975,753.19	
Accrued Interest Received	\$4,434.73	
Interest Received	\$83,044.37	
Dividend Received	\$0.74	
Principal on Maturities	\$325,000.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$323,987.30	
Interest from Calls/Redemption	\$346.50	
Principal Paydown	\$13,615.52	
Total Acquisitions	\$1,726,182.35	
Dispositions		
Withdrawals	\$0.00	
Security Purchase	\$1,736,718.95	
Accrued Interest Paid	\$1,450.37	
Total Dispositions	\$1,738,169.32	
ENDING BOOK VALUE		\$28,155.47



BETTY T. YEE

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name NO CAL CITIES SELF INSUR FUND

Account Number 35-11-001

As of 01/15/2021, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 12/31/2020.

Earnings Ratio		.00001719170547343
Interest Rate		0.63%
Dollar Day Total	\$	1,504,856,135.40
Quarter End Principal Balance	\$	15,866,481.53
Quarterly Interest Earned	\$	25,871.04

NCCSIF

Northern California Cities Self Insurance Fund

c/o Alliant Insurance Services, Inc.

Corporate Insurance License No. 0C36861

Main Location: 2180 Harvard Street, Suite 460, Sacramento, CA 95815 * (916) 643-2700 * Facsimile: (916) 643-2750
Accounting Location: Mr. James Marta, James Marta & Company, 701 Howe Avenue, Suite E3, Sacramento, CA 95825 * (916) 993-9494

NCCSIF INVESTMENT REPORT FOR THE QUARTER ENDING December 31, 2020

	MARKET VALUE
CASH:	
(1) Tri Counties Checking	\$ 250,966.13
(2) Local Agency Inv Fund (LAIF)	15,866,481.53
Total Cash	<u>16,117,447.66</u>
INVESTMENTS (Unrestricted):	
(3) Chandler Investments	
Account no. 170	28,265,783.00
Account no. 171	30,007,052.00
Total Unrestricted Investments	<u>58,272,835.00</u>
TOTAL CASH AND INVESTMENTS	<u>\$ 74,390,282.66</u>

- (1) This consists of one checking account and two pass-thru accounts (liability and workers comp claims).
- (2) The LAIF rate of return as of quarter ended December 31, 2020 0.58%
- (3) See attached Investment Activity Reports.

THIS PORTFOLIO IS IN COMPLIANCE WITH NCCSIF'S INVESTMENT POLICY AND IS LIQUID ENOUGH TO MEET EXPECTED CASH FLOW NEEDS OVER THE NEXT SIX MONTHS.



Jen Lee, Treasurer

2/3/21

Date

A Joint Powers Authority

Members: Cities of Anderson, Auburn, Colusa, Corning, Dixon, Elk Grove, Folsom, Galt, Gridley, Ione, Jackson, Lincoln, Marysville, Nevada City, Oroville, Town of Paradise, Placerville, Red Bluff, Rio Vista, Rocklin, Willows and Yuba City.

NCCSIF Workers' Compensation Update



sedgwick®
caring counts

April 2021

© 2019 Sedgwick

Workers' Compensation Update:

COVID-19:

- We continue to recover from the COVID-19 pandemic that has gripped the world over the last year. For the NCCSIF pool, there have been 115 COVID-19 workers' compensation claims submitted with a per claim average of just under \$3,000 in severity. We are seeing a significant decrease in new claim reporting from the high of 42 claims reported in the month of July. Of the 115 claims reported, only 8 remain open as of 3/31/2021.

Claim Trends:

- This last year has definitely been one for the record books. For the year ending 3/31/2021, there was a significant increase in new claims at 259 as compared to 3/31/2019 at 162 and 3/31/2020 at 185 new claims. On a positive note, our closing ratio for year ending 3/31/2021 increased to 107% which is tremendous considering the influx of new claims and delays in resolving claims. COVID-19 brought many pending claims to a stand-still due to delays in medical evaluations and the Workers' Compensation Appeals Board. For the year ending 3/31/2021, settlements were down to 53 as compared to 125 for the previous year.

Questions About Claims?

- We can schedule a telephonic file review to discuss your claims or answer any questions you may have about the claims process. We are here to help!



NCCSIF Workers' Compensation Update: April 2021

Alyssa Marchuk
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Folsom, Ione, Jackson, Lincoln, Nevada City,
Rio Vista, Rocklin

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Future Medical claims

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Kristin Farley
Claims Examiner
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Medical Only claims

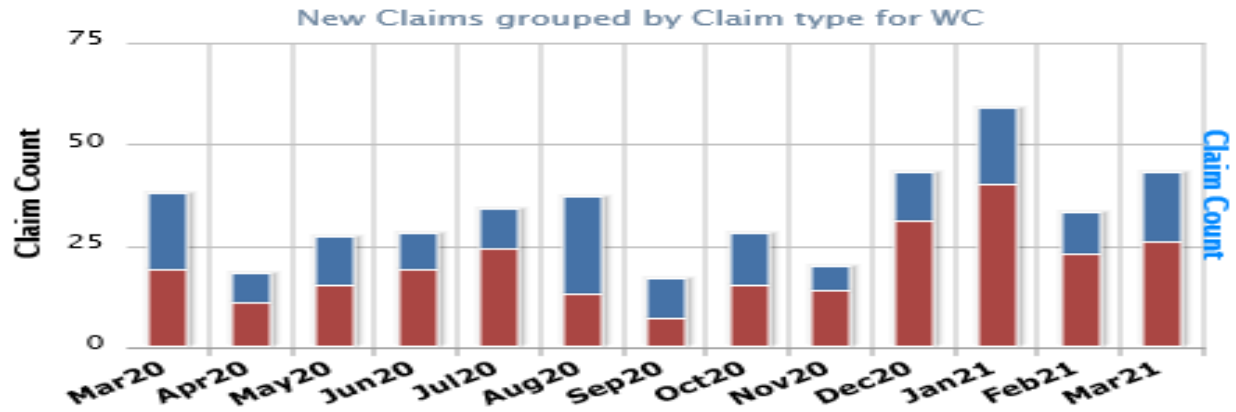
Steven Scott
Team Lead
(916) 960-0946
steven.scott@sedgwick.com



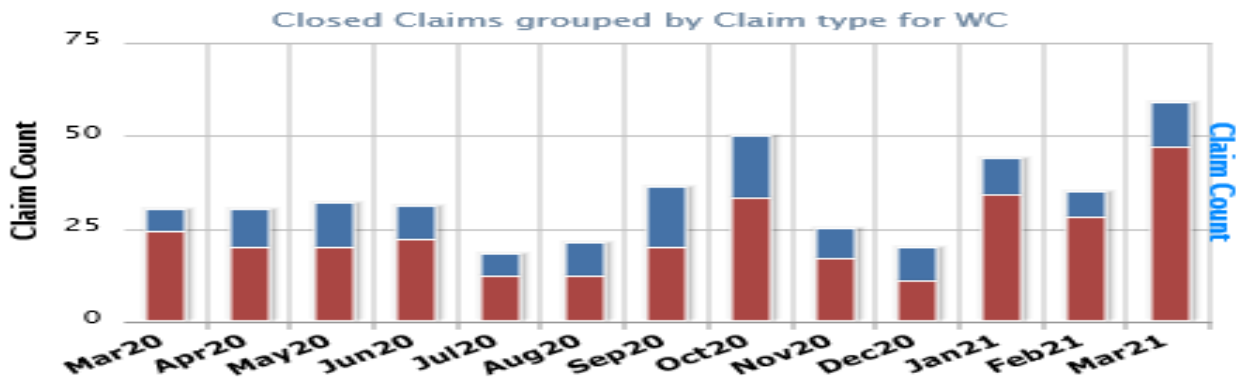
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NCCSIF Workers' Compensation Update: April 2021

New Claims grouped by Claim type for WC



Closed Claims grouped by Claim type for WC





President
Mr. Dave Warren
City of Placerville

Vice President
Mr. Jose Jasso
City of Rio Vista

Treasurer
Ms. Jen Lee
City of Rio Vista

Secretary
Ms. Jennifer Styczynski
City of Marysville

ADDITIONAL COMMISSION "OPT OUT"

Attn: General Counsel
Alliant Insurance Services, Inc.
701 B Street, 6th Floor
San Diego, CA 92101

RE: Additional Commission "Opt Out"

Please be advised that **Northern California Cities Self Insurance Fund (NCCSIF)** has elected to have the premium associated with the following policy(s) specified below for the indicated policy period(s) excluded from consideration in any and all:

- X Contingent income agreements
- X Supplemental income agreements

<u>Policy #</u>	<u>Policy Period</u>
<u>APIP2020 (Dec 04) (APIP)</u>	<u>July 1, 2020 to July 1, 2021</u>
<u>01-544-10-04 (ACIP)</u>	<u>July 1, 2020 to July 1, 2021</u>

Sincerely,

Northern California Cities Self Insurance Fund

By: Dave Warren

Title: President

Dated: 11/09/20

January 2021
CLAIMS AUDIT REPORT

**Northern California Cities Self Insurance Fund
TPA Sedgwick**



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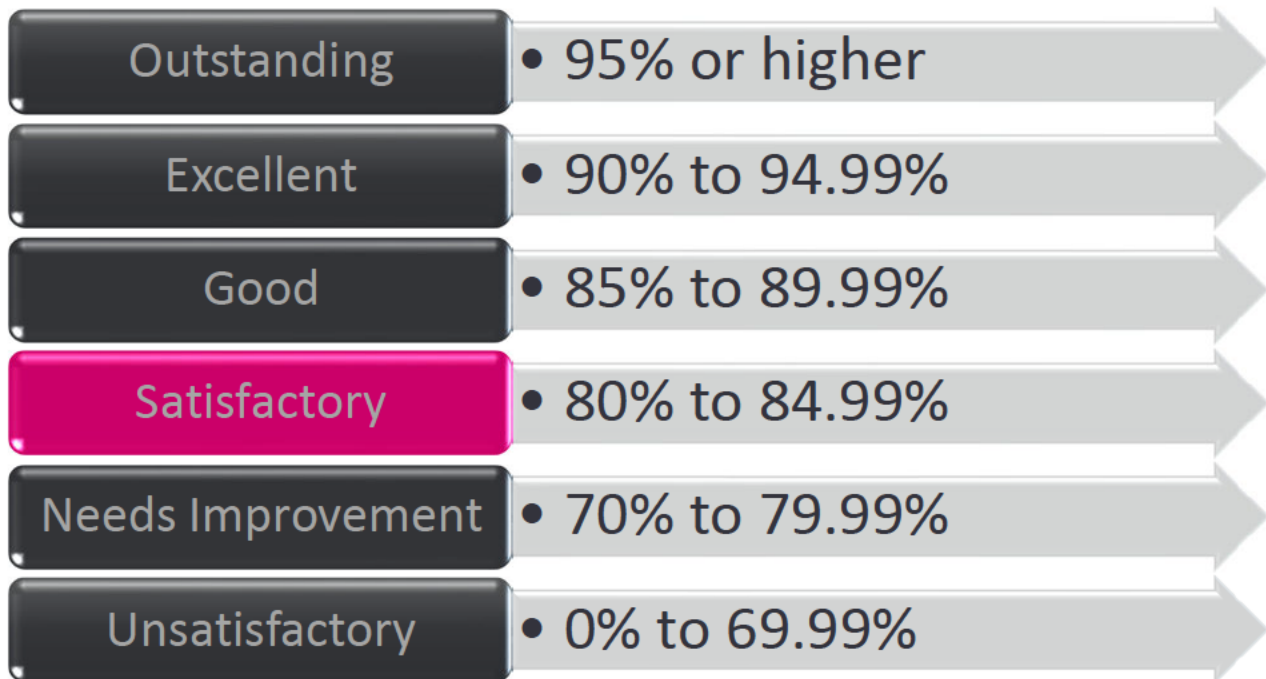
Attachment I – Audit Cross Reference List

Attachment II – Audit Worksheets

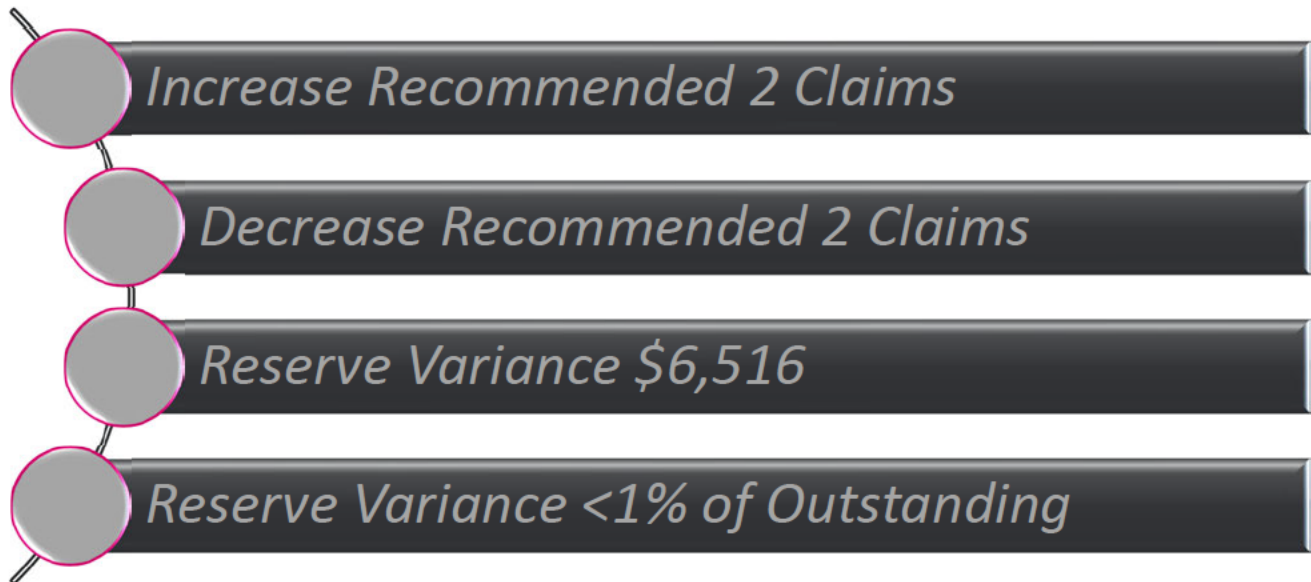
EXECUTIVE SUMMARY

This section will serve as an overview of the audit findings, workload information and recommendations. The *final score for this audit is 84.93% which falls within the Satisfactory category of the audit scale.*

Category	Points Available	Points	Score
Communication	51	42	82.35%
Compensability	21	20	95.24%
Benefit Payment & Notices	69	53	76.81%
Medical & Disability Management	136	135	99.26%
Litigation Management	21	18	85.71%
Investigation	1	1	100.00%
Recovery	33	31	93.94%
Excess	18	11	61.11%
Resolution of Claim	44	35	79.55%
Plan of Action	145	103	71.03%
Supervision	140	119	85.00%
Reserves	137	125	91.24%
Overall Score	816	693	84.93%



Reserve Detail



Performance Strengths

Outstanding results were achieved in the categories of adjuster caseload, initial employer contact, initial employee contact, initial claim investigations, proper final decisions to accept or deny the claim, award payments timely made, proper use of UR, proper use of NCM, proper use of the MPN, appropriate referrals to approved defense counsel, ongoing investigation, claim indexing, recognition and pursuit of subrogation, initial excess reporting, excess reimbursement requests, settlement valuations, obtaining client settlement authority, timely claim closure, quality of supervisor reviews and initial reserves.

Initial three-point contacts with the employee are routinely completed timely and are of good quality.

Temporary and permanent disability benefits were issued timely in most of the files audited.

All aspects of medical management were strong.

The current file reserves on most of the files audited were on point relative to the ultimate claim costs. Proper OSIP reserving was established on the future medical files.

Performance Improvement Recommendations

When the initial TD benefit is triggered an automatic 30-day diary should be set to maintain employee contact while the employee is off work. Likewise, when surgery is approved a diary should be set to secure the surgery date so that contact can be made within three business days of the procedure. We recommend ongoing contact on claims where no TD is being paid when the claim progression is stalled.

We recommend evaluation of the current workflows to ensure that benefit notices are timely issued upon commencement or ending of temporary disability, 4850 or permanent disability benefits. Further, permanent disability delay decisions were missed in a handful of files. Better use of the diary system could help improve the timeliness of those notifications.

There were two files where apportionment potential existed and was not properly identified and pursued. We recommend additional training on how to spot, document and trigger action to timely pursue apportionment opportunities.

The standards for ongoing excess reporting should be reviewed with the team. We recommend setting the excess reporting diary at least two weeks prior to the report due date to allow for any unplanned absences or distractions.

Upon receipt of information that would allow the claim to be finalized, we recommend a diary be set to ensure that resolution is pursued within 30 days, with follow up efforts demonstrated every 30-45 days until settlement or closure is achieved.

Significant improvement on both the timeliness and quality of the plan of actions needs work. We recommend that POA update diaries be scheduled at least 14 days in advance of the due date to ensure that these are completed timely on an ongoing basis. When the POA is updated each section should be reviewed to ensure that it has current case status information, and that the reserves and action plan align with the case status.

We recommend that supervisor review diaries be scheduled at least 14 days in advance of the due date to ensure that these are completed timely on an ongoing basis.

There were two subcategories where only one downgraded file produced a low score. We consider these to be outliers and not an adverse trend. The categories impacted were delayed timely and appropriately and excess settlement authority sought.

CATEGORY RESULTS

Adjuster Workloads

Adjuster / Supervisor	NCCSIF			Other Accounts			Total	Weighted Value
	Indemnity	Med Only	Future Med	Indemnity	Med Only	Future Med		
Alicia Veloz	46	1	45	57	10	5	164	134
Alyssa Marchuk	44	0	2	79	1	25	151	137
Catherine Clark	124	3	2	0	0	0	129	127
Cristal Rhea	28	0	3	104	6	20	161	147
Kristin Farley	1	30	19	22	6	191	269	146
Rebecca Summers	0	0	189	14	17	74	294	154
Steven Scott/Supervisor	0	0	0	0	0	0	0	0
Total	243	34	260	276	40	315	1168	844

Communication

Initial Employer Contact

Files Meeting the Criteria 14 | Files in Compliance 14

Audit Score 100%

Initial employer contact was appropriately completed and documented within the files meeting the criteria for this category.

Initial Employee Contact

Files Meeting the Criteria 14 | Files in Compliance 12

Audit Score 85.71%

1. [REDACTED] 402007160E7-0001

The claim was received 07/29/20. The initial contacts were due by 08/03/20. There was only one initial contact attempt with the employee 08/03/20. Industry standard is three attempts within three business days of receipt of the claim.

2. [REDACTED] NCWA-558679

The claim was received on 06/03/20 with initial contacts due by 06/08/20. The employee contact was untimely completed on 06/17/20. There are two documented attempts on 06/04/20 and 06/05/20. A contact letter was issued untimely on 06/09/20.

Initial Physician Contact

Files Meeting the Criteria 12 | Files in Compliance 12

Audit Score 100%

Initial physician contact was appropriately completed and documented within the files that met the criteria for this category.

Appropriate Ongoing Communication with Employer

Files Meeting the Criteria 0 | Files in Compliance N/A

Audit Score N/A

There were no applicable files for this category.

Score Detail

	Category	Points Available	Points	Score
Communication				
	Initial Employer Contact	14	14	100.00%
	Initial Employee Contact	14	12	85.71%
	Initial Physician Contact	12	12	100.00%
	Appropriate Ongoing Communication With Employer	0	0	N/A
	Appropriate Ongoing Communication With Employee	11	4	36.36%
	Sub-Total of Category	51	42	82.35%
Compensability				
	Delayed Timely & Appropriately	4	3	75.00%
	Investigation Timely & Appropriate	3	3	100.00%
	Acceptance / Denial Justified	14	14	100.00%
	Sub-Total of Category	21	20	95.24%
Benefit Payment & Notices				
	TD/PD Benefits Paid Timely	29	26	89.66%
	Proper Benefit Letters Sent	30	17	56.67%
	Awards Paid Timely	10	10	100.00%
	SIP Paid On Late Payments	0	0	N/A
	Penalty Reimbursement Plan	0	0	N/A
	Sub-Total of Category	69	53	76.81%
Medical & Disability Management				
	RTW/MMI Aggressively Pursued	8	7	87.50%
	Medical Treatment Managed Appropriately	45	45	100.00%
	Proper Use Of UR	35	35	100.00%
	Proper Use of MCM	2	2	100.00%
	MPN Managed/Disputed Appropriately	46	46	100.00%
	Sub-Total of Category	136	135	99.26%
Litigation Management				
	Appropriate DA Referral	3	3	100.00%
	Assign DA On Panel	3	3	100.00%
	Proactive & Timely Management of DA	15	12	80.00%
	Sub-Total of Category	21	18	85.71%
Investigation				
	Ongoing Investigation Timely & Appropriate	1	1	100.00%
	Suspected Fraud Pursued Timely & Appropriately	0	0	N/A
	Sub-Total of Category	1	1	100.00%

<i>Category</i>	<i>Points Available</i>	<i>Points</i>	<i>Score</i>
Recovery			
Indexing Completed	28	28	100.00%
Subrogation Recognized & Pursued	3	3	100.00%
Apportionment Recognized & Pursued	2	0	0.00%
Contribution Recognized & Pursued	0	0	N/A
Sub-Total of Category	33	31	93.94%
Excess			
Timely Initial Report To Excess	2	2	100.00%
Timely Excess Updates	13	7	53.85%
Excess Authority Timely Sought	1	0	0.00%
Timely Excess Reimbursement Requests	2	2	100.00%
Sub-Total of Category	18	11	61.11%
Resolution of Claim			
Resolution Pursued 30 Days From Event	14	6	42.86%
Settlement Valued Appropriately	9	9	100.00%
Client Settlement Authority Secured	6	6	100.00%
Timely Continuing Settlement Efforts	3	2	66.67%
Claim Closed Timely	12	12	100.00%
Sub-Total of Category	44	35	79.55%
Plan of Action			
Timely POA Updates	73	44	60.27%
Quality POA Based Upon Current Facts	72	59	81.94%
Sub-Total of Category	145	103	71.03%
Supervision			
Timely Supervisor Reviews	70	49	70.00%
Quality S/R Based Upon Current Facts	70	70	100.00%
Sub-Total of Category	140	119	85.00%
Reserves			
Initial Reserve Posted In 30 Days	14	14	100.00%
Reserves Adjusted 30 Days Of Triggering Event	18	12	66.67%
Current Reserves Appropriate	75	71	94.67%
FM Reserves Consistent With SIP Regs	30	28	93.33%
Sub-Total of Category	137	125	91.24%

AUDIT CRITERIA

The audit criterion was formed by using industry best practices. The file audits specifically focused on claims handling activity from 12/01/19 to the date of the audit. Sedgwick provided a list of the open inventory and a random selection of the files was pulled to gather 65 files from the open and 10 files from the closed inventory. The file selection consisted of a mix of indemnity claims and future medical files. File documents, notes, payments, letters, and reserves are maintained in electronic form. The files were accessed electronically.

AUDIT PROCESS

The audit was completed electronically. Each worksheet was provided to Dorienne Zumwalt and Steven Scott for review and comment.

AUDIT TEAM

Angela Mudge

Owner, President & CEO

Senior Executive with over 28 years of workers' compensation claims leadership, claim technical and operational experience

IEA Certificate, Self-Insured Certificate & WCCP Designation

Prior positions held - adjuster, supervisor, claims manager and vice president

Anne Ruiz

Chief Operating Officer

Over 24 years of workers' compensation claims experience

Associate in Claims Designation, Self-Insured Certificate & WCCA Designation

Prior positions held - adjuster, supervisor, claims services liaison and central services manager

Sheri' Ventimiglia

Senior Collaborator

Over 30 years of workers' compensation claims experience

Self-Insured Certificate & WCCP Designation

Prior positions held – adjuster, claims analyst, supervisor, manager, director of claims and assistant vice president of claims.

Fernando Rodriguez

Collaborator

Over 6 years of workers' compensation claims experience

Bachelor of science in business administration & Self-Insured Certificate

Prior positions held – adjuster and supervisor trainee

March 1, 2021

To: Marcus Beverly, Alliant Insurance Services (via email)

Re: Response to Audit Results for Northern California Cities Self-Insurance Fund– ALC Claims Collaborations

This letter will serve as a response to the ALC Claims Collaborations audit report dated January 2021. The audit generated an overall score of 84.93% as compared to the January 2021 North Bay Associates audit of 86.3%. We want to assure you of our commitment to meet and exceed NCCSIF's performance expectations.

We appreciate that ALC Claims Collaborations noted our performance strengths which include quality initial three-point contacts, timely benefit issuance, strong medical management, accurate reserve calculations, subrogation recovery pursuits, as well as several other strengths. These strengths were also noted in the North Bay audit.

The audit report also provides opportunities for improvement in the categories of timeliness of diary reviews, continued contact when an injured worker is off work, ongoing excess reporting, and claim finalization. As detailed in our audit response to the North Bay audit, we have taken these recommendations to heart and have put into place strategies to improve our overall performance. These strategies include targeted training, diary techniques, additional oversight, and internal audits.

We appreciate our partnership with NCCSIF very much and are dedicated in our commitment of providing excellent claims handling. Please let us know if you have any questions or need additional information.

Sincerely,

Dori Zumwalt
Director, Client Services

Cc (via email):

Heidi Hough, Director Claims
Steven Scott, Team Lead
Devora Brainard-DeLong, VP Client Services
Jenna Wirkner, Alliant Account Representative



NORTH BAY ASSOCIATES

WORKERS' COMPENSATION

AUDITORS • CONSULTANTS

November 2020

Workers' Compensation Claims Audit

PRISM, COUNTY OF NAPA AND NORTHERN
CALIFORNIA CITIES SELF INSURANCE
FUND/ALLIANT INSURANCE

ADMINISTERED BY

SEDGWICK

PO Box 232 Auburn, CA 95604 • PHONE (530) 269-3473

e-mail alan.fleming@northbayassociates.com



Workers Compensation Claims Audit

November 2020

PRISM, COUNTY OF NAPA AND
NORTHERN CALIFORNIA CITIES SELF
INSURANCE FUND/ALLIANT INSURANCE

ADMINISTERED BY

SEDGWICK

CONFIDENTIAL

NORTH BAY ASSOCIATES

PO Box 232 Auburn, CA 95604 • (530) 269-3473



NORTH BAY ASSOCIATES

WORKERS' COMPENSATION

AUDITORS • CONSULTANTS

December 31, 2020

PRISM

Ms. Karin Wedworth

Workers Compensation Claims Manager

Northern California Cities Self Insurance Fund/Alliant Insurance

Mr. Marcus Beverly

First Vice President

County of Napa

Mr. Kerry John Whitney

Risk Manager

The Workers' Compensation Claims Audit report for November 2020 for these PRISM members: County of Napa and Northern California Cities Self Insurance Fund/Alliant Insurance administered by Sedgwick is presented herewith.

We wish to acknowledge the cooperation of the administrator, Sedgwick, for providing us with remote access to the claims data.

This audit was conducted utilizing the PRISM audit standards and scoring system effective 7/1/2019.

This report has been simultaneously provided to the administrator.

Although all the data had not yet been tabulated in the form seen here, the general findings and preliminary recommendations of this audit were discussed with TPA management during an exit interview.

Since this report deals with employees' injuries, reserves on the claim files, tactics for further handling, and so on, we suggest it be kept confidential.

We hope that this report is self-explanatory; any comments or questions the reader may have are welcome. It has been a pleasure once again to serve County of Napa and Northern California Cities Self Insurance Fund/Alliant Insurance and PRISM.

Respectfully submitted,

NORTH BAY ASSOCIATES

Alan Fleming

Workers Compensation Claims Auditor

Quick Overview

- *Executive Summary & Audit Profile (page 3)*
- *Summary of Recommendations (page 5)*

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A. INTRODUCTION

This is the Workers' Compensation Claims Audit report for November 2020 for these PRISM members: County of Napa and Northern California Cities Self Insurance Fund/Alliant Insurance.

1. Goals of the Claims Audit.

- Gather and present statistical data relating to the administration of the members' workers' compensation claims from 11/15/2018, to date.
- Focus on those claims constituting the bulk of the outstanding reserves, and claims involving key issues and a representative sample of each entity's files.
- Present and explain industry standards, Division of Workers' Compensation Audit Unit standards, and PRISM standards and goals.
- Compare audit findings to the standards, and to prior audits, noting strengths and weaknesses.
- Recommend ways to meet standards and to reach goals.

2. Report Organization.

This report contains twelve audit areas beginning at Section E, page 10. Each has an introduction, point-by-point discussion, and summary and recommendations. Data is presented in as many as four different ways for clarity and for different depths of detail.

First, for an overview, is the Executive Summary on pages 3 and following. The Executive Summary includes summarized strengths and weaknesses, a separate Summary of Recommendations for improvement and the audit scoresheet.

Second, for detailed data and explanation, each numbered paragraph delves into a particular audit item. Each point is explained and audit findings are compared to standards. Comments about any particular claim file are often amplified by "Summary Memos." These can be found in the *Addendum* at Tab Three in order by NBA number.

Third, the Audit Scoresheets numerically restate the same data shown in the text. The audit points are explained in the audit area to which each refers and the Audit

Scoresheets can be found in Tab Four of the *Addendum*.

The *Addendum* contains statistical and other essential data. In brief, the *Addendum* includes the following:

Tab One: Full list of claims audited, sorted by NBA#. These lists may be used to identify claimants; to maintain confidentiality, the body of this report refers only to NBA#'s.

Tab Two: The Reserve Summary reports on the dollar amounts of reserve changes recommended. Reserve Work Sheets provide the detail behind the Reserve Summary report and are located here. The Excess Report shows all excess cases in the sample.

Tab Three: Individual Summary Memos. These are left on certain files for the benefit of the examiner where some issue was pending or where guidance was appropriate. Some explain a definite shortcoming in a file and offer recommendations for further handling. Others offer suggestions on files that are being correctly handled. Not every file audited has a Memo. Since many Memos detail specific recommendations for further file handling, we recommend the client follow up to be certain the administrator acts on these Memos and recommendations. We always encourage the examiners to discuss these Memos with us. In this case, the supervisor chose to discuss some of the Memos and the points raised therein.

Tab Four: The Audit Scoresheets are here. Scoresheets are provided for both the scored audit points and the non-scored audit points. As this is a Group Audit, combined Audit Scoresheets are provided, as well as individual Audit Scoresheets for each Member.

B. EXECUTIVE SUMMARY

The November 2020 workers' compensation audit for these PRISM members: County of Napa and Northern California Cities Self Insurance Fund/Alliant Insurance was begun on 10/23/2020. It covers file activity from 11/15/2018, the date of the last audit.

The sample used to develop the data for this audit was taken from a loss run of open indemnity cases provided to us by Sedgwick. The sample consisted of 103 files, or 15.1% of the total open inventory of indemnity files. The sample is a carefully selected and structured sample rather than a random sample. It is weighted in favor of claims with significant potential and claims containing certain key issues. This is called the "dollar value" sampling technique. But we also spread the sample to include the work of all the entities and examiners, to look at files newly opened since the last audit.

Not all audit queries apply to each case in the sample. Some points apply to the beginning stages of a file, while others pertain only to the end. Claims activity during this audit period is the determining factor. Except for historical comparisons, we read but do not consider for audit purposes activity prior to the last audit.

This audit complies with the audit standards and scoring system as adopted by PRISM effective 7/1/2019. The overall claims handling performance for this TPA is rated as **Meets Expectations**.

On the following page is a summary of audit areas showing strengths and weaknesses.

Areas showing strong performance are:

Investigating and deciding on claim compensability.

Paying the various workers' compensation benefits accurately and timely.

Reserving sufficient funds to pay each case.

Documented case planning with timely follow up.

Moving claims toward resolution in a timely manner.

Communication with the employer.

Areas needing improvement are:

Continued contact with the injured employees. Unrepresented employees should be contacted every 30 days when missing time.

Initial and subsequent excess reporting.

Timely payment of medical bills. There was 1 claim which had numerous medical bills paid late.

Timely Medical Only conversions.

Summarized recommendations for further improvement begin on the next page.

C. SUMMARY OF RECOMMENDATIONS

There was strong performance in the following areas:

- Audit results that exceeded expectations were in the areas of initial employer contact, initial employee contact, payments made on the correct claim, plans of action, litigation management, resolution pursued timely, correct settlement valuation, apportionment recognition and pursuit, protection of Medicare interest, member settlement authority, appropriate and timely initial reserves, reserve revisions, separation of 4850/TD, medical reserves consistent with office of self-insured plans, life pension reserves, allocated reserves, subrogation recognition and follow up, coding of self-imposed penalties, proactive pursuit of return to work, and notification of permanent restrictions.

Performance areas that require improvement:







- It is recommended that the PRISM continued employee-contact standards be followed while unrepresented employees are missing time.
- It is recommended that medical bills be paid timely on all claims.
- It is recommended that the examiners review the PRISM medical only conversion requirements and ensure the claims are converted timely.
- It is recommended that initial excess reporting be completed within 5 business days.
- It is recommended that the diary system be used to ensure subsequent excess reports are sent timely

We suggest that the employer, PRISM and AIMS set priorities and adopt a timetable for implementing these recommendations.

The Audit Scoresheet on the following page shows the combined audit score for each PRISM scored audit point. This scoresheet is also in Tab Four of the *Addendum* with the score calculated at 87.7% for the scored audit points only. A scoresheet is also provided in Tab Four of the *Addendum* for the non-scored PRISM audit points.

Scored Audit Point Score = 87.7%

AP	Description	Total	Yes %	Percent Bar
Compensability Determination				
1.1	Initial Employer Contact	52	98.1	
Employee Contact				
2.1	Initial Employee Contact	47	100.0	
2.2	Employee Contact Continued	19	57.9	
Payments and Fiscal Handling				
3.6	File Balancing	48	89.6	
3.9	Timely Payment of Medical Bills	89	97.8	
3.11	Payments Made On Correct Claim	24	100.0	
Case Review and Documentation				
4.1	Plan of Action Appropriate	102	97.1	
4.2	Examiner Diaries	909	79.5	
4.3	Supervisor Diaries	415	80.7	
4.4	Medical Only Conversion	4	50.0	
Medical Treatment				
Litigation				
6.1	Potential Litigation Issues Investigated	0	0.0	
6.2	Litigation Management	30	100.0	
Apportionment and Resolution				
7.1	Resolution Pursued Timely	78	97.4	
7.2	Correct Settlement Valuation	27	100.0	
7.3	Apportionment Ruled In or Out	19	100.0	
7.4	Apportionment Pursued	11	100.0	
7.5	Member Settlement Authority Request	23	100.0	
7.6	Excess Settlement Authority Request	0	0.0	
7.8	Medicare Interests Protected	1	100.0	
Reserve Adequacy				
8.1	Appropriate Initial Reserves	52	98.1	
8.2	Timely Initial Reserves	53	100.0	
8.3	Reserves Timely and Appropriate	91	98.9	
8.4	Separation of TD/4850 Reserves	23	100.0	
8.5	Medical Reserves Per OSIP	102	99.0	
8.6	Life Pension Reserved if Applicable	1	100.0	
8.7	Allocated Reserves Accurate	101	100.0	
Excess Insurance				
9.1	Initial Excess Reporting	20	75.0	
9.2	Subsequent Excess Reporting	139	88.5	
9.3	Excess Reimbursement Requests	0	0.0	
9.5	Closing Report Sent to Excess	1	100.0	
Subrogation				
10.1	Recognition of Subrogation	5	100.0	
10.2	Appropriate Subrogation Follow Up	6	100.0	
10.3	ER Updating Regarding Subrogation	6	100.0	

10.4	Approval to Accept, Waive, Settle	1	100.0	
10.5	Complaint or Lien Filed Timely	1	100.0	
10.6	Pursued to Maximum Recovery	0	0.0	
Penalty Summary				
11.2	Penalties Coded Correctly	3	100.0	
Disability Management				
12.1	Proactive Pursuit of Return to Work	29	100.0	
12.2	Notification of Permanent Restrictions	3	100.0	
Administrative Information				
13.1	Examiner Caseloads	4	100.0	

D. ADMINISTRATIVE INFORMATION

The workers’ compensation claims of County of Napa and Northern California Cities Self Insurance Fund/Alliant Insurance continue to be handled by Sedgwick. The supervisor in immediate charge of these claims is Mr. Steve Scott. He reports to Mr. Jeff Ponta.

1. Claims Examiner and Supervisor Information.

The PRISM examiner standard is 150 to 165 open indemnity files based on “future medical” files counted at a ratio of 2:1 relative to other indemnity files. Supervisors should not handle a caseload except for specific issues or a small number of claims with conflict issues.

The following table shows examiner and supervisor caseloads, experience, and certification as reported by Sedgwick. Self Insurance Plans, a state agency, certifies workers’ compensation examiners by a one-time test.

Examiners/Supervisors	Caseloads			Experience	Certifications	
	This Account	All Accounts	# of FM	Years Experience	SIP Certified	CCR 2592.02 Training
Examiners						
Napa County						
Alicia Veloz	63	134	6	7	Y	Y
Alyssa Marchuk	80	146	75	4	Y	Y
NCCSIF						
Alicia Veloz	91	134	46	7	Y	Y
Alyssa Marchuk	50	137	1	4	Y	Y
Catherine Clark	145	145	3	4	Y	Y
Cristal Rhea	28	147	0	21	Y	Y
Kristin Farley	19	146	18	4	Y	Y
Rebecca Summers	190	154	190	5	Y	Y
Supervisors						
Steven Scott	0	0	0	21	Y	Y
Column 3 Total	666		XXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

1.1 Claims Assistant's Duties.

The most common duties of the examiner's principal assistant, whatever the actual job title, may include: doing a triage to separate MO's from indemnity and urgent indemnity from normal indemnity files; controlling and paying ongoing temporary and permanent indemnity payments; calculating and paying Awards; paying medical bills on both indemnity and MO files; and data input.

Here, there are 3.5 examiners per assistant; the assistants' duties include indemnity payments, award payments, and data input.

1.2 Examiner Caseloads.

Number of Examiners: 6

Number of Examiner Caseloads That Meet Standard: 6 (100.0%).

1.3 Supervisor Caseloads.

Number of Supervisors: 1

Number of Supervisor Caseloads That Meet Standard: 1 (100.0%).

1.4 Findings, Summary and Recommendations.

These programs are adequately staffed with experienced personnel. Recommendations are not necessary.

E. AUDIT DETAIL

This section contains the details of this audit for: County of Napa and Northern California Cities Self Insurance Fund/Alliant Insurance. Each area discusses an important group of related points and the subsections offer specifics of narrow points and, finally, findings, a summary and any needed recommendations are offered for the group.

1. Compensability Determination.

This audit area concerns the initial decision regarding compensability of the claim at the time it is reported. Usually simple, this issue is sometimes complicated at the outset. The initial decision to accept, delay, or deny a particular claim is an important milestone. Inquiries in this area are also made to see whether adequate background investigation is made, if necessary, and if communication with the relevant department of the employer is established.

1.1 Initial Employer Contact.

Initial employer contact is part of the three point contact process. The PRISM standard requires this occur within 3 working days of receipt of the claim and that there be evidence of at least three documented attempts. This initial contact should be substantive and clearly documented in the claim file.

Claims Requiring Initial Employer Contact: 52
Claims With Timely Initial Employer Contact: 51 (98.1%).

1.2 Initial Decision.

The examiner's threshold function is to decide if a workers' compensation claim is to be accepted, delayed, or denied. The PRISM standard requires this determination be made within 14 calendar days of the filing of the claim with the employer. In the event the claim is not received within 14 calendar days the initial decision shall be made within 7 calendar days of receipt of the claim.

Claims Requiring Initial Decision: 52
Claims With Timely Initial Decision: 52 (100.0%).

1.3 Indexing.

All claims shall be reported to the Index Bureau at the time of initial set up and re-indexed on as a needed basis thereafter.

Claims Requiring Indexing: 62
Claims With Indexing: 59 (95.2%).

An Exception Is:

- #24674: Appears claim has not been indexed.

1.4 AOE/COE Investigation Needed.

If a decision is made to delay benefits on a claim an investigation shall be initiated within 3 working days of the decision to delay. The investigation should be fully documented with evidence sufficient to justify the actions taken and should show a clear statement of the examiner's thought processes. If the self-insured, defense attorney, or any other source of information was relied upon, then these facts and sources need to be included in the documentation.

Claims Needing AOE/COE Investigation: 15
Claims Investigated Adequately: 15 (100.0%).

1.5 Final Decision Timely Documented.

If an investigation is necessary on a delayed claim, then a final decision whether to accept or deny must be made within 90 calendar days from the date the employer received the claim form.

Claims Requiring Timely Decision: 15
Claims Documented With Timely Decision: 15 (100.0%).

1.6 Findings, Summary and Recommendations.

Initial employer contact was made timely on all new claims except 1. Initial decisions were made timely on all claims as well. All questionable claims were investigated adequately and decisions made timely. Recommendations are not necessary.

2. Employee Contact.

The purpose of this area of inquiry is to learn if the claims examiner makes early telephone contact with each injured worker according to the PRISM standard and whether this telephone contact continues as appropriate.

2.1 Initial Employee Contact.

Initial employee contact is part of the three point contact process. The PRISM standard requires initial contact within 3 working days of receipt of the claim and that there be evidence of at least three documented attempts. This initial contact should be substantive and clearly documented in the claim file. This standard also applies to medical only claims.

Claims In Need of Initial Contact: 47
Claims Showing Initial Contact: 47 (100.0%).

2.2 Employee Contact Continued.

Maintaining employee contact on non-litigated claims with ongoing temporary disability is a widely accepted industry standard. The PRISM standard is that such contact occurs within 3 working days after a scheduled surgery and at a frequency no greater than every 30 days during ongoing temporary disability on claims involving unrepresented injured employees. While assigned nurse case managers maintain employee contact on many cases their role is not a substitute for periodic contact by the examiner.

Claims Needing Continuing Employee Contact: 19
Claims With Continuing Contact: 11 (57.9%).

Some Exceptions Are:

- #20148: Continued contact with employee was not consistently completed while off work.
- #22034: There was no documented continued contact with employee after 8/14/2020.

2.3 Findings, Summary and Recommendations.

Initial employee contact was made timely on all applicable claims. There were 8 claims in which there was not consistent continued contact made every 30 days while employee was missing time. It is recommended that the PRISM continued employee-contact standards be followed while unrepresented employees are missing time.

3. Payments and Fiscal Handling.

This area concerns itself with the timeliness and accuracy of benefit payments. Initial indemnity payments and the issuance of the first DWC notice are checked against the timeliness standards of the Administrative Director of the Division of Workers' Compensation. Subsequent indemnity payments and permanent disability payments are also reviewed for timeliness. Medical payments and payments/reimbursements to the injured employee are also reviewed for timeliness. Accuracy of payments are checked through the file balancing procedure and we look at payments to be sure all are made on the correct claim.

3.1 Timeliness of Initial TD and PD Payments.

California administrative regulations require that initial indemnity payments (or notice, in the case of salary continuation) be issued within fourteen calendar days of knowledge of the injury and disability. In the event notification of injury or disability does not occur within 14 calendar days payment shall be made within 7 calendar days of notification.

Claims Requiring Timely Initial TD and PD Payments: 49
Claims With Timely Initial TD and PD Payments: 49 (100.0%).

3.2 Subsequent TD and PD Payments.

Subsequent indemnity payments are required to be paid once every two weeks exactly and shall be verified except for established long term disability.

Claims Requiring Subsequent TD and PD Payments: 43
Claims With Timely Subsequent TD and PD Payments: 42 (97.7%).

The Exception Is:

- #20148: TD payment 11/1/2019 - 11/11/2019 was paid late. Self-imposed penalty was paid.

3.3 Undisputed Awards Paid Timely.

Payments on undisputed Awards, Commutations, or Compromise and Release agreements shall be made within 10 working days following receipt of the appropriate document, unless Award indicates payment is due sooner.

Claims With Undisputed Awards: 25
Claims With Undisputed Awards Paid Timely: 25 (100.0%).

3.4 Required Benefit Notices.

California administrative regulations require that a benefit notice be sent within 14 calendar days or concurrently with payment to the injured employee each time an indemnity payment is commenced or terminated. Benefit notices are also required to be sent within 14 days when a claim is delayed for further investigation and upon receipt of a permanent and stationary medical report indicating there is or is not any permanent disability.

Claims Requiring Benefit Notices: 61

Claims With Timely Issued Benefit Notices: 55 (90.2%).

The Exceptions Are:

- #22284: 4850 begin notice was not sent.
- #22893: PD advice letter was not sent within 14 days of receiving PR4.
- #25401: PD advice notice was not sent within 14 days of receiving PR4.
- #26756: TD begin notice was not sent when started on 12/21/2018.
- #28062: There was not a start/stop TD notice sent to EE when taken off work from 8/31/2020 - 9/2/2020.
- #29195: Claim delay letter was not sent within 14 days due to claims system change.

3.5 Overpayments.

Overpayments shall be identified and reimbursed timely where appropriate. If necessary, a credit shall be sought as part of any resolution of the claim.

Number of Claims With Overpayments: 0

Claims In Which Overpayment Was Documented: 0 (0.0%).

3.6 File Balancing.

Fiscal handling for indemnity benefits on active cases shall be balanced with appropriate file documentation on a semi-annual basis to verify that statutory benefits are paid appropriately. Balancing is defined as, “an

accounting of the periods and amounts due in comparison with what was actually paid”.

Claims Requiring File Balancing: 48
Claims With Timely File Balancing: 43 (89.6%).

3.7 Timely Employee Reimbursements.

Reimbursements to injured employees shall be made within 15 working days of receipt of the request for reimbursement.

Claims Requiring Employee Reimbursements: 21
Claims With Timely Employee Reimbursements: 21 (100.0%).

3.8 Advance Travel Paid Timely.

Advance travel expense payments shall be issued to the injured worker 10 working days prior to the anticipated date of travel.

Claims Requiring Timely Advanced Travel Payment: 16
Claims With Timely Payment: 14 (87.5%).

The Exceptions Are:

- #24379: Mileage for travel to PQME has not been paid to employee.
- #29157: Mileage for travel to PQME was not paid 10 days prior to the appointment.

3.9 Timely Payment of Medical Bills.

Medical treatment billings shall be reviewed for correctness, approval and paid within 60 days of receipt.

Number of Claims With Medical Bills Paid: 89
Number of Claims With Timely Payment of Medical Bills: 87 (97.8%).

The Exceptions Are:

- #22893: Late payment of medical bill. Self-imposed penalty was paid.
- #25401: There were approximately 12 medical bills which were paid late between 8/8/2019 and 2/3/2020. Self-imposed penalties have been paid.

3.10 Medical Bill Objection Letters.

A medical bill provider shall be notified in writing within 30 days of receipt of an itemized bill if a medical bill is contested, denied, or incomplete.

Claims Requiring Bill Objection Letters: 4
Claims With Bill Objection Letters: 4 (100.0%).

3.11 Payments Made on Correct Claim.

In cases of multiple losses for the same injured employee, payments shall be made on the appropriate claim file.

Claims Involving Correct Claim Payment: 24
Claims In Which Payment Was Made On Correct Claim: 24 (100.0%).

3.12 Findings, Summary and Recommendations.

File balancing was completed consistently on 43 of the 48 applicable claims. Indemnity payments were paid timely on all but 1 claim. Payments were made on the correct claims. While medical bills were paid timely on all but 2 claims, there was 1 claim which had 12 late payments of medical bills. There were 6 late or unsent mandatory notices. It is recommended that medical bills be paid timely on all claims. It is also recommended that mandatory notices be sent timely when due.

4. Case Review and Documentation.

Examining workers' compensation claims, like any other business activity, should include a plan of action to achieve an explicit result. Without a plan, the claims examiner merely reacts to outside stimuli and the claims administration process breaks down, to the detriment of everyone concerned. Ideally, a plan should be written and include contingencies. This is where tactics are evaluated.

4.1 Plan of Action Appropriate.

The purpose of this inquiry is to learn whether initial case planning took place when the claim was reported to Sedgwick from any source and if subsequent planning and tactics are appropriate to the case. Plan of action statements should be updated at the time of examiner diary review.

Claims Requiring a Plan of Action: 102

Claims With a Documented and Appropriate Plan of Action: 99 (97.1%).

The Exceptions Are:

- #20874: There was only one documented plan of action between 6/6/2019 and 5/20/2020.
- #22362: Neck is now a problem for EE according to medical reports in 6/2020 on this claim for injured shoulder. Examiner did not follow up with physician for more information until 10/8/2020. Letter was sent over a month ago. Recommend following up with physician. If there is no response by next diary, recommend discussing with supervisor denial of body part and beginning PQME process. Supervisor has suggested body part should be denied since 6/25/2020.
- #27756: EE has not treated since 10/2019. It does not appear that examiner has attempted to contact EE to determine the status of his treatment. Recommend examiner contact employee to discuss claim and that examiner begin PQME process.

4.2 Examiner Diaries.

Examiner diary reviews should occur at intervals not to exceed 45 calendar days on claims not yet settled and not to exceed 90 calendar days on future medical claims.

Applicable Number of Examiner Diaries: 909

Number of Timely Examiner Diaries: 723 (79.5%).

Some Exceptions Are:

- #13625: One or more examiner diaries were not timely.
- #17115: One or more examiner diaries were not timely.
- #23196: The last plan of action was 8/26/2020. Now that new and further has been filed, claim diaries should be set to every 45 days.
- #25705: One or more examiner diaries were not timely.

4.3 Supervisor Diaries.

Supervisor diary reviews should occur at intervals not to exceed 120 calendar days on claims not yet settled and not to exceed 180 calendar days on future medical claims.

Applicable Number of Supervisor Diaries: 415

Number of Timely Supervisor Diaries: 335 (80.7%).

Some Exceptions Are:

- #13387: One or more supervisor diaries were not timely.
- #17531: One or more supervisor diaries were not timely.
- #25401: One or more supervisor diaries were not timely.
- #23899: Supervisor reviews through 5/18/2020 incorrectly indicated that neither side was represented. EE became represented in 2018.

4.4 Medical Only Conversion.

All medical only claims shall be reviewed for potential closure or transferred to an indemnity examiner within 90 calendar days following claim creation.

Claims Requiring Conversion: 4

Claims With Timely Conversion: 2 (50.0%).

The Exceptions Are:

- #16205: MO claims should be assigned to indemnity examiner within 3 months and converted to indemnity claim by 6 months. Claim was not converted to indemnity claim until approximately 11 months after opening claim.

- #18932: MO claim was not assigned to indemnity examiner within 3 months.

4.5 Timely Response to Written Inquiries.

All correspondence requiring a written response shall have such response completed and transmitted within 5 working days of receipt.

Claims Requiring Timely Written Response: 13

Claims With Timely Written Response: 13 (100.0%).

4.6 Ongoing Employer Contact.

Ongoing employer contact shall be maintained and documented in the claim file with respect to current issues of importance.

Claims Requiring Ongoing Employer Contact: 48

Claims With Ongoing Employer Contact: 48 (100.0%).

4.7 Findings, Summary and Recommendations.

With the exception of 3 claims, plans of action were timely and appropriate. Examiner diary reviews scored 79.5% and supervisor diary reviews scored 80.7%. There were 2 claims that were not assigned to an indemnity examiner timely. One of the claims was not converted to indemnity within 6 months. It is recommended that the examiners review the PRISM medical only conversion requirements and ensure the claims are converted timely.

5. Medical Treatment.

Medical treatment includes the appropriate use (or lack thereof) of additional cost containment measures such as utilization review and nurse case management services.

5.1 Appropriate Use of UR.

Each Member shall have in place a Utilization Review process as set forth in Labor Code Section 4610.5.

Claims Requiring Appropriate Use of UR: 57

Claims With Appropriate Use of UR : 57 (100.0%).

5.2 Appropriate Use of NCM.

Nurse case managers shall be utilized where appropriate.

Claims Requiring Appropriate Use of NCM: 1

Claims With Appropriate Use of NCM: 1 (100.0%).

5.3 Findings, Summary and Recommendations.

Utilization review and nurse case management were used appropriately. No recommendations are necessary.

6. Litigation.

Litigation has a major impact on any self-insured program. Although it affects only a minority of files, it uses a disproportionate amount of time and money. This audit area focuses on litigation issues and management.

6.1 Investigation of Potential Litigation Issues.

Investigation of issues identified as material to potential litigation shall be promptly initiated. The Member shall be alerted to the need for said investigation and consulted with an acceptable outside investigator when such is needed. The Member shall be kept informed on the scope and results of the investigation.

Claims Requiring Investigation of Litigation Issues: 0

Claims With Adequate Investigation of Litigation Issues: 0 (0.0%).

6.2 Litigation Management.

The Member shall be advised when it is deemed appropriate to assign defense counsel. Defense counsel assigned shall be from a list approved by the Member. Initial referral and ongoing litigation management shall be timely and appropriate. The third party administrator or self-administered entity shall maintain control of litigation as related to ongoing claim activities.

Claims Requiring Litigation Management: 30

Claims With Appropriate Litigation Management: 30 (100.0%).

6.3 Communication With Employer on Litigated Claims.

The third party administrator or self-administered entity shall keep the appropriate Member personnel fully advised of ongoing litigation issues. Knowledgeable Member personnel shall be involved in the preparation for medical examinations and trial, when appropriate or deemed necessary, so that all material evidence and witnesses are utilized to obtain a favorable result for the defense.

Number of Claims Requiring Communication: 30

Number of Claims With Adequate Communication: 30 (100.0%).

6.4 Findings, Summary and Recommendations.

Litigated claims were managed effectively. No recommendations are needed.

7. Apportionment, Resolution of Claim and Settlement Authority.

This area is probably the most important to any claims operation. It is essential to conclude every case at the earliest possible moment. This requires not only a high examiner energy level but also a case load appropriate to the claims examiner's experience and expertise to know what to do next and how to do it. It is in the interest of all parties to move cases toward resolution as quickly as possible. No case ever gets better by being aged or ignored.

Workers' compensation files that are not disposed of with all due speed can be ranked as follows: 1) those that are not being handled proactively but with no apparent ill effect by the time of this audit; 2) those in which the delays have resulted in an ill effect; and 3) those where the ill effect is workers' compensation benefits being paid needlessly.

7.1 Resolution Pursued Timely.

Within 10 working days of receiving medical information that a claim can be finalized; the claims examiner shall commence appropriate action to do so.

Claims Requiring Timely Resolution: 78

Claims With Timely Resolution: 76 (97.4%).

The Exceptions Are:

- #22893: Settlement documents were sent to employee in November of 2019. Employee has not returned these. While settlement documents have been resent to employee several times, more action should be taken to help him get these signed. Examiner should try to contact the employee by phone. On 3/6/2020, supervisor asked examiner to consider asking member for help. Recommend examiner contact employee by telephone and ask for some help from the member getting these signed.
- #26551: DA rated claim on 9/15/2020 and asked for settlement authority. Examiner has not yet requested settlement authority.

7.2 Correct Settlement Valuation.

Here we measure the examiner's technical and tactical evaluation of the settlement value of each case that was or is in the finalization stages. Settlement value shall be documented appropriately utilizing all relevant information.

Number of Claims With Settlement Evaluation: 27
Number of Claims Evaluated Correctly: 27 (100.0%).

7.3 Apportionment Ruled In or Out.

Each claim file shall be documented that apportionment has been ruled in or out.

Claims Requiring Apportionment Ruled In or Out: 19
Claims With Documentation of Ruled In or Out: 19 (100.0%).

7.4 Apportionment Pursued.

If potential apportionment is identified, all efforts to reduce exposure shall be pursued.

Number of Claims With Apportionment: 11
Claims In Which Apportionment Adequately Pursued: 11 (100.0%).

7.5 Member Settlement Authority Request.

Settlement authorization shall be obtained from the Member on all settlements or stipulations in excess of the settlement authority provided by the Member.

Claims Requiring Member Settlement Authority Request: 23
Claims With Timely Member Settlement Authority Request: 23 (100.0%).

7.6 Excess Settlement Authority Request.

No agreement shall be authorized involving liability, or potential liability of excess insurance. The Member shall be notified of any settlement request submitted to excess.

Claims Requiring Excess Settlement Authority: 0
Claims with Timely Excess Settlement Authority Request: 0 (0.0%).

7.7 Proof of Settlement Authority.

Proof of settlement authority shall be maintained in the claim file.

Claims Requiring Proof of Settlement Authority: 21
Claims With Proof of Settlement Authority: 21 (100.0%).

7.8 Medicare Interests Protected.

Medicare eligibility shall be documented in the claim file at the time of settlement evaluation.

Claims Requiring Medicare Inquiry: 1

Claims With Documented Medicare Inquiry: 1 (100.0%).

7.9 Findings, Summary and Recommendations.

Resolution was pursued timely on all but 2 claims. Apportionment was pursued when applicable. Settlement authority was documented on all settled claims. No recommendations are necessary.

8. Reserve Adequacy.

Reserve adequacy is a key area. The self-insured entity wants to know and understand what its total liability is at any given time. Reserving may seem subjective but an experienced examiner can, during any given fiscal year, set case-based aggregate reserves that will still be adequate (within a few percentage points) years later. Most individual cases will close with total costs below the reserve, but many cases will need to have their reserves sharply increased from the initial amounts. Done correctly over the years, decreases in reserves and salvage on closing will offset the increases, leaving the original fiscal year aggregate accurate.

8.1 Appropriate Initial Reserves.

Reserves created at the time the case is first opened should be adequate based on the information then available in the file. A properly trained examiner will recognize the gravity of a loss as the file is created and establish initial reserves for the most probable case value.

Claims Requiring Appropriate Initial Reserves: 52

Claims With Appropriate Initial Reserves: 51 (98.1%).

The Exception Is:

- #27001: Indemnity was not reserved until 10/20/2020. Indemnity should have been reserved at outset on litigated claim.

8.2 Timely Initial Reserves.

The initial reserve shall be posted to the claim within 14 calendar days of receipt of the claim.

Claims Requiring Timely Initial Reserves: 53

Claims With Timely Initial Reserves: 53 (100.0%).

8.3 Reserves Revised Timely and Appropriately.

New information is constantly received into the file and it often impacts the reserves. Here we see if the examiner reacted to the new information by addressing reserve adequacy in a timely fashion. Permanent disability exposure shall include life pension if applicable. Future medical claims shall be reserved in compliance with SIP regulation 15300 allowing adjustment for reductions in the approved medical fee schedule, undisputed utilization review, medically documented non-recurring treatment costs and medically documented reductions in life expectancy.

Allocated expense reserves shall include cost containment, legal, investigation, copy service and other related fees.

Claims Requiring Timely and Appropriate Reserve Revisions: 91
Claims With Timely and Appropriate Reserve Revisions: 90 (98.9%).

The Exception Is:

- #26551: Indemnity should have been reserved when claim became litigated in 11/2019. Indemnity was not reserved until 4/17/2020.

8.4 Separation of TD/4850 Reserves.

Indemnity reserves shall reflect actual temporary disability exposure with LC4850 differential listed separately.

Claims Requiring Separation of TD/4850 Reserves: 23
Claims With Separation of TD/4850 Reserves: 23 (100.0%).

8.5 Medical Reserves Consistent With OSIP.

Medical reserves shall be adjusted in accordance with OSIP regulations.

Claims Requiring Medical Reserves Consistent With OSIP: 102
Claims With Medical Reserves Consistent With OSIP: 101 (99.0%).

The Exception Is:

- #19696: Claim should have been analyzed and reserved for indemnity when claim became litigated. Recommend reserve of 6% PD.

8.6 Life Pension Reserved if Applicable.

Permanent disability exposure shall include life pension reserve if appropriate.

Number of Claims Requiring a Life Pension Reserve: 1
Number of Claims With Appropriate Life Pension Reserve: 1 (100.0%).

8.7 Allocated Reserves Accurate.

Allocated expense reserves shall include medical cost containment, legal, investigation, copy service and other related fees.

Number of Claims Requiring Allocated Reserves: 101

Number of Claims With Accurate Allocated Reserves: 101 (100.0%).

8.8 Findings, Summary and Recommendations.

Initial reserves were appropriate and timely on all but 1 claim. Reserve revisions were also appropriate and timely on all but 1 claim. 4850/TD was separated appropriately. No recommendations are needed.

9. Excess Insurance.

This area looks at the timeliness of initial excess reporting, subsequent excess reporting and excess reimbursement requests as required by PRISM.

9.1 Initial Excess Reporting.

The basis for this query is the common reinsurance reporting requirements, usually when aggregate reserves reach 50% of the self-insured retention; the actual excess insurance policies covering these claims were not examined. Claims shall be reported to PRISM within 5 working days of the day on which it is known the reporting criterion is met.

Claims Requiring Initial Reporting: 20
Claims Reported Timely: 15 (75.0%).

The Exceptions Are:

- #10421: Claim was reserved over 50% of the SIR in 2/2019. Claim was not reported to excess until 5/26/2019.
- #13625: Claim was reserved to 50% of the SIR in 2/2018. Claim was not reported to excess carrier until 10/12/2018.
- #14283: Claim became excess reportable on 8/21/2019. Claim was not reported to excess until 12/12/2019.
- #25705: Claim is excess reportable but has not yet been reported..
- #29157: Claim has been excess reportable since 5/24/2019. It was not reported to excess until 6/14/2019.

9.2 Subsequent Excess Reporting.

Subsequent excess reports shall be transmitted on a quarterly basis on all claims not yet settled and on a semi-annual basis on all future medical claims or sooner if claim activity warrants, or at such other intervals as requested by PRISM.

Number of Subsequent Excess Reports Required: 139
Number of Timely Subsequent Excess Reports: 123 (88.5%).

The Exceptions Are:

- #14283: Subsequent excess report due 3/12/2020 was not sent until

5/14/2020.

- #17531: There were no reports sent between 10/12/2018 and 6/10/2019.
- #20538: Reporting sent on 9/22/2020 was not sent timely.
- #22111: Excess report due 1/2020 was not sent until 6/12/2020.
- #26141: Subsequent excess report dated 9/24/2019 was late. There were 2 reports due between 9/24/2019 and 6/9/2020 which were not sent.
- #26428: Subsequent excess reports sent 11/6/2019 and 10/7/2020 were not timely.
- #26989: There was 1 late excess report.
- #29157: Excess reporting was due every 90 days after initial report of 6/14/2019. It appears there was only 1 subsequent excess report, which was sent on 11/19/2020.

9.3 Excess Reimbursement Requests.

Reimbursement requests should be submitted in accordance with PRISM reporting and reimbursement procedures on a quarterly or semi-annual basis depending on claims payment activity. Excess claim reporting and reimbursement procedures available through the PRISM website should be utilized.

Claims Requiring Reimbursement: 0

Claims With Timely Reimbursement Requests: 0 (0.0%).

9.4 Copy of Award Sent to Excess.

A copy of settlement documents not previously sent shall be sent to excess.

Claims Requiring Award to be Sent: 1

Claims In Which Award Was Sent: 1 (100.0%).

9.5 Closing Report Sent to Excess.

Upon the closing of a claim previously reported to excess a final report shall be sent.

Claims Requiring Closing Report to be Sent: 1
Claims In Which Closing Report Was Sent: 1 (100.0%).

9.6 Findings, Summary and Recommendations.

There were 5 initial excess reports that were sent late. There were also a total of 16 late subsequent excess reports. It is recommended that initial excess reporting be completed within 5 business days. It is also recommended that the diary system be used to ensure that subsequent excess reports are sent timely.

A listing of reportable cases in the audit sample entitled "Excess Reporting"—is at Tab Two in the *Addendum*.

10. Subrogation.

Subrogation is an important issue. This area usually involves few files but is unique in that it allows the administrator to recover some of the clients' funds. It is another indicator of the depth of the claims examiner's knowledge and skills.

10.1 Recognition of Subrogation.

In all cases where a third party (other than a Member employee or agent) is responsible for the injury to the employee, attempts to obtain information regarding the identity of the responsible party shall be made within 14 calendar days of recognition of subrogation potential. Once identified, the third party shall be contacted within 14 calendar days with notification of the Member's right to subrogation and the recovery of certain claim expenses.

Number of Claims Recognized for Potential Subrogation: 5
Actual Subrogation Cases With Timely Initial Action: 5 (100.0%).

10.2 Appropriate Subrogation Follow Up.

Periodic contact shall be made with the responsible party and/or insurer to provide notification of the amount of the estimated recovery to which the Member shall be entitled. The file shall be monitored to determine the need to file a complaint in civil court to preserve the statute of limitations.

Actual Subrogation Cases: 6
Subrogation Cases With Appropriate Follow Up: 6 (100.0%).

10.3 Employer Communication Regarding Subrogation.

If the injured worker brings a civil action against the party responsible for the injury, the claims administrator shall consult with the Member about the value of the subrogation claim and other considerations.

Number of Claims With Active Subrogation: 6
Number of Claims With Adequate ER Communication: 6 (100.0%).

10.4 Approval to Accept, Waive, Settle Subrogation.

Member (and PRISM if applicable) approval is required to waive pursuit of subrogation or agree to a settlement of a third party recovery.

Claims Requiring Approval to Accept, Waive, Settle: 1
Claims With Approval to Accept, Waive, Settle: 1 (100.0%).

10.5 Complaint or Lien Filed Timely.

Member authorization shall be obtained to assign subrogation counsel in order to file a lien or Complaint in Intervention in the civil action.

Claims Requiring Timely Filing of Complaint or Lien: 1

Claims With Timely Filing of Complaint or Lien: 1 (100.0%).

10.6 Subrogation Pursued to Maximum Recovery.

Maximum recovery of benefits paid should be pursued, along with assertion of credit against the injured worker's net recovery for future benefit payments.

Claims Requiring Pursuit to Maximum Recovery: 0

Claims With Maximum Recovery: 0 (0.0%).

10.7 Findings, Summary and Recommendations.

Subrogation was recognized and pursued consistently on all 6 of the applicable claims. Employer was also kept informed of the subrogation.

11. Penalty Summary.

This audit area is a review of any claims that fall into the penalty provisions of the Labor Code or Division of Workers' Compensation Rules and Regulations.

11.1 Self Imposed Penalty Paid if Required.

This penalty is required by the Rules and Regulations for any late indemnity payment. The penalty to be paid is 10% of the total amount of indemnity that is paid late and clearly identified as a penalty payment.

Claims Requiring Self Imposed Penalty: 3

Claims In Which Self Imposed Penalty Was Paid: 3 (100.0%).

11.2 Self Imposed Penalties Coded Correctly.

Penalties shall be coded so as to be identified as a penalty payment. If the Member utilizes a third party administrator, the Member shall be advised of the assessment of any penalty for the delayed amount and the reason thereof. The Member contract with the administrator shall specify who is responsible for specific penalties.

Claims In Which Self Imposed Penalty Was Paid: 3

Claims In Which Self Imposed Penalty Was Correctly Coded: 3 (100.0%).

11.3 Penalty Reimbursements to Members.

The third party administrator shall have a plan in place to reimburse the member for any penalties that are the fault of the administrator on a monthly basis or any other periodic basis agreed to by the Member.

Claims Requiring Penalty Reimbursements: 3

Claims With Documented Penalty Reimbursements: 3 (100.0%).

11.4 Findings, Summary and Recommendations.

There were 3 claims in which penalties were paid. The penalties were paid timely and coded correctly. Penalties are also being reimbursed to the members. No recommendations are necessary.

12. Disability Management.

This section looks at communications between the third party administrator and Member regarding return to work and permanent restrictions in the event of permanent disability.

12.1 Proactive Pursuit of Return to Work.

The administrator shall work proactively to obtain work restrictions and/or a release to full duty on all cases. The administrator shall notify the designated Member representative immediately upon receipt of temporary work restrictions or a release to full duty, and work with the Member to establish a return to work as soon as possible. Failing any needed response within 20 calendar days the administrator shall follow up with the designated Member representative.

Claims Where Proactive Pursuit of Return to Work Needed: 29
Claims Where Proactive Return To Work Occurred: 29 (100.0%).

12.2 Member Notified of Permanent Restrictions.

The administrator shall notify the designated Member immediately upon receipt of an employee's permanent work restrictions so that the Member can determine the availability of alternative, modified or regular work.

Claims With Permanent Restrictions: 3
Claims With Timely Notification of Permanent Restrictions: 3 (100.0%).

12.3 Findings, Summary, and Recommendations.

Proactive return to work is being sought on claims where the employees are missing time. The employers are also being notified of permanent restrictions. No recommendations are necessary.

Audit Data

Scored Audit Points 87.7%

11/4/2020

103 Claims

Sedgwick Roseville III

All Clients

Audit Point	Question	Yes	No	Unkn	Tot	%Yes	%No	%Unkn
1. Compensability Determination								
1.1	Initial Employer Contact	51	1	0	52	98.1	1.9	0.0
2. Employee Contact								
2.1	Initial Employee Contact	47	0	0	47	100.0	0.0	0.0
2.2	Employee Contact Continued	11	8	0	19	57.9	42.1	0.0
3. Payments and Fiscal Handling								
3.6	File Balancing	43	5	0	48	89.6	10.4	0.0
3.9	Timely Payment of Medical Bills	87	2	0	89	97.8	2.2	0.0
3.11	Payments Made On Correct Claim	24	0	0	24	100.0	0.0	0.0
4. Case Review and Documentation								
4.1	Plan of Action Appropriate	99	3	0	102	97.1	2.9	0.0
4.2	Examiner Diaries	723	186	0	909	79.5	20.5	0.0
4.3	Supervisor Diaries	335	80	0	415	80.7	19.3	0.0
4.4	Medical Only Conversion	2	2	0	4	50.0	50.0	0.0
6. Litigation								
6.1	Investigation of Potential Litigation Issues	0	0	0	0	0.0	0.0	0.0
6.2	Litigation Management	30	0	0	30	100.0	0.0	0.0
7. Apportionment, Resolution of Claim and Settlement Authority								
7.1	Resolution Pursued Timely	76	2	0	78	97.4	2.6	0.0
7.2	Correct Settlement Valuation	27	0	0	27	100.0	0.0	0.0
7.3	Apportionment Ruled In or Out	19	0	0	19	100.0	0.0	0.0
7.4	Apportionment Pursued	11	0	0	11	100.0	0.0	0.0
7.5	Member Settlement Authority Request	23	0	0	23	100.0	0.0	0.0
7.6	Excess Settlement Authority Request	0	0	0	0	0.0	0.0	0.0
7.8	Medicare Interests Protected	1	0	0	1	100.0	0.0	0.0

Audit Data

Scored Audit Points 87.7%

11/4/2020

103 Claims

Sedgwick Roseville III

All Clients

Audit Point	Question	Yes	No	Unkn	Tot	%Yes	%No	%Unkn
8. Reserve Adequacy								
8.1	Appropriate Initial Reserves	51	1	0	52	98.1	1.9	0.0
8.2	Timely Initial Reserves	53	0	0	53	100.0	0.0	0.0
8.3	Reserves Revised Timely and Appropriately	90	1	0	91	98.9	1.1	0.0
8.4	Separation of TD/4850 Reserves	23	0	0	23	100.0	0.0	0.0
8.5	Medical Reserves Consistent With OSIP	101	1	0	102	99.0	1.0	0.0
8.6	Life Pension Reserved if Applicable	1	0	0	1	100.0	0.0	0.0
8.7	Allocated Reserves Accurate	101	0	0	101	100.0	0.0	0.0
9. Excess Insurance								
9.1	Initial Excess Reporting	15	5	0	20	75.0	25.0	0.0
9.2	Subsequent Excess Reporting	123	16	0	139	88.5	11.5	0.0
9.3	Excess Reimbursement Requests	0	0	0	0	0.0	0.0	0.0
9.5	Closing Report Sent to Excess	1	0	0	1	100.0	0.0	0.0
10. Subrogation								
10.1	Recognition of Subrogation	5	0	0	5	100.0	0.0	0.0
10.2	Appropriate Subrogation Follow Up	6	0	0	6	100.0	0.0	0.0
10.3	ER Communication Regarding Subrogation	6	0	0	6	100.0	0.0	0.0
10.4	Approval to Accept, Waive, Settle Subrogation	1	0	0	1	100.0	0.0	0.0
10.5	Complaint or Lien Filed Timely	1	0	0	1	100.0	0.0	0.0
10.6	Subrogation Pursued to Maximum Recovery	0	0	0	0	0.0	0.0	0.0
11. Penalty Summary								
11.2	Self Imposed Penalties Coded Correctly	3	0	0	3	100.0	0.0	0.0
12. Disability Management								
12.1	Proactive Pursuit of Return to Work	29	0	0	29	100.0	0.0	0.0
12.2	Notification of Permanent Restrictions	3	0	0	3	100.0	0.0	0.0
13. Administrative Information								
13.1	Examiner Caseloads	6	0	0	6	100.0	0.0	0.0

Audit Data

Scored Audit Points 86.3%

11/4/2020

79 Claims

Sedgwick Roseville III

Northern California Cities Self Insurance Fund/Alliant Insurance

Audit Point	Question	Yes	No	Unkn	Tot	%Yes	%No	%Unkn
1. Compensability Determination								
1.1	Initial Employer Contact	39	1	0	40	97.5	2.5	0.0
2. Employee Contact								
2.1	Initial Employee Contact	35	0	0	35	100.0	0.0	0.0
2.2	Employee Contact Continued	10	7	0	17	58.8	41.2	0.0
3. Payments and Fiscal Handling								
3.6	File Balancing	31	5	0	36	86.1	13.9	0.0
3.9	Timely Payment of Medical Bills	64	2	0	66	97.0	3.0	0.0
3.11	Payments Made On Correct Claim	19	0	0	19	100.0	0.0	0.0
4. Case Review and Documentation								
4.1	Plan of Action Appropriate	76	3	0	79	96.2	3.8	0.0
4.2	Examiner Diaries	549	166	0	715	76.8	23.2	0.0
4.3	Supervisor Diaries	261	65	0	326	80.1	19.9	0.0
4.4	Medical Only Conversion	2	0	0	2	100.0	0.0	0.0
6. Litigation								
6.1	Investigation of Potential Litigation Issues	0	0	0	0	0.0	0.0	0.0
6.2	Litigation Management	23	0	0	23	100.0	0.0	0.0
7. Apportionment, Resolution of Claim and Settlement Authority								
7.1	Resolution Pursued Timely	55	2	0	57	96.5	3.5	0.0
7.2	Correct Settlement Valuation	18	0	0	18	100.0	0.0	0.0
7.3	Apportionment Ruled In or Out	12	0	0	12	100.0	0.0	0.0
7.4	Apportionment Pursued	9	0	0	9	100.0	0.0	0.0
7.5	Member Settlement Authority Request	15	0	0	15	100.0	0.0	0.0
7.6	Excess Settlement Authority Request	0	0	0	0	0.0	0.0	0.0
7.8	Medicare Interests Protected	1	0	0	1	100.0	0.0	0.0

Audit Data

Scored Audit Points 86.3%

11/4/2020

79 Claims

Sedgwick Roseville III

Northern California Cities Self Insurance Fund/Alliant Insurance

Audit Point	Question	Yes	No	Unkn	Tot	%Yes	%No	%Unkn
8. Reserve Adequacy								
8.1	Appropriate Initial Reserves	39	1	0	40	97.5	2.5	0.0
8.2	Timely Initial Reserves	41	0	0	41	100.0	0.0	0.0
8.3	Reserves Revised Timely and Appropriately	70	1	0	71	98.6	1.4	0.0
8.4	Separation of TD/4850 Reserves	17	0	0	17	100.0	0.0	0.0
8.5	Medical Reserves Consistent With OSIP	78	0	0	78	100.0	0.0	0.0
8.6	Life Pension Reserved if Applicable	1	0	0	1	100.0	0.0	0.0
8.7	Allocated Reserves Accurate	77	0	0	77	100.0	0.0	0.0
9. Excess Insurance								
9.1	Initial Excess Reporting	12	2	0	14	85.7	14.3	0.0
9.2	Subsequent Excess Reporting	82	13	0	95	86.3	13.7	0.0
9.3	Excess Reimbursement Requests	0	0	0	0	0.0	0.0	0.0
9.5	Closing Report Sent to Excess	1	0	0	1	100.0	0.0	0.0
10. Subrogation								
10.1	Recognition of Subrogation	5	0	0	5	100.0	0.0	0.0
10.2	Appropriate Subrogation Follow Up	6	0	0	6	100.0	0.0	0.0
10.3	ER Communication Regarding Subrogation	6	0	0	6	100.0	0.0	0.0
10.4	Approval to Accept, Waive, Settle Subrogation	1	0	0	1	100.0	0.0	0.0
10.5	Complaint or Lien Filed Timely	1	0	0	1	100.0	0.0	0.0
10.6	Subrogation Pursued to Maximum Recovery	0	0	0	0	0.0	0.0	0.0
11. Penalty Summary								
11.2	Self Imposed Penalties Coded Correctly	3	0	0	3	100.0	0.0	0.0
12. Disability Management								
12.1	Proactive Pursuit of Return to Work	23	0	0	23	100.0	0.0	0.0
12.2	Notification of Permanent Restrictions	2	0	0	2	100.0	0.0	0.0
13. Administrative Information								
13.1	Examiner Caseloads	6	0	0	6	100.0	0.0	0.0

Non Scored Audit Points

11/4/2020

103 Claims

Sedgwick Roseville III

All Clients

Audit Point	Question	Yes	No	Unkn	Tot	%Yes	%No	%Unkn
1.2	Initial Decision	52	0	0	52	100.0	0.0	0.0
1.3	Indexing	59	3	0	62	95.2	4.8	0.0
1.4	AOE/COE Investigation Needed	15	0	0	15	100.0	0.0	0.0
1.5	Final Decision Timely Documented	15	0	0	15	100.0	0.0	0.0
3.1	Timeliness of Initial TD and PD Payments	49	0	0	49	100.0	0.0	0.0
3.2	Subsequent TD and PD Payments	42	1	0	43	97.7	2.3	0.0
3.3	Undisputed Awards Paid Timely	25	0	0	25	100.0	0.0	0.0
3.4	Required Benefit Notices	55	6	0	61	90.2	9.8	0.0
3.5	Overpayments	0	0	0	0	0.0	0.0	0.0
3.7	Timely Employee Reimbursements	21	0	0	21	100.0	0.0	0.0
3.8	Advance Travel Paid Timely	14	2	0	16	87.5	12.5	0.0
3.10	Medical Bill Objection Letters	4	0	0	4	100.0	0.0	0.0
4.5	Timely Response to Written Inquiries	13	0	0	13	100.0	0.0	0.0
4.6	Ongoing Employer Contact	48	0	0	48	100.0	0.0	0.0
5.1	Appropriate Use of UR	57	0	0	57	100.0	0.0	0.0
5.2	Appropriate Use of NCM	1	0	0	1	100.0	0.0	0.0
6.3	Communication With ER on Litigation Issues	30	0	0	30	100.0	0.0	0.0
7.7	Proof of Settlement Authority	21	0	0	21	100.0	0.0	0.0
9.4	Copy of Award Sent To Excess	1	0	0	1	100.0	0.0	0.0
11.1	Self Imposed Penalty Paid if Required	3	0	0	3	100.0	0.0	0.0
11.3	Penalty Reimbursements to Member	3	0	0	3	100.0	0.0	0.0
13.2	Supervisor Caseloads	1	0	0	1	100.0	0.0	0.0

Non Scored Audit Points

11/4/2020

79 Claims

Sedgwick Roseville III

Northern California Cities Self Insurance Fund/Alliant Insurance

Audit Point	Question	Yes	No	Unkn	Tot	%Yes	%No	%Unkn
1.2	Initial Decision	40	0	0	40	100.0	0.0	0.0
1.3	Indexing	43	3	0	46	93.5	6.5	0.0
1.4	AOE/COE Investigation Needed	13	0	0	13	100.0	0.0	0.0
1.5	Final Decision Timely Documented	13	0	0	13	100.0	0.0	0.0
3.1	Timeliness of Initial TD and PD Payments	37	0	0	37	100.0	0.0	0.0
3.2	Subsequent TD and PD Payments	33	1	0	34	97.1	2.9	0.0
3.3	Undisputed Awards Paid Timely	21	0	0	21	100.0	0.0	0.0
3.4	Required Benefit Notices	39	6	0	45	86.7	13.3	0.0
3.5	Overpayments	0	0	0	0	0.0	0.0	0.0
3.7	Timely Employee Reimbursements	16	0	0	16	100.0	0.0	0.0
3.8	Advance Travel Paid Timely	11	2	0	13	84.6	15.4	0.0
3.10	Medical Bill Objection Letters	3	0	0	3	100.0	0.0	0.0
4.5	Timely Response to Written Inquiries	9	0	0	9	100.0	0.0	0.0
4.6	Ongoing Employer Contact	38	0	0	38	100.0	0.0	0.0
5.1	Appropriate Use of UR	45	0	0	45	100.0	0.0	0.0
5.2	Appropriate Use of NCM	1	0	0	1	100.0	0.0	0.0
6.3	Communication With ER on Litigation Issues	23	0	0	23	100.0	0.0	0.0
7.7	Proof of Settlement Authority	14	0	0	14	100.0	0.0	0.0
9.4	Copy of Award Sent To Excess	1	0	0	1	100.0	0.0	0.0
11.1	Self Imposed Penalty Paid if Required	3	0	0	3	100.0	0.0	0.0
11.3	Penalty Reimbursements to Member	3	0	0	3	100.0	0.0	0.0
13.2	Supervisor Caseloads	1	0	0	1	100.0	0.0	0.0

January 19, 2021

To: Marcus Beverly, Alliant Insurance Services (via email)
Karin Wedworth, PRISM (formerly CSAC EIA), WC Claims Manager (via email)

Re: Response to Audit Results for Northern California Cities Self-Insurance Fund– North Bay Associates

This letter will serve as a response to the audit report dated January 4, 2021 and performed in line with the PRISM (formerly CSAC-EIA) Audit Guidelines. The below audit response is designed to address areas evaluated and provide response and performance actions as a result of the audit. The audit generated an overall score 86.3% which provided a rating of Meeting Expectations. We want to assure you of our continued commitment to meet and exceed NCCSIF and PRISM's expectations. We continue to look forward to working with both NCCSIF and PRISM to identify and implement processes to achieve improved results.

Performance Strengths

The audit report is comprised of 40 categories for management of claims, as noted in the audit. We did score at or above 95% in 32 of the 40 categories. (4 categories did not have an applicable file to review). Some of the strengths were observed in the following categories:

- Initial Employee Contact: 100%
- Litigation management: 100%
- Correct settlement valuation: 100%
- Timely initial reserves: 100%
- Allocated reserves accurately: 100%
- Proactive pursuit of return to work: 100%
- Initial Employer contact: 97.5%
- Resolution pursued timely: 96.5%
- Plan of action appropriate: 96.2%

Performance Improvement Recommendations

The following represents review of each category that fell below expectations along with identified actions items we will put into place to address these areas.

- **Employee Contact Continued:**
There were 17 total files/points available for this category with 10 completed timely per the audit. This equated to a score of 58.8%. To improve upon this score, we will conduct additional training with the team followed up with ongoing internal audits on lost time claims wherein the claimant is not represented. We will also be completing spot checks of claims to ensure compliance and a scheduled diary.
- **Examiner Diaries:**
This category produced a 76.8% score with 715 points available and 549 points attained. This area produced the highest number of missed opportunities and therefore had the highest impact on our overall score. We agree that management of our daily diary is an essential function in the management

and resolution of claims, and we are committed to improvement in this area. To that end we should point out that the quality of diary review and plans of actions scored 96.2%. To greater emphasize the importance of timely examiner diary we will continue to set timely completion of diary as a priority and ensure that examiners are setting diary with early due dates to ensure they complete this vital task timely, if not ahead of due dates. We will continue to track our examiners diary on a weekly basis.

- **Supervisor Diaries:**

This category produced a score of 80.1% with 326 points available and 261 points attained. This area produced the second highest number of missed opportunities and had the second highest impact on our overall score. Greater emphasis will be placed on completing supervisor diary timely and within audit timeframes. We will complete weekly spot checks on supervisor diary. We will also run weekly reports to track any outstanding diary.

- **Initial and Subsequent Excess Reporting.**

For initial excess reporting there were 14 total points available and 12 points credited for a total score of 85.7%. For subsequent excess reporting there were 95 total points available and 82 points credited for a total score of 86.3%. We will conduct additional training with our examiners to emphasize the due dates for both initial and subsequent excess reporting. We will ensure that a special diary is set well within due dates and time frames to allow for timely reporting of both the initial and subsequent excess reports.

Thank you for the opportunity to evaluate our management of the claims and allow us the opportunity to implement plans to enhance our level of service. We appreciate our partnership with both NCCSIF and PRISM (formerly CSAC-EIA) and we look forward to working with you both in providing the best possible service to everyone associated with the account.

Please let us know if you have any questions.

Sincerely,

Dori Zumwalt
Director, Client Services

Cc (via email):

Heidi Hough, Director Claims
Steven Scott, Team Lead
Devora Brainard-DeLong, VP Client Services
Jenna Wirkner, Alliant Account Representative



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021**

Agenda Item E.

GENERAL RISK MANAGEMENT ISSUES

INFORMATION ITEM

ISSUE: The floor will be open to the Board for discussion.

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: Previously titled “Round Table Discussion”, this item has historically been placed at the end of Committee and Board meetings as an *opportunity for a member to discuss a topic of interest or seek guidance and input from the group about a current issue, risk management topic or exposure the member is facing*. Often there is little or no discussion, while with other groups this item has led to very valuable discussions and interest from the members.

ATTACHMENT(S): None.



Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021

Agenda Item F.

ADMINISTRATION REPORTS

I

- | | |
|--|----------|
| 1. President's Report | 4 |
| <i>Dave Warren will address the Committee on items pertaining to NorCal Cities.</i> | |
| 2. CJPRMA Update | 4 |
| <i>The Board will receive an update on CJPRMA matters pertinent to NorCal Cities. Minutes of the last meeting can be found at http://www.cjprma.org.</i> | |
| 3. Program Administrator's Report | 1 |
| <i>Alliant will address the Committee on items pertaining to NorCal Cities.</i> | |
| <ul style="list-style-type: none">• 2020-21 Member Training Fund usage• Remote Employee Outside CA Workers' Compensation Coverage | |
| 4. Summary of the March 25, 2021 Executive Committee Meeting | 1 |
| <i>The Board will receive an update of the actions taken at the Executive Committee meeting.</i> | |
| 5. FY 20/21 PRISM Member Annual Report | 1 |
| <i>Marcus Beverly will provide an update on the benefits achieved as a result of NCCSIF's participation in the PRISM's program.</i> | |

NCCSIF
FY 20/21 MEMBER TRAINING AND RISK MANAGEMENT FUND - Updated 7/1/20
(formerly Seminars/Conference Reimbursement)

Member	FY 20/21 Training Funds	YTD Reimbursements Made	Reimbursement Notes/Usage	Must Use Funds by 6/30/2021
1 Anderson	\$4,000			\$4,000.00
2 Auburn	\$4,000			\$4,000.00
3 Colusa	\$4,000			\$4,000.00
4 Corning	\$4,000			\$4,000.00
5 Dixon	\$4,000			\$4,000.00
6 Elk Grove	\$4,000			\$4,000.00
7 Folsom	\$4,000			\$4,000.00
8 Galt	\$4,000			\$4,000.00
9 Gridley	\$4,000			\$4,000.00
10 Ione	\$4,000			\$4,000.00
11 Jackson	\$4,000			\$4,000.00
12 Lincoln	\$4,000			\$4,000.00
13 Marysville	\$4,000			\$4,000.00
14 Nevada City	\$4,000			\$4,000.00
15 Oroville	\$4,000			\$4,000.00
16 Paradise	\$4,000			\$4,000.00
17 Placerville	\$4,000			\$4,000.00
18 Red Bluff	\$4,000			\$4,000.00
19 Rio Vista	\$4,000			\$4,000.00
20 Rocklin	\$4,000			\$4,000.00
21 Willows	\$4,000			\$4,000.00
22 Yuba City	\$4,000			\$4,000.00
Total	\$88,000	\$0.00		\$88,000.00

NOTE: FY 19/20 each member city is allotted \$4,000 from the Admin budget 52207 - **Member Training and Risk Management**
This is a Use-It-or-Lose-It and reimbursement request must be submitted within the fiscal year.

From: [Kelli Snelling](#) on behalf of [Michael Pott](#)
To: [Michael Pott](#)
Subject: PRISM EWC MOC Proposed Amendments
Date: Tuesday, March 9, 2021 1:30:36 PM
Attachments: [3.A.4. 2EWC MOC - Proposed changes 2021-22.pdf](#)
[EWC MOC with Universal Endorsements 2020-2021.pdf](#)

This message has originated outside the organization.

Good afternoon EWC Program members,

At its March 5, 2021 meeting, the PRISM Board of Directors approved the circulation of proposed revisions to the EWC Memorandum of Coverage (MOC) for review and comment. The proposed changes for consideration are as follows (all page references below are based on the attached **redline** version):

- Coverage for remote workers residing in other states (pg. 1) – The pandemic has created new opportunities for remote work to the point that some entities have or may ultimately have employees residing in other states. An employee who is injured while working for a California public entity and residing in another state, can either file a workers' compensation claim in California or in the state in which the employee resides. The proposed change to the coverage grant would make it clear that the MOC intends to provide coverage for a Member's remote worker who resides in another state.
- Deletion of unnecessary language for the definition of Employee. (pg. 2)
- Deletion of Coverage B examples of Punitive or Exemplary Damages that are excluded from coverage (pg. 4) – The recommendation is that the specific examples of punitive or exemplary damages that are not covered be deleted because the listed examples are geared toward workers' compensation claims, whereas Coverage B is not workers' compensation. In addition, by including a list we may be unintentionally restricting the application of the exclusion by providing the list.
- Incorporation of Endorsements – The remaining proposed changes are the incorporation of Universal Endorsement 2 (Clarification of Coverage – pg. 3) and Universal Endorsement U-3 (Carve Out Reporting Requirement – pg. 10) into the body of the MOC.

Attached for your review are:

- A copy of the current MOC
- A **redlined** version of the MOC detailing the proposed revisions

Please note: The **due date for all comments is April 16, 2021**. We will review all comments and present final amendments, if any, to the Underwriting Committee at its meeting on May 5, 2021.

Please direct any questions or comments regarding the proposed revisions to the EWC MOC to either PRISM's Chief Legal Counsel, Mike Pott, via email at mpott@prismrisk.gov or to PRISM's Workers' Compensation Director, Jen Hamelin, via email at jhamelin@prismrisk.gov. Both can also be reached by telephone at (916) 850-7300.

Michael Pott, Chief Legal Counsel

PRISM

O: 916.850.7300

M: 916.719.6958

75 Iron Point Circle, Suite 200, Folsom, CA 95630

www.prismrisk.gov

[Download My Contact Info!](#)

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PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)

**EXCESS WORKERS' COMPENSATION PROGRAM
MEMORANDUM OF COVERAGE**

Public Risk Innovation, Solutions, and Management (hereinafter PRISM) agrees with the **Covered Party** named in the Declarations made a part hereof, in consideration of the payment of the premium and subject to all of the terms of this Memorandum, as follows:

COVERAGE AGREEMENTS

I. APPLICATION OF MEMORANDUM: This Memorandum applies to **loss** sustained by the **Covered Party** because of liability imposed upon the **Covered Party** by:

A. The **Workers' Compensation Act** of ~~(1) California,~~ ~~or~~ (2) the **Workers' Compensation Act** of any state other than California, provided that California is the injured **employee's** normal state of employment or residence, or (3) the **Workers' Compensation Act** of any state in which the injured employee resides while performing services for the **Covered Party**, or

Commented [MP1]: Proposed change ensures that remote workers working for a member and living in another state are covered under the MOC should the employee choose to pursue WC benefits under California law.

B. "Employers' Liability"

on account of **bodily injury or occupational disease** sustained by **employees** of the **Covered Party**, while engaged in operations of the **Covered Party**, as a result of **occurrences** taking place during the coverage period and while this Memorandum is in force.

The indemnity afforded by this Memorandum under Coverage Agreement I.B. for **loss** because of liability imposed by "Employers' Liability" applies only as respects such operations in California including **employees** who are regularly engaged in such operations in California but who may be temporarily outside California in connection with such operations and employees who reside outside California while performing services for the **Covered Party**. As respects liability imposed by "Employers' Liability", PRISM shall have no obligation to indemnify the **Covered Party** for damages imposed in any lawsuit brought in, or any judgment rendered by, any court outside of the United States of America, its territories or possession, or Canada, or to any action on such judgment wherever brought.

Commented [MP2]: Addresses the resides in other state issue

PRISM's liability under Coverage Agreement I.B. includes **bodily injury or occupational disease** to the master and members of the crew of a vessel, subject to the following:

A. The **bodily injury or occupational disease** must occur in the territorial limits of, or the operation of a vessel sailing directly between the ports of the Continental United States of America, Alaska, Hawaii, or Canada.

B. This coverage does not apply to:

ENDORSEMENT NO. U-46

**PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)
EXCESS WORKERS' COMPENSATION**

**OFF-DUTY, OUT-OF-STATE PEACE OFFICER INJURY (AB 1749)
ENDORSEMENT**

It is understood and agreed that this Memorandum shall not apply to **bodily injury** or **occupational disease** sustained by a peace officer who was at the time of the **occurrence**:

- a. off-duty,
- b. not acting under the immediate direction of his or her employer, and
- c. outside the state of California.

However, this exclusion shall not apply to **bodily injury** or **occupation disease** sustained by a peace officer under such circumstances if:

- a. the peace officer was engaging in the apprehension or attempted apprehension of law violators or suspected law violators, or protection or preservation of life or property, or the preservation of the peace; and
- b. prior to the **occurrence**, the Governing Board of the **Covered Party** has adopted a resolution, as provided for in California Labor Code Section 3600.2, subdivision (b)(4), accepting liability for such injury under the **Workers' Compensation Act**.

"Peace officer" for purposes of this Endorsement has the definition stated in Section 50920 of the California Government Code.

It is further agreed that nothing herein shall act to increase PRISM's limit of indemnity.

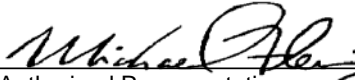
This endorsement is part of the Memorandum of Coverage and takes effect on the effective date of the Memorandum of Coverage unless another effective date is shown below. All other terms and conditions remain unchanged.

Effective Date:

Memorandum No.: PRISM 20 EWC-00

Issued to: ALL MEMBERS

Issue Date: June 29, 2020



Authorized Representative
Public Risk Innovation, Solutions, and Management



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021**

Agenda Item E.4.

**SUMMARY OF THE MARCH 25, 2021
EXECUTIVE COMMITTEE MEETING**

ACTIONS TAKEN:

➤ **Actuarial Studies**

- Workers' Compensation Program - reviewed and recommended the Draft study to be finalized.
- Liability Program - reviewed and recommended the Draft study to be finalized.

➤ **Workers' Compensation Program**

- Annual Banking Plan Adjustments - recommended a 35% return of available equity or 20% assessment for members above or below the target benchmark.
- Shared Risk Plan Adjustment - recommended a 25% return of equity for members above the target benchmark.
- FY 21/22 Deposit Premium - recommended maintain funding at the 80% CL with 40% cap.

➤ **Liability Program**

- Annual Banking Plan Adjustments - recommended a 30% return of available equity or 20% assessment for members above or below the target benchmark.
- Annual Shared Risk Plan Adjustments - recommended no refund and no assessment needed if maintain funding at 80% CL.
- FY 21/22 Deposit Premium - recommended maintaining funding at the 80% CL. Traditional cap of 30% results in too much re-allocation, reviewed cap of 50% and will present options.

- **Core Logic Wildfire Risk Scores** - Approved budget to run Core Logic Wildfire Risk Scores for member property locations.

Northern CA Cities Self Insurance Fund (NCCSIF)

2020/21
ANNUAL REPORT

Greetings,

As of June 30, 2020, CSAC Excess Insurance Authority became Public Risk Innovation, Solutions, and Management (PRISM). While we have a new name, and fresh look, our commitment to members remains steadfast. Along with the new PRISM brand, the global pandemic and a hard insurance market have led to many changes from both an organizational and business standpoint. PRISM adapted to change, leaning on our mission of being a member-driven risk pool.

PRISM continues to maintain steady membership numbers and has grown substantially in terms of programs and services. During uncertain times, PRISM has helped public entities and local communities preserve their resources by reducing their cost of risk and insurance. Even in a hard market such as today, PRISM continues to thrive by providing members with innovative coverage solutions and risk management services, as well as the opportunity to actively participate in a member-driven organization.

Highlights

- \$525 million saved by our membership in the last 5 years!
- Retained 99% of members at renewal of the programs
- Created new services and resources, such as: Risk Control open Forums, PRISMtv webcasts, an updated IRIC Manual, Risk Simplified articles, and our updated Schools Liability Handbook. Additionally, PRISM held its POST Certified De-Escalation course at more than 10 member locations.
- We continue to shield you from insurance market swings and minimize risk & uncertainty
- The EIO captive was recently rebranded to PRISM Affiliate Risk Captive (ARC). ARC continues to create immediate and long-term savings as well as serves as a superior risk transfer mechanism.

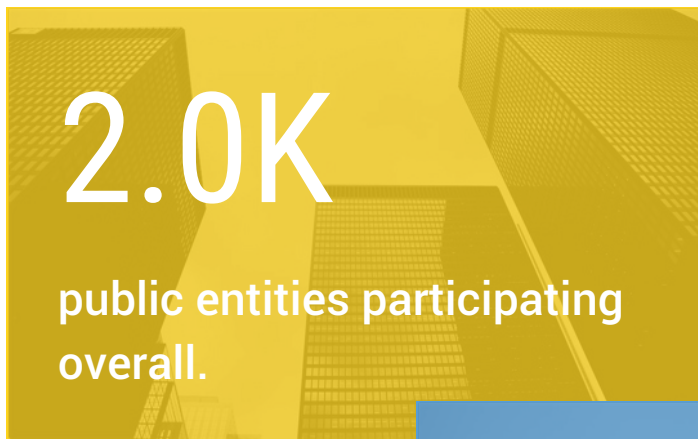
PRISM was formed as a Joint Powers Authority (JPA) in 1979, pursuant to Article 1, Chapter 5, Division 7, Title 1, of the California Government Code (Section 6500 et seq.). Dedicated to the control of losses and cost-effective risk management solutions, PRISM is a recognized leader and pioneer in the pooling and risk management community in California and nationwide.

We encourage you to share this information with your governing bodies or others interested in your participation in PRISM.

Regards,

Rick Brush, Chief Member Services Officer

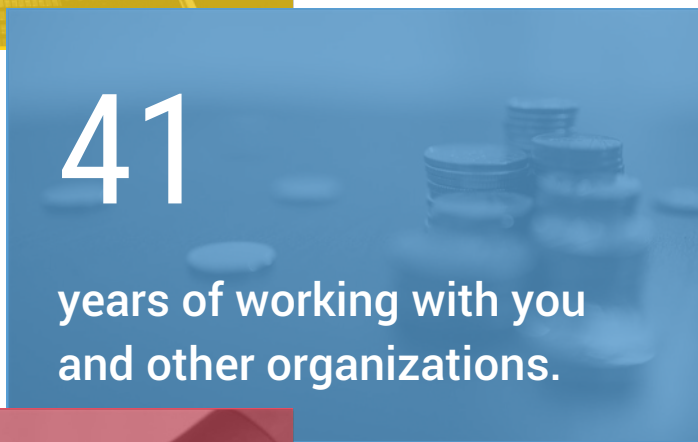
You're partnered with the leader in member-directed risk management.



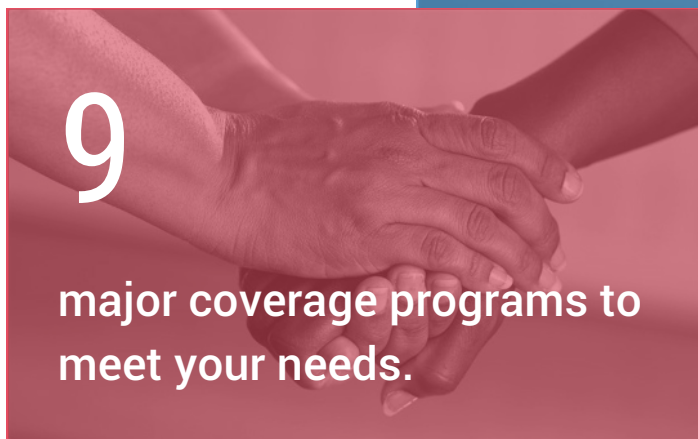
2.0K
public entities participating overall.



55
of California's counties enjoy PRISM membership.



41
years of working with you and other organizations.

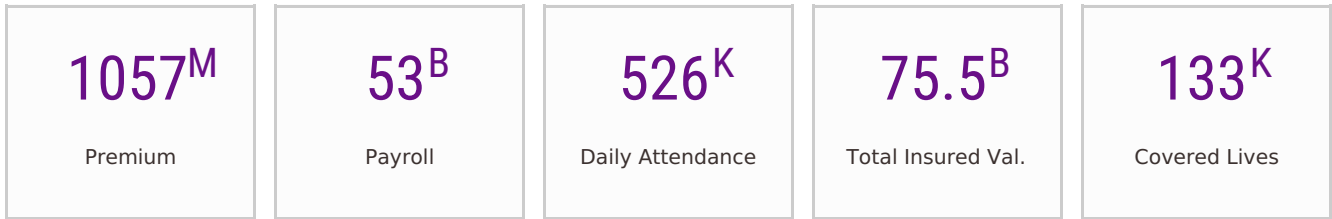


9
major coverage programs to meet your needs.



20
miscellaneous / ancillary group-purchase options.

We are one of the largest pools in the nation. Our major programs represent:



Our innovative and successful approach has been noticed across the state.

Financial Reporting & Budgeting Awards CAFR 1994-2019, PAFR 1998-2019, Budget 2011-2020

Compliance with AGRIP Advisory Standards 2013-2023

Accredited with Excellence 1989-2022

The relationships that the PRISM team has built over the years with members, brokers and reinsurers helps us to navigate the turbulent waters of a hard insurance market.

[View PRISM's State of Hard Market message](#)

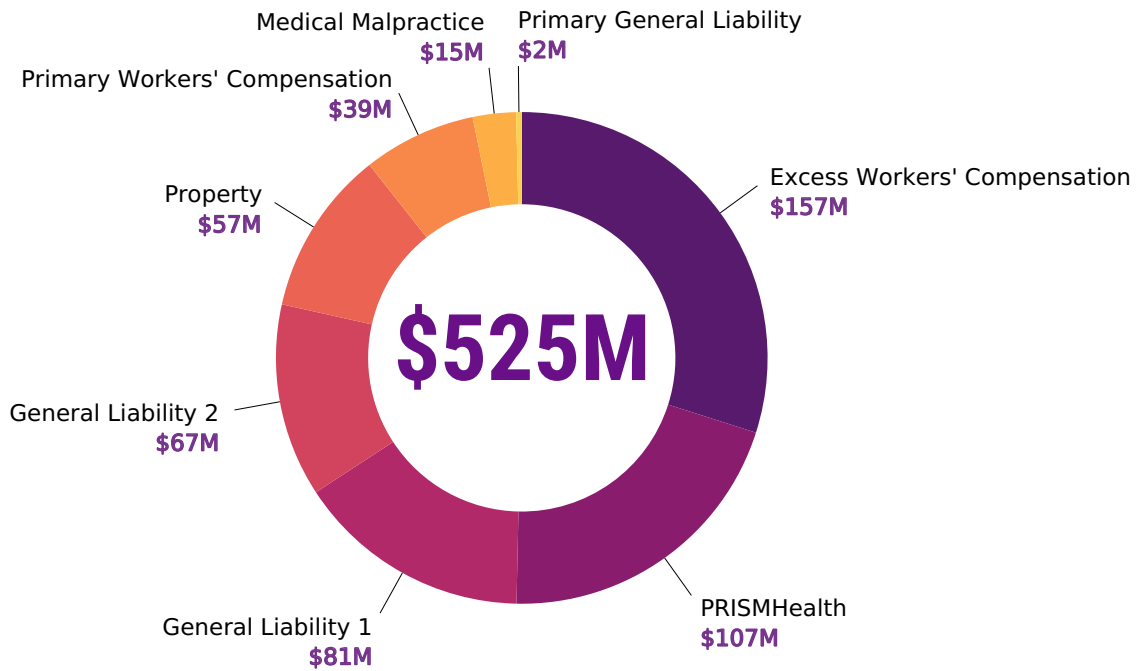
Read more about the state of the market and information you can use to communicate to your stakeholders.

[General Liability 1](#)

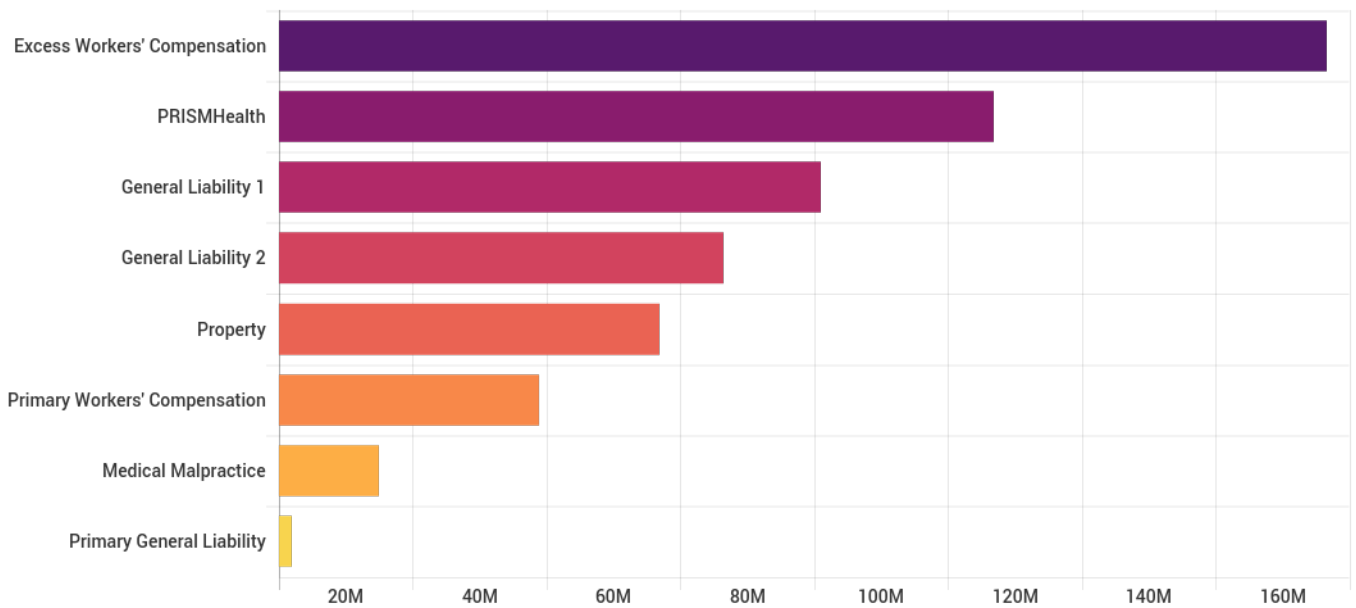
[General Liability 2](#)

[Property](#)

Over the past five years, members have saved



Let's break that down by coverage



The Primary General Liability (PGL) program was dissolved into the GL1 program effective 7/1/2018.

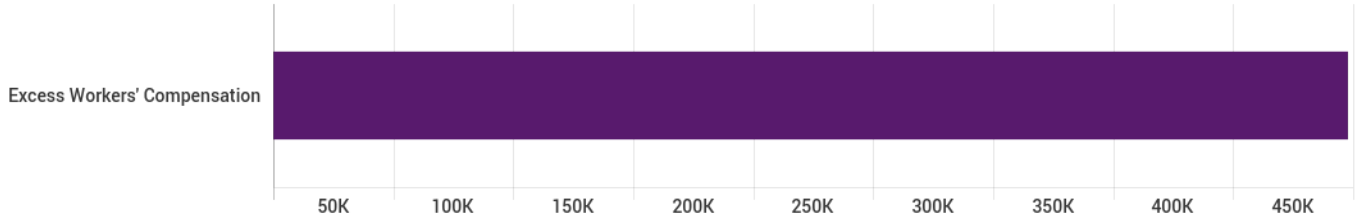
How are the premium comparisons computed?

In the report, we compare the premiums your agency paid to PRISM to what it would likely cost to purchase similar coverage and services on your own, or what is referred to as the “stand-alone” premium. Except for the Primary Workers’ Compensation, the stand-alone premium estimates are market based projections. For Primary Workers’ Compensation, the program costs are compared to the cost to self-insure at various confidence levels. Factors such as the entity’s size, retention, type of exposures, location, and/or the coverage being purchased has an impact on the estimated stand-alone projection. Below is a summary of the analysis that was done to derive the stand-alone projections as well as the various factors that influence the estimated projections.

PWC	Program premiums are compared to the cost to self-insure developed from an actuarial projection to fund at a 80% confidence level.
EWC	Insurance market projection based on actual quotes received by Alliant for similar public entity risks, ranging from 10 - 30% below market pricing depending on the type of exposure (county, city, school or other) and SIR levels.
GL1	Insurance market projection based on actual quotes received by Alliant for similar public entity risks, ranging from 10 - 20% below market pricing depending on the type of exposure (county, school or other). For those members in the deductible buy down program (formerly the PGL program), the premium is compared to the cost to self-insure developed from an actuarial projection to fund at a 70% confidence level.
GL2	Insurance market projection based on actual quotes received by Alliant for similar public entity risks, at approximately 15%-20% below market pricing depending on the entity’s size and type of exposure (county or city).
Medical Malpractice	Insurance market projection based on actual quotes received by Alliant for similar public entity risks, at approximately 15% below market pricing depending on the size of the county and whether the member has a low deductible or higher SIR.
Property	Insurance market projection based on actual All Risk and Earthquake quotes received by Alliant for similar public entity risks, ranging from 13 - 25% on an individual member basis below market pricing depending on size of the entity. Size of the entity is measured by total insured values, type of exposure (county, city, school or other), and if earthquake coverage is purchased, and the earthquake zone of the covered location.
PRISMHealth	Insurance market projection based on medical and pharmacy trends including insurance company margins for contingencies and profit.

Your savings with PRISM in 2020/21

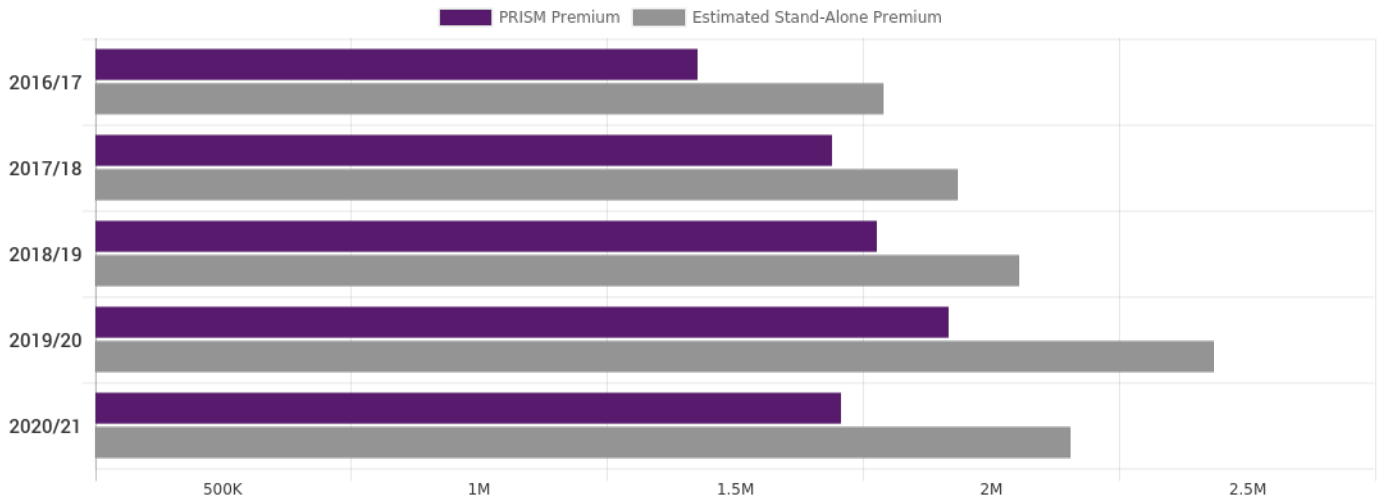
\$447,778



COVERAGE	PRISM PREMIUM	EST. STAND-ALONE PREMIUM	SAVINGS
Excess Workers' Compensation	\$1,457,705	\$1,905,483	\$447,778
Total Savings	\$1,457,705	\$1,905,483	\$447,778

5 Year Savings Breakdown 2016/17 - 2020/21

Excess Workers' Compensation



YEAR	PRISM PREMIUM	EST. STAND-ALONE PREMIUM	SAVINGS
2016/17	\$1,177,155	\$1,540,052	\$362,897
2017/18	\$1,440,433	\$1,685,707	\$245,274
2018/19	\$1,526,767	\$1,805,174	\$278,407
2019/20	\$1,668,873	\$2,185,729	\$516,856
2020/21	\$1,457,705	\$1,905,483	\$447,778
Total Savings	\$7,270,933	\$9,122,145	\$1,851,212

Want to save more? We can help with that

You could benefit from these additional coverages.

PRISMHealth

Know your Healthcare alternatives! Explore the PRISMHealth program and create healthcare options tailored to the needs of your organization, while benefitting from pooled risk sharing renewals!

General Liability 1

Along with the our Excess Workers' Compensation Program, our GL1 Program is a PRISM flagship Program that provides excess general liability coverage on a broad coverage form. Members have the choice of self-insured retentions ranging from \$100k to \$1M. The program also offers a deductible buy-down program within the coverage structure for those members looking for lower deductibles of \$10K and higher. Members also benefit from a host of risk control, claims, and risk management services.

Property

Benefit from the economies of scale with one of the largest group purchased property placements in the world, the PRISM Property Program provides the protection you need from physical damage to property. The coverages range from "All Risk" perils to Boiler & Machinery, and from Flood (included automatically) to Earthquake and Auto Physical Damage for vehicles (which are both optional).

We also offer additional services for members

Our Member Services are constantly evolving to respond to and meet your needs. Don't see what you need? Give us a call and we'll see what we can do. We're here to find solutions!

Risk Management

- ▲ Actuarial Analysis
- ▲ Subsidies for Loss Prevention & Risk Management needs
- ▲ Real & Personal Property Appraisals
- ▲ Certificate of Insurance Management
- ▲ Pre-Employment Background Checks
- ▲ Legal Advice
- ▲ Crisis Incident Management
- ▲ Risk Management 101 Courses
- ▲ Crisis Incident Counseling
- ▲ Body-Worn Camera
- ▲ Enterprise Risk Consultants
- ▲ Strategic Planning Facilitation

Risk Control

- ▲ Classroom, Onsite & Regional Training
- ▲ Cyber Security
- ▲ Safety Data Sheet Management
- ▲ Risk Assessment Tool
- ▲ Incident Reporting System
- ▲ Employer Pull Notice Program
- ▲ Drug & Alcohol Monitoring Consortium
- ▲ Safety Toolbox
- ▲ PRISM TV
- ▲ Soft Tissue Injury Prevention
- ▲ Timekeeping Checkpoint System
- ▲ Protective Footwear

Claims

- ▲ 24/7 Nurse Triage Services
- ▲ Return to Work Program
- ▲ Claim Audits
- ▲ Claim System Utilization
- ▲ ISO Claims Search
- ▲ Medicare Reporting Services
- ▲ Medical Provider Network
- ▲ Express Scripts Pharmacy Benefits Management
- ▲ Catastrophic Claims Management

Member Spotlight

Helping Students Thrive: San Marino High School Wellness Center

The goal of the San Marino High School Titan Wellness Center is to ensure students are thriving and safe. The stress of academics can have a serious effect on the mental health of students, which affects student physical health and the rates of absenteeism.

When schools re-open full time, the Titan Wellness Center is a model of how schools can be a positive influence on the mental health of students, especially after such an unprecedented time.

Read more about how this EAGLE Award winner used something "more than just a room" to bring the concept of student wellness to the forefront of people's minds, on the [PRISM blog](#).

Have your voice heard. Your participation is key.

Member involvement is critical to PRISM's success. Be a part of the decision-making process and have your voice heard.

Getting Started

Committees go through an election process once a year in the fall to nominate potential candidates. Appointments are then made by the Executive Committee in December. If you're interested in becoming a committee member, look for and submit the nomination form this fall. Contact a staff member to learn more about joining a committee.

Member Counties & Public Entities



The organizational chart depicts the governance structure of PRISM and the relationship between the members, the Board of Directors and the committees.



Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021

Agenda Item G.

**FY 21/22 NORCAL CITIES EXECUTIVE COMMITTEE
ROTATION & OFFICERS**

INFORMATION ITEM

ISSUE: Membership on the NCCSIF EC rotates annually, and each Member serves for a two-year term. NCCSIF Officers are selected from the EC as needed. The July 1, 2021 to June 30, 2022 term for the Executive Committee will include the following Members:

FY 21/22 NCCSIF Executive Committee

<u>Member</u>	<u>Representative</u>	<u>New</u>	Term of Office
			<u>Second Year Term</u>
City of Corning	Kristina Miller	July 1, 2021 to June 30, 2023	
City of Elk Gove	Kara Reddig	July 1, 2021 to June 30, 2023	
City of Ione	Lori McGraw	July 1, 2021 to June 30, 2023	
City of Jackson	Yvonne Kimball		July 1, 2020 to June 30, 2022
City of Marysville	Jennifer Styczynski		July 1, 2020 to June 30, 2022
City of Placerville	Dave Warren		July 1, 2020 to June 30, 2022
City of Red Bluff	Sandra Ryan	July 1, 2021 to June 30, 2023	
City of Yuba City	Spencer Morrison		July 1, 2020 to June 30, 2022

The **current Officers** are as follows:

President	Dave Warren	October 29, 2020 to June 30, 2022
Vice President	Jose Jasso	October 29, 2020 to June 30, 2022
Secretary	Jennifer Styczynski	June 1, 2020 to June 30, 2022
Treasurer (non-voting)	Jen Lee	Appointed annually (already appointed until June 30, 2021)
CJPRMA Rep (non-voting)	Veronica Rodriguez	Appointed as-needed

RECOMMENDATION: None – Information Only.



Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021

Agenda Item G. *(continued)*

FISCAL IMPACT: None.

BACKGROUND: The Executive Committee is a standing committee of the Board of Directors and is comprised of seven to eleven voting members, and two non-voting members. The President of the Board of Directors serves as the Chair of the Executive Committee. The President, Vice-President, Secretary, and seven to eight other Directors act as the voting members, so at times their number has varied from seven to nine. The two non-voting members are the Treasurer and the Representative to the CJPRMA Board of Directors.

Historically, the newly-elected officers (President, Vice President, Secretary and Treasurer) are nominated by the Executive Committee (acting as the Nominating Committee). The officers are chosen from the Executive Committee and are elected by the Board for a two-year term. The President is usually selected from the second-year Members (often the current Vice President) and the Vice President is generally selected from the first year members.

The Secretary is elected by the Board and serves a two-year term. The Treasurer is appointed annually by the Board and the CJPRMA Representative is appointed on an as-needed basis.

Rotating **Off** EC 6/30/2021

Folsom – Vacant
Lincoln- Veronica Rodriguez
Galt- Stephanie VanSteyn
Rio Vista- Jose Jasso
Nevada City –Loree McCay

Rotating **On** EC 7/1/2021

Elk Grove- Kara Reddig
Yuba City- Spencer Morrison
Corning- Kristina Miller
Red Bluff- Sandy Ryan
Ione- Lori McGraw

Remaining EC for another year

Marysville –Jennifer Styczynski
Placerville-Dave Warren
Jackson-Yvonne Kimball

Section 5 of the NCCSIF Bylaws describes the duties and responsibilities of the Officers of the Authority.

ATTACHMENT(S):

1. Section 4 and Section 5 of the NCCSIF Bylaws
2. Executive Committee Rotation Schedule 2019 - 2025

E. All meetings of the Board shall be called, noticed, held and conducted in accordance with the provisions of Ralph M. Brown Act (Government Code Section 54950 et seq.).

SECTION 4 **Executive Committee**

A. - Membership. The Executive Committee shall be composed of seven to eleven (7 to 11) *voting* and two (2) *non-voting* members of the Board of Directors or their alternates. The President, Vice President and Secretary shall serve as *voting* members on the Executive Committee. The remaining *voting* members shall be elected by the Board of Directors on a member rotation basis, as established by the Board of Directors. The two (2) non-voting members shall be comprised of the Treasurer and the CJPRMA Board Representative. The President shall act as Chairman.

B. - Term. The terms of all members of the Executive Board shall be two (2) years, except for those of the President, Vice President, and Secretary, who shall all serve for two (2) years irrespective of the member rotation. A member may be reappointed to serve on the Executive Committee, except for the immediate Past President.

C. - Powers, Duties and Responsibilities.

1. The Executive Committee shall conduct, direct and supervise the day-to-day business of the Authority and in doing so shall exercise the powers expressly granted to it by the Agreement, these Bylaws and as otherwise delegated by the Board of Directors.

2. The following duties and responsibilities shall be assumed and carried out by the Executive Committee, which shall have all powers necessary for those purposes:

- a. Provide general supervision and direction to the Program Director;
- b. Authorize payment of claims against the Authority; provided, however, that with respect to claims arising under coverage programs operated by the Authority, claim settlement authority shall be in accordance with the policies and procedures governing the particular program;
- c. Enter into contracts, within budget limits;
- d. Make payments pursuant to previously authorized contracts, within budget limits; this Authority includes the power to authorize and reimburse expenses incurred for budgeted activities, within budget limits;
- e. Review and recommend a budget to the Board no later than seventy-two (72) hours prior to the spring meeting of the Board;
- f. Act as Program Director in the absence of the Program Director;

g. Recommend policies and procedures to the Board for implementation of the Agreement, the Bylaws and the operation of specific coverage programs; and

h. Appoint a nominating committee for each election of officers and members of the Executive Committee.

i. Amend annual budget in an amount not to exceed the contingency account.

3. Subject only to such limitations as are expressly stated in the Agreement, these Bylaws or a resolution of the Board of Directors, the Executive Committee shall have and be entitled to exercise all powers which may be reasonably implied from powers expressly granted and which are reasonably necessary to conduct, direct and supervise the business of the Authority.

D. - Meetings

1. Regular Meetings. Regular meetings shall be held at times, as the Executive Committee deems appropriate.

2. Special Meetings. Special meetings of the Executive Committee may be called by the Chairman or a majority of Executive Committee members, in accordance with the provisions of California Government Code Section 54956.

3. Public Meetings. All meetings of the Executive Committee shall be open to the public, except as provided by law.

4. Quorum. A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business. Except as otherwise provided, no action may be taken by the Executive Committee except by affirmative vote of not less than a majority of those Executive Committee members present. A smaller number may adjourn a meeting.

5. Removal From Executive Committee. A member may be removed from the Executive Committee in the following ways:

a. Death of a Committee member;

b. Voluntary resignation;

c. Absence from three (3) consecutive meetings without a valid reason, in which case the Chair may recommend to the Executive Committee that member be terminated from Executive Committee membership. If the Executive Committee recommends to the Board of Directors that an Executive Committee member be terminated, the Board of Directors shall vote on the matter at its next regularly scheduled meeting.

d. When a vacancy occurs under the above provisions, a replacement shall be made from among the Board of Directors.

SECTION 5
Officers of the Authority

A. The officers of the Authority shall be a President, Vice President, Secretary, and Treasurer. Officers so appointed shall serve at the pleasure of the Board of Directors. The president shall chair meetings to the Board of Directors and Executive Committee; the vice president shall act in the place of the president in the president's absence. The secretary shall keep and maintain minutes of the Board meetings and Executive Committee meetings, or to direct the keeping and maintaining of such minutes, and to promptly report minutes of meetings to all members as soon as practicable after the meeting has concluded. The treasurer's duties are as described in Sections 11 and 12 of the Bylaws. Other responsibilities may be set forth by the Board of Directors.

B. The President, Vice President and Secretary shall be elected by the Board of Directors and shall serve two (2) year terms. No officer shall serve for more than two (2) complete consecutive terms in his or her respective office. The terms of each office will ordinarily commence on July 1st of each calendar year, except that if an election has not been conducted by that date, the terms shall commence as soon as the election has been held. The terms of each office shall end on June 30th of the calendar year, except that if the election of the officers to serve the next succeeding term has not been conducted, the incumbent officers shall continue to hold their offices until the election has been conducted.

C. The Treasurer shall be appointed annually by the Board of Directors and, unless the Board of Directors determines otherwise, the Treasurer shall serve at the Board of Directors' pleasure. The Treasurer shall be an officer or employee of a Member Entity or a Certified Public Accountant.

D. The Board of Directors may create such other offices and appoint such other officers as it deems necessary and advisable.

SECTION 6
Committees

Committees may be formed as necessary by either the Board of Directors or the Executive Committee for the purposes of overseeing any functions that the Board or Executive Committee has authority to control, such as, but not limited to, administration and policy direction, claims administration, investments, safety/loss control, etc.

SECTION 7
Program Director and Other Staff

A. The Board of Directors shall appoint a Program Director who shall be responsible for the general administration of the business and activities of the Authority as directed by the Executive Committee.

**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
2019 - 2025 Executive Committee Rotation Schedule by Size**

BOD Approved: 12/14/2017

Revised: 1/16/2020

Member	Size	Geography	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
Elk Grove, City of	Large	South			x	x			
Folsom, City of	Large	East	x	x			x	x	
Lincoln, City of	Large	East	x	x					x
Rocklin, City of	Large	East				x	x		
Yuba City, City of	Large	North			x	x			
Anderson, City of	Medium	West				x	x		
Auburn, City of	Medium	East				x	x		
Corning, City of	Medium	West			x	x			
Dixon, City of	Medium	South				x	x		
Galt, City of	Medium	South	x	x					x
Gridley, City of	Medium	North	x					x	x
Marysville, City of	Medium	North		x	x				
Oroville, City of	Medium	North	x					x	x
Paradise, Town of	Medium	North	x					x	x
Placerville, City of	Medium	East		x	x				
Red Bluff, City of	Medium	West			x	x			x
Rio Vista, City of	Medium	South	x	x			x	x	
Colusa, City of	Small	West						x	x
Ione, City of	Small	South			x	x			
Jackson, City of	Small	South		x	x			x	x
Nevada City, City of	Small	North	x	x			x	x	
Willows, City of	Small	West					x	x	
			8	8	8	9	8	9	8



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021**

Agenda Item H.1.

**QUARTERLY FINANCIAL REPORT
FOR PERIOD ENDING DECEMBER 31, 2020**

ACTION ITEM

ISSUE: The Board receives a quarterly report on the financial status of NCCSIF. James Marta from James Marta & Company will present NCCSIF's Financials for the Quarter ending December 31, 2020 to the Board.

The report also provides individual member Banking Layer financial reports, including a Combining Statement of Net Position and a Combined Statement of Revenues, Expenses, and Changes in Net Position for both the Workers' Compensation and Liability Programs.

RECOMMENDATION: Receive and file the Quarterly Financials as presented.

FISCAL IMPACT: None

BACKGROUND: Each quarter the Board reviews the quarterly financials for accuracy and refers questions for follow-up, or receives and files the report as presented.

ATTACHMENT(S): Quarterly Financial Report for Period Ending December 31, 2020

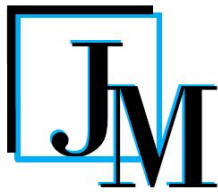
FINANCIAL REPORT

**DECEMBER 31, 2020
AND FOR THE
SIX MONTHS THEN ENDED**

Northern California Cities Self Insurance Fund

Northern California Cities Self Insurance Fund
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December 31, 2020

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James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Tax, and Consulting

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Northern California Cities Self Insurance Fund
701 Howe Avenue, Suite E3
Sacramento, CA 95825

Management is responsible for the accompanying statement of financial position of Northern California Cities Self Insurance Fund as of December 31, 2020, and the related statement of revenues, expenses and changes in net position and statement of cash flows for the six months then ended and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has omitted substantially all of the disclosures that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, comprehensive income and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information on pages 5 through 32 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has elected to present designations of net position on the Statement of Net Position as of December 31, 2020 contrary to accounting principles generally accepted in the United States of America which bar the presentation of designations of net position on the Statement of Net Position.

We are not independent with respect to Northern California Cities Self Insurance Fund.

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
February 2, 2021

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Statement of Net Position
December 31, 2020**

Assets

Current Assets	
Cash and Cash Equivalents	\$ 16,117,474
Accounts Receivable	8
Interest Receivable	288,933
Excess Accounts Receivable	1,263,042
Prepaid Expense	3,313,629
Total Current Assets	20,983,086
Non-Current Assets	
Investments*	58,272,834
Total Assets	\$ 79,255,920

Liabilities & Net Position

Current Liabilities	
Accounts Payable	\$ 101,209
Unearned Revenue	5,718,856
Total Current Liabilities	5,820,065
Non-Current Liabilities	
Outstanding Liabilities*	45,732,116
ULAE*	1,930,358
Total Non-Current Liabilities	47,662,474
Total Liabilities	\$ 53,482,539
Net Position	
Designated for Contingency	200,000
Designated for Risk Management	470,348
Undesignated	25,103,033
Total Net Position	25,773,381
Liability & Net Position	\$ 79,255,920

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Statement of Revenues, Expenses and Changes in Net Position
For the Six Months Ended December 31, 2020**

Operating Income		
Administration Deposit	\$	695,360
Banking Layer Deposit		4,818,755
Shared Risk Layer		3,398,769
Excess Deposit/Premium		1,800,562
Property/Crime Insurance Income		1,424,094
Risk Management Grants		81,618
Other Income		28,574
Total Operating Income		<u>12,247,732</u>
Operating Expenses		
Claims Paid		4,667,966
O/S Liability adj.		2,328,802
ULAE		89,714
Consultants		31,870
Administration-Other		7,010
Safety Service		216,601
Claims Administration		649,597
Program Administration		230,472
Board Expenses		1,500
Excess Insurance		1,800,562
Property/Crime Insurance Expense		1,420,476
Total Operating Expenses		<u>11,444,570</u>
Operating Income (Loss)		803,162
Non-Operating Income		
Change in Fair Market Value		(201,384)
Investment Income		625,710
Total Non-Operating Income		<u>424,326</u>
Change in Net Position		1,227,488
Beginning Net Position		<u>24,545,893</u>
Ending Net Position	\$	<u>25,773,381</u>

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Statement of Cash Flows
For the Six Months Ended December 31, 2020**

Cash flows from operating activities:	
Cash received from members	\$ 16,134,049
Cash paid for claims	(4,811,715)
Cash paid for insurance	(6,455,436)
Cash paid to vendors	(1,200,806)
Cash (paid) received for dividends	<u>866,348</u>
Net cash provided by (used in) operating activities	<u>4,532,440</u>
 Cash flows from investing activities:	
Investment income received	670,343
Purchases of investments	(11,035,440)
Proceeds from sale or maturity of investments	<u>10,407,140</u>
Net cash provided by (used in) investing activities	<u>42,043</u>
Net increase (decrease) in cash and cash equivalents	4,574,483
Cash and cash equivalents, beginning of year	<u>11,542,991</u>
Cash and cash equivalents, end of year	<u><u>\$ 16,117,474</u></u>
 Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:	
Operating income (loss)	\$ 803,162
 Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
(Increase) decrease in:	
Member receivable	535,902
Excess receivable	(143,750)
Prepaid expense	(3,313,629)
(Decrease) increase in:	
Accounts payable	15,450
Unearned revenue	4,216,769
Unpaid claims and claim adjustment expenses	<u>2,418,536</u>
Net cash provided by (used in) operating activities	<u><u>\$ 4,532,440</u></u>
 Supplemental information:	
Noncash non-operating and investing activities	
Net change in fair value of investments	<u><u>\$ (201,384)</u></u>

SUPPLEMENTARY INFORMATION

Selected Information
Substantially All Disclosures Required by Generally Accepted
Accounting Principles Are Not Included

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position - Liability
December 31, 2020**

	Total All Layers	Admin Layer	Shared Layer	Total Banking Layer
Current Assets				
Cash and Cash Equivalents	\$ 7,440,361	\$ 311,900	\$ 4,412,220	\$ 2,716,241
Accounts Receivable	8	-	8	-
Interest Receivable	78,422	2,705	41,298	34,419
Excess Accounts Receivable	512,607	-	512,607	-
Total Current Assets	10,497,924	314,605	7,432,659	2,750,660
Non-Current Assets				
Investments*	12,498,533	332,340	6,117,894	6,048,299
Total Assets	\$ 22,996,457	\$ 646,945	\$ 13,550,553	\$ 8,798,959
Current Liabilities				
Accounts Payable	\$ 34,765	\$ 11,323	\$ 191	\$ 23,251
Unearned Revenue	5,317,939	233,298	3,873,391	1,211,250
Total Current Liabilities	5,352,704	244,621	3,873,582	1,234,501
Non-Current Liabilities				
Outstanding Liabilities*	9,916,577	-	6,540,079	3,376,498
Total Non-Current Liabilities	9,916,577	-	6,540,079	3,376,498
Total Liabilities	\$ 15,269,281	\$ 244,621	\$ 10,413,661	\$ 4,610,999
Net Position				
Designated for Contingency	100,000	100,000	-	-
Undesignated	7,627,176	302,324	3,136,892	4,187,960
Total Net Position	7,727,176	402,324	3,136,892	4,187,960
Liability & Net Position	\$ 22,996,457	\$ 646,945	\$ 13,550,553	\$ 8,798,959

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position - Liability
December 31, 2020**

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Folsom	City of Galt	City of Gridley	City of Ione
Current Assets									
Cash and Cash Equivalents	\$ 29,778	\$ 204,121	\$ 78,521	\$ 45,357	\$ 31,008	\$ 852,760	\$ 128,838	\$ 70,854	\$ 73,951
Accounts Receivable	-	-	-	-	-	-	-	-	-
Interest Receivable	734	1,537	304	535	846	10,949	1,857	1,058	(33)
Excess Accounts Receivable	-	-	-	-	-	-	-	-	-
Total Current Assets	30,512	205,658	78,825	45,892	31,854	863,709	130,695	71,912	73,918
Non-Current Assets									
Investments*	152,429	178,681	212	86,323	176,603	1,946,082	337,353	199,852	186
Total Assets	\$ 182,941	\$ 384,339	\$ 79,037	\$ 132,215	\$ 208,457	\$ 2,809,791	\$ 468,048	\$ 271,764	\$ 74,104
Current Liabilities									
Accounts Payable	\$ 738	\$ 1,128	\$ 718	\$ 205	\$ 324	\$ 7,132	\$ 525	\$ 156	\$ 5
Unearned Revenue	20,710	89,914	40,296	14,977	16,849	341,725	63,757	23,758	13,706
Total Current Liabilities	21,448	91,042	41,014	15,182	17,173	348,857	64,282	23,914	13,711
Non-Current Liabilities									
Outstanding Liabilities*	169,849	69,970	68,139	26,608	99,471	626,917	165,997	49,151	8,547
Total Non-Current Liabilities	169,849	69,970	68,139	26,608	99,471	626,917	165,997	49,151	8,547
Total Liabilities	\$ 191,297	\$ 161,012	\$ 109,153	\$ 41,790	\$ 116,644	\$ 975,774	\$ 230,279	\$ 73,065	\$ 22,258
Net Position									
Designated for Contingency	-	-	-	-	-	-	-	-	-
Undesignated	(8,356)	223,327	(30,116)	90,425	91,813	1,834,017	237,769	198,699	51,846
Total Net Position	(8,356)	223,327	(30,116)	90,425	91,813	1,834,017	237,769	198,699	51,846
Liability & Net Position	\$ 182,941	\$ 384,339	\$ 79,037	\$ 132,215	\$ 208,457	\$ 2,809,791	\$ 468,048	\$ 271,764	\$ 74,104

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position - Liability
December 31, 2020**

	City of Jackson	City of Lincoln	City of Marysville	City of Oroville	City of Paradise	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Current Assets										
Cash and Cash Equivalents	\$ 63,395	\$ 194,336	\$ 141,765	\$ 76,393	\$ 73,029	\$ 44,275	\$ 4,610	\$ 406,673	\$ 44,430	\$ 152,147
Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Interest Receivable	761	2,196	1,651	1,276	1,719	1,039	71	4,072	341	3,506
Excess Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Total Current Assets	64,156	196,532	143,416	77,669	74,748	45,314	4,681	410,745	44,771	155,653
Non-Current Assets										
Investments*	138,905	357,782	268,640	246,887	356,872	214,172	(157)	590,294	43,636	753,547
Total Assets	\$ 203,061	\$ 554,314	\$ 412,056	\$ 324,556	\$ 431,620	\$ 259,486	\$ 4,524	\$ 1,001,039	\$ 88,407	\$ 909,200
Current Liabilities										
Accounts Payable	\$ 128	\$ 2,581	\$ 2,424	\$ 431	\$ 708	\$ 552	\$ 1,209	\$ 1,561	\$ 705	\$ 2,021
Unearned Revenue	28,170	89,402	51,660	34,003	40,558	38,472	46,903	130,691	19,377	106,322
Total Current Liabilities	28,298	91,983	54,084	34,434	41,266	39,024	48,112	132,252	20,082	108,343
Non-Current Liabilities										
Outstanding Liabilities*	12,601	311,425	251,621	123,836	170,972	142,518	234,416	304,879	23,985	515,596
Total Non-Current Liabilities	12,601	311,425	251,621	123,836	170,972	142,518	234,416	304,879	23,985	515,596
Total Liabilities	\$ 40,899	\$ 403,408	\$ 305,705	\$ 158,270	\$ 212,238	\$ 181,542	\$ 282,528	\$ 437,131	\$ 44,067	\$ 623,939
Net Position										
Designated for Contingency	-	-	-	-	-	-	-	-	-	-
Undesignated	162,162	150,906	106,351	166,286	219,382	77,944	(278,004)	563,908	44,340	285,261
Total Net Position	162,162	150,906	106,351	166,286	219,382	77,944	(278,004)	563,908	44,340	285,261
Liability & Net Position	\$ 203,061	\$ 554,314	\$ 412,056	\$ 324,556	\$ 431,620	\$ 259,486	\$ 4,524	\$ 1,001,039	\$ 88,407	\$ 909,200

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position - Liability
For the Six Months Ended December 31, 2020**

	Total			
	All Layers	Admin Layer	Shared Layer	Total Banking Layer
Operating Income				
Administration Deposit	\$ 233,298	\$ 233,298	\$ -	\$ -
Banking Layer Deposit	1,211,250	-	-	1,211,250
Shared Risk Layer	1,424,769	-	1,424,769	-
Excess Deposit/Premium	1,032,690	-	1,032,690	-
Property/Crime Insurance Income	1,424,094	-	1,424,094	-
Banking Layer Assessment	-	-	-	-
Banking Layer Refund	-	-	-	-
Other Income	28,574	-	-	28,574
Total Operating Income	5,354,675	233,298	3,881,553	1,239,824
Operating Expenses				
Claims Paid	2,114,459	-	1,694,520	419,939
O/S Liability adj.	664,236	-	181,010	483,226
Consultants	18,020	18,020	-	-
Safety Service	76,011	61,724	14,287	-
Program Administration	123,191	123,191	-	-
Board Expenses	750	750	-	-
Excess Insurance	1,032,690	-	1,032,690	-
Property/Crime Insurance Expense	1,420,476	-	1,420,476	-
Total Operating Expense	5,449,833	203,685	4,342,983	903,165
Operating Income (Loss)	(95,158)	29,613	(461,430)	336,659
Non-Operating Income				
Change in Fair Market Value	(54,029)	(1,802)	(28,577)	(23,650)
Investment Income	172,371	6,028	91,533	74,810
Total Non-Operating Income	118,342	4,226	62,956	51,160
Change in Net Position	23,184	33,839	(398,474)	387,819
Beginning Net Position	7,703,992	368,485	3,535,366	3,800,141
Ending Net Position	\$ 7,727,176	\$ 402,324	\$ 3,136,892	\$ 4,187,960

See Accompanying Accountant's Report

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position - Liability
For the Six Months Ended December 31, 2020**

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Folsom	City of Galt	City of Gridley	City of Ione
Operating Income									
Administration Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	20,710	89,914	40,296	14,977	16,849	341,725	63,757	23,758	13,706
Shared Risk Layer	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Income	-	-	-	-	-	-	-	-	-
Banking Layer Assessment	-	-	-	-	-	-	-	-	-
Banking Layer Refund	-	-	-	-	-	-	-	-	-
Other Income	-	2,871	2,157	-	3,977	-	-	-	-
Total Operating Income	20,710	92,785	42,453	14,977	20,826	341,725	63,757	23,758	13,706
Operating Expenses									
Claims Paid	9,769	21,934	1,001	8,530	11,113	52,833	19,477	-	-
O/S Liability adj.	95,069	(7,169)	(890)	(4,622)	35,285	96,559	9,595	22,307	1,916
Consultants	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-
Program Administration	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Expense	-	-	-	-	-	-	-	-	-
Total Operating Expense	104,838	14,765	111	3,908	46,398	149,392	29,072	22,307	1,916
Operating Income (Loss)	(84,128)	78,020	42,342	11,069	(25,572)	192,333	34,685	1,451	11,790
Non-Operating Income									
Change in Fair Market Value	(512)	(1,025)	(168)	(378)	(593)	(7,598)	(1,272)	(725)	30
Investment Income	1,586	3,347	651	1,135	1,825	23,982	4,023	2,353	(385)
Total Non-Operating Income	1,074	2,322	483	757	1,232	16,384	2,751	1,628	(355)
Change in Net Position	(83,054)	80,342	42,825	11,826	(24,340)	208,717	37,436	3,079	11,435
Beginning Net Position	74,698	142,985	(72,941)	78,599	116,153	1,625,300	200,333	195,620	40,411
Ending Net Position	\$ (8,356)	\$ 223,327	\$ (30,116)	\$ 90,425	\$ 91,813	\$ 1,834,017	\$ 237,769	\$ 198,699	\$ 51,846

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position - Liability
For the Six Months Ended December 31, 2020

	City of Jackson	City of Lincoln	City of Marysville	City of Oroville	City of Paradise	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Operating Income										
Administration Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	28,170	89,402	51,660	34,003	40,558	38,472	46,903	130,691	19,377	106,322
Shared Risk Layer	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Income	-	-	-	-	-	-	-	-	-	-
Banking Layer Assessment	-	-	-	-	-	-	-	-	-	-
Banking Layer Refund	-	-	-	-	-	-	-	-	-	-
Other Income	-	3,977	2,376	2,871	-	2,871	3,035	4,439	-	-
Total Operating Income	28,170	93,379	54,036	36,874	40,558	41,343	49,938	135,130	19,377	106,322
Operating Expenses										
Claims Paid	-	36,732	28,690	26,084	10,694	46,381	59,527	56,790	-	30,384
O/S Liability adj.	(8,828)	106,591	42,340	(32,013)	49,467	(26,809)	35,338	(1,295)	1,743	68,642
Consultants	-	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-	-
Program Administration	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Expense	-	-	-	-	-	-	-	-	-	-
Total Operating Expense	(8,828)	143,323	71,030	(5,929)	60,161	19,572	94,865	55,495	1,743	99,026
Operating Income (Loss)	36,998	(49,944)	(16,994)	42,803	(19,603)	21,771	(44,927)	79,635	17,634	7,296
Non-Operating Income										
Change in Fair Market Value	(532)	(1,495)	(1,141)	(897)	(1,197)	(730)	(1)	(2,764)	(224)	(2,428)
Investment Income	1,654	4,951	3,642	2,774	3,745	2,206	(114)	9,177	770	7,488
Total Non-Operating Income	1,122	3,456	2,501	1,877	2,548	1,476	(115)	6,413	546	5,060
Change in Net Position	38,120	(46,488)	(14,493)	44,680	(17,055)	23,247	(45,042)	86,048	18,180	12,356
Beginning Net Position	124,042	197,394	120,844	121,606	236,437	54,697	(232,962)	477,860	26,160	272,905
Ending Net Position	\$ 162,162	\$ 150,906	\$ 106,351	\$ 166,286	\$ 219,382	\$ 77,944	\$ (278,004)	\$ 563,908	\$ 44,340	\$ 285,261

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows - Liability
For the Six Months Ended December 31, 2020**

	Total All Layers	Admin Layer	Shared Layer	Total Banking Layer
Cash flows from operating activities:				
Cash received from members	\$ 9,727,459	\$ 466,596	\$ 7,754,943	\$ 1,505,920
Cash paid for claims	(1,977,802)	-	(1,557,863)	(419,939)
Cash paid for insurance	(4,919,692)	-	(4,919,692)	-
Cash paid to vendors	(210,116)	(195,895)	(14,282)	61
Cash (paid) received for dividends	278,785	-	-	278,785
Net cash provided by (used in) operating activities	2,898,634	270,701	1,263,106	1,364,827
Cash flows from investing activities:				
Investment income received	176,692	5,579	93,889	77,224
Net investment (purchases) sales	(166,486)	(5,322)	(88,486)	(72,678)
Net cash provided by (used in) investing activities	10,206	257	5,403	4,546
Net increase (decrease) in cash and cash equivalents	2,908,840	270,958	1,268,509	1,369,373
Cash and cash equivalents, beginning of year	4,531,521	40,942	3,143,711	1,346,868
Cash and cash equivalents, end of year	\$ 7,440,361	\$ 311,900	\$ 4,412,220	\$ 2,716,241
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (95,158)	\$ 29,613	\$ (461,430)	\$ 336,659
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in:				
Member receivable	99,206	-	-	99,206
Excess receivable	136,657	-	136,657	-
(Decrease) increase in:				
Accounts payable	7,846	7,790	4	52
Unearned revenue	4,552,372	233,298	3,873,391	445,683
Unpaid claims and claim adjustment expenses	664,237	-	181,010	483,227
Net cash provided by (used in) operating activities	\$ 2,898,634	\$ 270,701	\$ 1,263,106	\$ 1,364,827
Supplemental information:				
Noncash non-operating and investing activities				
Net change in fair value of investments	\$ (54,029)	\$ (1,802)	\$ (28,577)	\$ (23,650)

See Accompanying Accountant's Report

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows - Liability
For the Six Months Ended December 31, 2020**

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Folsom	City of Galt	City of Gridley	City of Ione
Cash flows from operating activities:									
Cash received from members	\$ 17,325	\$ 157,998	\$ 115,908	\$ 14,977	\$ 37,675	\$ 295,368	\$ 36,674	\$ 47,515	\$ 17,431
Cash paid for claims	(9,769)	(21,934)	(1,001)	(8,530)	(11,113)	(52,833)	(19,477)	-	-
Cash paid for insurance	-	-	-	-	-	-	-	-	-
Cash paid to vendors	(451)	145	(249)	(259)	136	2,479	(252)	133	-
Cash paid for dividends	-	-	-	(13,972)	(32,620)	-	68,519	-	-
Net cash provided by (used in) operating activities	7,105	136,209	114,658	(7,784)	(5,922)	245,014	85,464	47,648	17,431
Cash flows from investing activities:									
Investment income received	1,711	3,205	369	1,287	1,986	25,102	4,139	2,349	(81)
Net investment (purchases) sales	(1,601)	(3,045)	(380)	(1,196)	(1,860)	(49,497)	(3,894)	(2,221)	26,020
Net cash provided by (used in) investing activities	110	160	(11)	91	126	(24,395)	245	128	25,939
Net increase (decrease) in cash and cash equivalents	7,215	136,369	114,647	(7,693)	(5,796)	220,619	85,709	47,776	43,370
Cash and cash equivalents, beginning of year	22,563	67,752	(36,126)	53,050	36,804	632,141	43,129	23,078	30,581
Cash and cash equivalents, end of year	\$ 29,778	\$ 204,121	\$ 78,521	\$ 45,357	\$ 31,008	\$ 852,760	\$ 128,838	\$ 70,854	\$ 73,951
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:									
Operating income (loss)	\$ (84,128)	\$ 78,020	\$ 42,342	\$ 11,069	\$ (25,572)	\$ 192,333	\$ 34,685	\$ 1,451	\$ 11,790
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:									
(Increase) decrease in:									
Member receivable	-	-	33,160	-	-	-	-	-	-
Excess receivable	-	-	-	-	-	-	-	-	-
(Decrease) increase in:									
Accounts payable	(451)	145	(250)	(259)	136	2,479	(253)	132	-
Unearned revenue	(3,385)	65,213	40,296	(13,972)	(15,771)	(46,357)	41,437	23,758	3,725
Unpaid claims and claim adjustment expenses	95,069	(7,169)	(890)	(4,622)	35,285	96,559	9,595	22,307	1,916
Net cash provided by (used in) operating activities	\$ 7,105	\$ 136,209	\$ 114,658	\$ (7,784)	\$ (5,922)	\$ 245,014	\$ 85,464	\$ 47,648	\$ 17,431
Supplemental information:									
Noncash non-operating and investing activities									
Net change in fair value of investments	\$ (512)	\$ (1,025)	\$ (168)	\$ (378)	\$ (593)	\$ (7,598)	\$ (1,272)	\$ (725)	\$ 30

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows - Liability
For the Six Months Ended December 31, 2020**

	City of Jackson	City of Lincoln	City of Marysville	City of Oroville	City of Paradise	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Cash flows from operating activities:										
Cash received from members	\$ 14,485	\$ 139,779	\$ 75,177	\$ 15,103	\$ (11,138)	\$ 27,867	\$ 162,886	\$ 265,820	\$ 38,753	\$ 36,317
Cash paid for claims	-	(36,732)	(28,690)	(26,084)	(10,694)	(46,381)	(59,527)	(56,790)	-	(30,384)
Cash paid for insurance	-	-	-	-	-	-	-	-	-	-
Cash paid to vendors	(128)	831	172	(123)	(772)	(1,300)	(240)	(366)	271	34
Cash paid for dividends	-	28,776	-	29,988	40,558	51,214	-	-	-	106,322
Net cash provided by (used in) operating activities	14,357	132,654	46,659	18,884	17,954	31,400	103,119	208,664	39,024	112,289
Cash flows from investing activities:										
Investment income received	1,779	4,797	3,746	3,018	3,976	2,460	(162)	8,828	684	8,031
Net investment (purchases) sales	(1,668)	(4,551)	(3,528)	(2,824)	(3,730)	(2,294)	156	(8,386)	(656)	(7,523)
Net cash provided by (used in) investing activities	111	246	218	194	246	166	(6)	442	28	508
Net increase (decrease) in cash and cash equivalents	14,468	132,900	46,877	19,078	18,200	31,566	103,113	209,106	39,052	112,797
Cash and cash equivalents, beginning of year	48,927	61,436	94,888	57,315	54,829	12,709	(98,503)	197,567	5,378	39,350
Cash and cash equivalents, end of year	\$ 63,395	\$ 194,336	\$ 141,765	\$ 76,393	\$ 73,029	\$ 44,275	\$ 4,610	\$ 406,673	\$ 44,430	\$ 152,147
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:										
Operating income (loss)	\$ 36,998	\$ (49,944)	\$ (16,994)	\$ 42,803	\$ (19,603)	\$ 21,771	\$ (44,927)	\$ 79,635	\$ 17,634	\$ 7,296
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:										
(Increase) decrease in:										
Member receivable	-	-	-	-	-	-	66,046	-	-	-
Excess receivable	-	-	-	-	-	-	-	-	-	-
(Decrease) increase in:										
Accounts payable	(128)	831	172	(124)	(772)	(1,301)	(241)	(367)	270	33
Unearned revenue	(13,685)	75,176	21,141	8,218	(11,138)	37,739	46,903	130,691	19,377	36,317
Unpaid claims and claim adjustment expenses	(8,828)	106,591	42,340	(32,013)	49,467	(26,809)	35,338	(1,295)	1,743	68,643
Net cash provided by (used in) operating activities	\$ 14,357	\$ 132,654	\$ 46,659	\$ 18,884	\$ 17,954	\$ 31,400	\$ 103,119	\$ 208,664	\$ 39,024	\$ 112,289
Supplemental information:										
Noncash non-operating and investing activities										
Net change in fair value of investments	\$ (532)	\$ (1,495)	\$ (1,141)	\$ (897)	\$ (1,197)	\$ (730)	\$ (1)	\$ (2,764)	\$ (224)	\$ (2,428)

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position – Workers’ Compensation
December 31, 2020**

	Total			
	All Layers	Admin Layer	Shared Layer	Total Banking Layer
Current Assets				
Cash and Cash Equivalents	\$ 8,677,113	\$ 172,944	\$ 1,832,282	\$ 6,671,887
Interest Receivable	210,511	3,172	95,912	111,427
Excess Accounts Receivable	750,435	-	750,435	-
Total Current Assets	10,485,162	255,347	3,446,501	6,783,314
Non-Current Assets				
Investments*	45,774,301	536,317	23,616,927	21,621,057
Total Assets	\$ 56,259,463	\$ 791,664	\$ 27,063,428	\$ 28,404,371
Current Liabilities				
Accounts Payable	\$ 66,444	\$ 12,048	\$ 1,897	\$ 52,499
Unearned Revenue	400,917	-	73,761	327,156
Total Current Liabilities	467,361	12,048	75,658	379,655
Non-Current Liabilities				
Outstanding Liabilities*	35,815,539	-	19,229,192	16,586,347
ULAE*	1,930,358	-	1,036,401	893,957
Total Non-Current Liabilities	37,745,897	-	20,265,593	17,480,304
Total Liabilities	\$ 38,213,258	\$ 12,048	\$ 20,341,251	\$ 17,859,959
Net Position				
Designated for Contingency	100,000	100,000	-	-
Designated for Risk Management	470,348	470,348	-	-
Undesignated	17,475,857	209,268	6,722,177	10,544,412
Total Net Position	18,046,205	779,616	6,722,177	10,544,412
Liability & Net Position	\$ 56,259,463	\$ 791,664	\$ 27,063,428	\$ 28,404,371

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position – Workers’ Compensation
December 31, 2020**

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Elk Grove	City of Folsom	City of Galt	City of Gridley	City of Ione	City of Jackson
Current Assets											
Cash and Cash Equivalents	\$ 221,888	\$ 125,818	\$ 166,195	\$ 449	\$ 257,904	\$ 783,957	\$ 1,023,305	\$ 207,552	\$ 99,201	\$ 62,235	\$ 146,474
Interest Receivable	2,309	3,479	1,327	946	4,757	11,492	24,752	4,193	2,685	332	1,365
Excess Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	224,197	129,297	167,522	1,395	262,661	795,449	1,048,057	211,745	101,886	62,567	147,839
Non-Current Assets											
Investments*	379,938	803,437	161,558	223,726	972,273	2,209,714	5,173,709	863,641	590,039	42,619	199,202
Total Assets	\$ 604,135	\$ 932,734	\$ 329,080	\$ 225,121	\$ 1,234,934	\$ 3,005,163	\$ 6,221,766	\$ 1,075,386	\$ 691,925	\$ 105,186	\$ 347,041
Current Liabilities											
Accounts Payable	\$ 1,566	\$ 2,047	\$ 735	\$ 926	\$ 3,062	\$ 5,107	\$ 12,054	\$ 1,811	\$ 494	\$ 99	\$ 475
Unearned Revenue	2,078	-	70,154	-	-	-	57,546	-	-	-	13,411
Total Current Liabilities	3,644	2,047	70,889	926	3,062	5,107	69,600	1,811	494	99	13,886
Non-Current Liabilities											
Outstanding Liabilities*	323,716	787,826	129,675	163,004	575,800	2,281,215	3,687,721	789,487	84,887	66,008	152,748
ULAE*	17,447	42,462	6,989	8,785	31,034	122,951	198,758	42,551	4,575	3,558	8,233
Total Non-Current Liabilities	341,163	830,288	136,664	171,789	606,834	2,404,166	3,886,479	832,038	89,462	69,566	160,981
Total Liabilities	\$ 344,807	\$ 832,335	\$ 207,553	\$ 172,715	\$ 609,896	\$ 2,409,273	\$ 3,956,079	\$ 833,849	\$ 89,956	\$ 69,665	\$ 174,867
Net Position											
Designated for Contingency	-	-	-	-	-	-	-	-	-	-	-
Designated for Safety Grants	-	-	-	-	-	-	-	-	-	-	-
Undesignated	259,328	100,399	121,527	52,406	625,038	595,890	2,265,687	241,537	601,969	35,521	172,174
Total Net Position	259,328	100,399	121,527	52,406	625,038	595,890	2,265,687	241,537	601,969	35,521	172,174
Liability & Net Position	\$ 604,135	\$ 932,734	\$ 329,080	\$ 225,121	\$ 1,234,934	\$ 3,005,163	\$ 6,221,766	\$ 1,075,386	\$ 691,925	\$ 105,186	\$ 347,041

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position – Workers’ Compensation
December 31, 2020**

	City of Lincoln	City of Marysville	City of Nevada City	City of Oroville	City of Paradise	City of Placerville	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Current Assets											
Cash and Cash Equivalents	\$ 262,594	\$ 178,611	\$ 205,070	\$ 470,031	\$ 317,512	\$ 206,236	\$ 357,671	\$ 125,894	\$ 637,061	\$ 15,851	\$ 800,378
Interest Receivable	5,284	2,771	1,425	4,326	4,050	3,123	6,733	1,714	10,949	640	12,775
Excess Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	267,878	181,382	206,495	474,357	321,562	209,359	364,404	127,608	648,010	16,491	813,153
Non-Current Assets											
Investments*	1,078,293	527,300	162,353	596,583	727,127	520,162	1,377,439	282,945	2,128,935	149,653	2,450,411
Total Assets	\$ 1,346,171	\$ 708,682	\$ 368,848	\$ 1,070,940	\$ 1,048,689	\$ 729,521	\$ 1,741,843	\$ 410,553	\$ 2,776,945	\$ 166,144	\$ 3,263,564
Current Liabilities											
Accounts Payable	\$ 1,703	\$ 1,701	\$ 652	\$ 1,051	\$ 1,882	\$ 2,030	\$ 3,960	\$ 1,011	\$ 5,229	\$ 301	\$ 4,603
Unearned Revenue	45,715	-	-	68,178	25,877	-	-	8,361	-	-	35,836
Total Current Liabilities	47,418	1,701	652	69,229	27,759	2,030	3,960	9,372	5,229	301	40,439
Non-Current Liabilities											
Outstanding Liabilities*	661,612	593,852	153,036	238,625	426,344	489,225	1,663,901	208,044	1,414,978	88,433	1,606,210
ULAE*	35,659	32,007	8,248	12,861	22,979	26,368	89,680	11,213	76,263	4,766	86,570
Total Non-Current Liabilities	697,271	625,859	161,284	251,486	449,323	515,593	1,753,581	219,257	1,491,241	93,199	1,692,780
Total Liabilities	\$ 744,689	\$ 627,560	\$ 161,936	\$ 320,715	\$ 477,082	\$ 517,623	\$ 1,757,541	\$ 228,629	\$ 1,496,470	\$ 93,500	\$ 1,733,219
Net Position											
Designated for Contingency	-	-	-	-	-	-	-	-	-	-	-
Designated for Safety Grants	-	-	-	-	-	-	-	-	-	-	-
Undesignated	601,482	81,122	206,912	750,225	571,607	211,898	(15,698)	181,924	1,280,475	72,644	1,530,345
Total Net Position	601,482	81,122	206,912	750,225	571,607	211,898	(15,698)	181,924	1,280,475	72,644	1,530,345
Liability & Net Position	\$ 1,346,171	\$ 708,682	\$ 368,848	\$ 1,070,940	\$ 1,048,689	\$ 729,521	\$ 1,741,843	\$ 410,553	\$ 2,776,945	\$ 166,144	\$ 3,263,564

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)**

**Combining Statement of Revenues, Expenses and Changes in Net Position – Workers’ Compensation
For the Six Months Ended December 31, 2020**

	Total All Layers	Admin Layer	Shared Layer	Total Banking Layer
Operating Income				
Administration Deposit	\$ 462,062	\$ 462,062	\$ -	\$ -
Banking Layer Deposit	3,607,505	-	-	3,607,505
Shared Risk Layer	1,974,000	-	1,974,000	-
Excess Deposit/Premium	767,872	-	767,872	-
Banking Layer Assessment	-	-	-	-
Shared Risk Refund	-	-	-	-
Banking Layer Refund	-	-	-	-
Risk Management Grants	81,618	81,618	-	-
Other Income	-	-	-	-
Total Operating Income	6,893,057	543,680	2,741,872	3,607,505
Operating Expenses				
Claims Paid	2,553,507	-	708,436	1,845,071
O/S Liability adj.	1,664,566	-	650,296	1,014,270
ULAE	89,714	-	35,049	54,665
Consultants	13,850	13,850	-	-
Administration-Other	7,010	7,010	-	-
Safety Service	140,590	140,590	-	-
Claims Administration	649,597	345,404	-	304,193
Program Administration	107,281	107,281	-	-
Board Expenses	750	750	-	-
Excess Insurance	767,872	-	767,872	-
Total Operating Expenses	5,994,737	614,885	2,161,653	3,218,199
Operating Income (Loss)	898,320	(71,205)	580,219	389,306
Non-Operating Income				
Change in Fair Market Value	(147,355)	(2,289)	(67,399)	(77,667)
Investment Income	453,339	7,270	206,380	239,689
Total Non-Operating Income	305,984	4,981	138,981	162,022
Change in Net Position	1,204,304	(66,224)	719,200	551,328
Beginning Net Position	16,841,901	845,840	6,002,977	9,993,084
Ending Net Position	\$ 18,046,205	\$ 779,616	\$ 6,722,177	\$ 10,544,412

See Accompanying Accountant’s Report

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position – Workers’ Compensation
For the Six Months Ended December 31, 2020**

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Elk Grove	City of Folsom	City of Galt	City of Gridley	City of Ione	City of Jackson
Operating Income											
Administration Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	83,820	147,632	32,542	22,992	205,676	502,904	611,300	199,708	45,247	19,925	57,934
Shared Risk Layer	-	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-	-	-
Banking Layer Assessment	-	-	-	-	-	-	-	-	-	-	-
Shared Risk Refund	-	-	-	-	-	-	-	-	-	-	-
Banking Layer Refund	-	-	-	-	-	-	-	-	-	-	-
Risk Management Grants	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	83,820	147,632	32,542	22,992	205,676	502,904	611,300	199,708	45,247	19,925	57,934
Operating Expenses											
Claims Paid	7,784	57,052	3,350	38,833	85,320	423,228	366,006	99,468	8,191	1,391	28,296
O/S Liability adj.	52,247	62,708	21,629	2,117	(18,954)	36,017	282,342	125,866	18,355	11,116	(2,709)
ULAE	2,816	3,380	1,166	114	(1,022)	1,941	15,217	6,784	989	599	(146)
Consultants	-	-	-	-	-	-	-	-	-	-	-
Administration-Other	-	-	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-	-	-
Claims Administration	7,865	11,689	3,925	5,787	15,822	30,908	70,948	11,057	2,422	797	2,325
Program Administration	-	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	70,712	134,829	30,070	46,851	81,166	492,094	734,513	243,175	29,957	13,903	27,766
Operating Income (Loss)	13,108	12,803	2,472	(23,859)	124,510	10,810	(123,213)	(43,467)	15,290	6,022	30,168
Non-Operating Income											
Change in Fair Market Value	(1,594)	(2,413)	(897)	(666)	(3,326)	(8,080)	(17,320)	(2,904)	(1,871)	(222)	(958)
Investment Income	5,045	6,978	2,985	1,924	10,414	25,270	53,471	8,990	5,740	637	2,976
Total Non-Operating Income	3,451	4,565	2,088	1,258	7,088	17,190	36,151	6,086	3,869	415	2,018
Change in Net Position	16,559	17,368	4,560	(22,601)	131,598	28,000	(87,062)	(37,381)	19,159	6,437	32,186
Beginning Net Position	242,769	83,031	116,967	75,007	493,440	567,890	2,352,749	278,918	582,810	29,084	139,988
Ending Net Position	\$ 259,328	\$ 100,399	\$ 121,527	\$ 52,406	\$ 625,038	\$ 595,890	\$ 2,265,687	\$ 241,537	\$ 601,969	\$ 35,521	\$ 172,174

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position – Workers’ Compensation
For the Six Months Ended December 31, 2020**

	City of Lincoln	City of Marysville	City of Nevada City	City of Oroville	City of Paradise	City of Placerville	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Operating Income											
Administration Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	139,751	91,841	77,328	128,422	108,392	81,537	164,124	53,077	356,840	9,997	466,516
Shared Risk Layer	-	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-	-	-
Banking Layer Assessment	-	-	-	-	-	-	-	-	-	-	-
Shared Risk Refund	-	-	-	-	-	-	-	-	-	-	-
Banking Layer Refund	-	-	-	-	-	-	-	-	-	-	-
Risk Management Grants	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	139,751	91,841	77,328	128,422	108,392	81,537	164,124	53,077	356,840	9,997	466,516
Operating Expenses											
Claims Paid	48,930	42,134	24,174	15,779	17,620	97,171	124,289	3,532	193,410	930	158,183
O/S Liability adj.	51,663	63,840	15,058	32,837	67,209	(7,669)	95,540	40,912	(60,962)	24,858	100,250
ULAE	2,784	3,441	812	1,770	3,622	(413)	5,149	2,205	(3,286)	1,340	5,403
Consultants	-	-	-	-	-	-	-	-	-	-	-
Administration-Other	-	-	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-	-	-
Claims Administration	10,768	9,678	3,836	5,441	10,351	11,074	23,976	5,441	29,851	1,605	28,627
Program Administration	-	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	114,145	119,093	43,880	55,827	98,802	100,163	248,954	52,090	159,013	28,733	292,463
Operating Income (Loss)	25,606	(27,252)	33,448	72,595	9,590	(18,626)	(84,830)	987	197,827	(18,736)	174,053
Non-Operating Income											
Change in Fair Market Value	(3,697)	(1,895)	(979)	(3,023)	(2,826)	(2,174)	(4,693)	(1,186)	(7,631)	(447)	(8,865)
Investment Income	11,490	5,847	3,163	9,406	8,862	6,825	14,543	3,877	22,916	1,200	27,130
Total Non-Operating Income	7,793	3,952	2,184	6,383	6,036	4,651	9,850	2,691	15,285	753	18,265
Change in Net Position	33,399	(23,300)	35,632	78,978	15,626	(13,975)	(74,980)	3,678	213,112	(17,983)	192,318
Beginning Net Position	568,083	104,422	171,280	671,247	555,981	225,873	59,282	178,246	1,067,363	90,627	1,338,027
Ending Net Position	\$ 601,482	\$ 81,122	\$ 206,912	\$ 750,225	\$ 571,607	\$ 211,898	\$ (15,698)	\$ 181,924	\$ 1,280,475	\$ 72,644	\$ 1,530,345

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows – Workers’ Compensation
For the Six Months Ended December 31, 2020

	Total All Layers	Admin Layer	Shared Layer	Total Banking Layer
Cash flows from operating activities:				
Cash received from members	\$ 6,406,590	\$ 543,680	\$ 2,246,419	\$ 3,616,491
Cash paid for claims	(2,833,913)	-	(988,842)	(1,845,071)
Cash paid for insurance	(1,535,744)	-	(1,535,744)	-
Cash paid to vendors	(990,690)	(686,518)	11	(304,183)
Cash (paid) received for dividends	587,563	-	411,322	176,241
Net cash provided by (used in) operating activities	<u>1,633,806</u>	<u>(142,838)</u>	<u>133,166</u>	<u>1,643,478</u>
Cash flows from investing activities:				
Investment income received	493,651	7,890	226,947	258,814
Net investment (purchases) sales	(461,814)	(7,394)	(212,085)	(242,335)
Net cash provided by (used in) investing activities	<u>31,837</u>	<u>496</u>	<u>14,862</u>	<u>16,479</u>
Net increase (decrease) in cash and cash equivalents	1,665,643	(142,342)	148,028	1,659,957
Cash and cash equivalents, beginning of year	7,011,470	315,286	1,684,254	5,011,930
Cash and cash equivalents, end of year	<u>\$ 8,677,113</u>	<u>\$ 172,944</u>	<u>\$ 1,832,282</u>	<u>\$ 6,671,887</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 898,320	\$ (71,205)	\$ 580,219	389,306
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in:				
Member receivable	436,696	-	-	436,696
Excess receivable	(280,407)	-	(280,407)	-
Prepaid expense	(847,103)	(79,231)	(767,872)	-
(Decrease) increase in:				
Accounts payable	7,604	7,598	12	(6)
Unearned revenue	(335,603)	-	(84,131)	(251,472)
Unpaid claims and claim adjustment expenses	1,754,299	-	685,345	1,068,954
Net cash provided by (used in) operating activities	<u>\$ 1,633,806</u>	<u>\$ (142,838)</u>	<u>\$ 133,166</u>	<u>\$ 1,643,478</u>
Supplemental information:				
Noncash non-operating and investing activities				
Net change in fair value of investments	\$ (147,355)	\$ (2,289)	\$ (67,399)	\$ (77,667)

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows – Workers’ Compensation
For the Six Months Ended December 31, 2020**

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Elk Grove	City of Folsom	City of Galt	City of Gridley	City of Ione	City of Jackson
Cash flows from operating activities:											
Cash received from members	\$ 81,742	\$ 184,977	\$ 27,348	\$ 32,992	\$ 167,048	\$ 671,291	\$ 553,755	\$ 209,654	\$ 45,247	\$ 18,414	\$ 11,902
Cash paid for claims	(7,784)	(57,052)	(3,350)	(38,833)	(85,320)	(423,228)	(366,006)	(99,468)	(8,191)	(1,391)	(28,296)
Cash paid for insurance	-	-	-	-	-	-	-	-	-	-	-
Cash paid to vendors	(7,641)	(11,762)	(3,858)	(5,913)	(14,809)	(31,187)	(71,091)	(11,494)	(2,345)	(894)	(2,248)
Cash paid for dividends	-	-	70,154	-	-	-	-	7,879	-	11,511	32,621
Net cash provided by (used in) operating activities	66,317	116,163	90,294	(11,754)	66,919	216,876	116,658	106,571	34,711	27,640	13,979
Cash flows from investing activities:											
Investment income received	5,235	8,069	2,849	2,267	11,095	27,138	57,968	9,598	6,237	711	3,210
Net investment (purchases) sales	(4,926)	(7,489)	(2,709)	(101)	(10,408)	(25,440)	(56,260)	(8,997)	(5,836)	(660)	(3,007)
Net cash provided by (used in) investing activities	309	580	140	2,166	687	1,698	1,708	601	401	51	203
Net increase (decrease) in cash and cash equivalents	66,626	116,743	90,434	(9,588)	67,606	218,574	118,366	107,172	35,112	27,691	14,182
Cash and cash equivalents, beginning of year	155,262	9,075	75,761	10,037	190,298	565,383	904,939	100,380	64,089	34,544	132,292
Cash and cash equivalents, end of year	\$ 221,888	\$ 125,818	\$ 166,195	\$ 449	\$ 257,904	\$ 783,957	\$ 1,023,305	\$ 207,552	\$ 99,201	\$ 62,235	\$ 146,474
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:											
Operating income (loss)	\$ 13,108	\$ 12,803	\$ 2,472	\$ (23,859)	\$ 124,510	\$ 10,810	\$ (123,213)	\$ (43,467)	\$ 15,290	\$ 6,022	\$ 30,168
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:											
(Increase) decrease in:											
Member receivable	-	37,345	-	10,000	-	168,387	-	29,332	-	10,000	-
Excess receivable	-	-	-	-	-	-	-	-	-	-	-
Prepaid expense	-	-	-	-	-	-	-	-	-	-	-
(Decrease) increase in:											
Accounts payable	224	(75)	67	(126)	1,013	(280)	(148)	(438)	77	(97)	77
Unearned revenue	(2,078)	-	64,960	-	(38,628)	-	(57,546)	(11,507)	(2)	-	(13,411)
Unpaid claims and claim adjustment expenses	55,063	66,090	22,795	2,231	(19,976)	37,959	297,565	132,651	19,346	11,715	(2,855)
Net cash provided by (used in) operating activities	\$ 66,317	\$ 116,163	\$ 90,294	\$ (11,754)	\$ 66,919	\$ 216,876	\$ 116,658	\$ 106,571	\$ 34,711	\$ 27,640	\$ 13,979
Supplemental information:											
Noncash non-operating and investing activities											
Net change in fair value of investments	\$ (1,594)	\$ (2,413)	\$ (897)	\$ (666)	\$ (3,326)	\$ (8,080)	\$ (17,320)	\$ (2,904)	\$ (1,871)	\$ (222)	\$ (958)

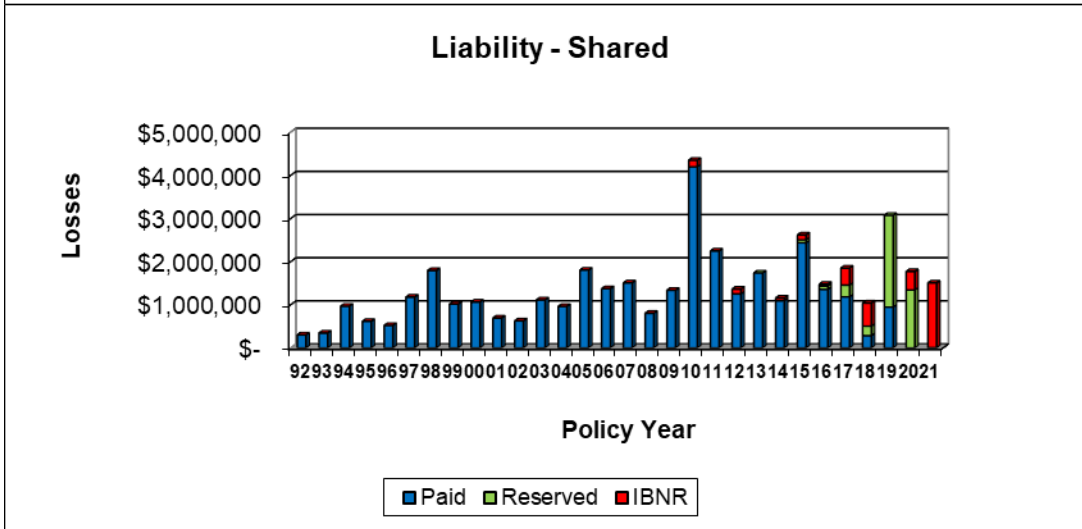
**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows – Workers’ Compensation
For the Six Months Ended December 31, 2020**

	City of Lincoln	City of Marysville	City of Nevada City	City of Oroville	City of Paradise	City of Placerville	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Cash flows from operating activities:											
Cash received from members	\$ 48,321	\$ 151,246	\$ 77,328	\$ 60,245	\$ 82,516	\$ 81,537	\$ 277,056	\$ 36,355	\$ 356,840	\$ 9,997	\$ 430,680
Cash paid for claims	(48,930)	(42,134)	(24,174)	(15,779)	(17,620)	(97,171)	(124,289)	(3,532)	(193,410)	(930)	(158,183)
Cash paid for insurance	-	-	-	-	-	-	-	-	-	-	-
Cash paid to vendors	(11,115)	(9,738)	(3,859)	(5,290)	(10,230)	(11,054)	(24,399)	(5,291)	(29,194)	(1,615)	(29,156)
Cash paid for dividends	45,715	-	-	-	-	-	-	8,361	-	-	-
Net cash provided by (used in) operating activities	33,991	99,374	49,295	39,176	54,666	(26,688)	128,368	35,893	134,236	7,452	243,341
Cash flows from investing activities:											
Investment income received	12,357	6,181	3,188	10,094	9,407	7,216	15,630	3,887	25,525	1,523	29,429
Net investment (purchases) sales	(11,579)	(5,796)	(3,012)	(9,458)	(8,828)	(6,773)	(14,643)	(3,675)	(23,806)	(1,399)	(27,533)
Net cash provided by (used in) investing activities	778	385	176	636	579	443	987	212	1,719	124	1,896
Net increase (decrease) in cash and cash equivalents	34,769	99,759	49,471	39,812	55,245	(26,245)	129,355	36,105	135,955	7,576	245,237
Cash and cash equivalents, beginning of year	227,825	78,852	155,599	430,219	262,267	232,481	228,316	89,789	501,106	8,275	555,141
Cash and cash equivalents, end of year	\$ 262,594	\$ 178,611	\$ 205,070	\$ 470,031	\$ 317,512	\$ 206,236	\$ 357,671	\$ 125,894	\$ 637,061	\$ 15,851	\$ 800,378
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:											
Operating income (loss)	\$ 25,606	\$ (27,252)	\$ 33,448	\$ 72,595	\$ 9,590	\$ (18,626)	\$ (84,830)	\$ 987	\$ 197,827	\$ (18,736)	\$ 174,053
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:											
(Increase) decrease in:											
Member receivable	-	59,405	-	-	-	-	122,227	-	-	-	-
Excess receivable	-	-	-	-	-	-	-	-	-	-	-
Prepaid expense	-	-	-	-	-	-	-	-	-	-	-
(Decrease) increase in:											
Accounts payable	(347)	(61)	(23)	150	121	19	(424)	149	656	(10)	(530)
Unearned revenue	(45,715)	-	-	(68,176)	(25,877)	-	(9,295)	(8,362)	-	1	(35,836)
Unpaid claims and claim adjustment expenses	54,447	67,282	15,870	34,607	70,832	(8,081)	100,690	43,119	(64,247)	26,197	105,654
Net cash provided by (used in) operating activities	\$ 33,991	\$ 99,374	\$ 49,295	\$ 39,176	\$ 54,666	\$ (26,688)	\$ 128,368	\$ 35,893	\$ 134,236	\$ 7,452	\$ 243,341
Supplemental information:											
Noncash non-operating and investing activities											
Net change in fair value of investments	\$ (3,697)	\$ (1,895)	\$ (979)	\$ (3,023)	\$ (2,826)	\$ (2,174)	\$ (4,693)	\$ (1,186)	\$ (7,631)	\$ (447)	\$ (8,865)

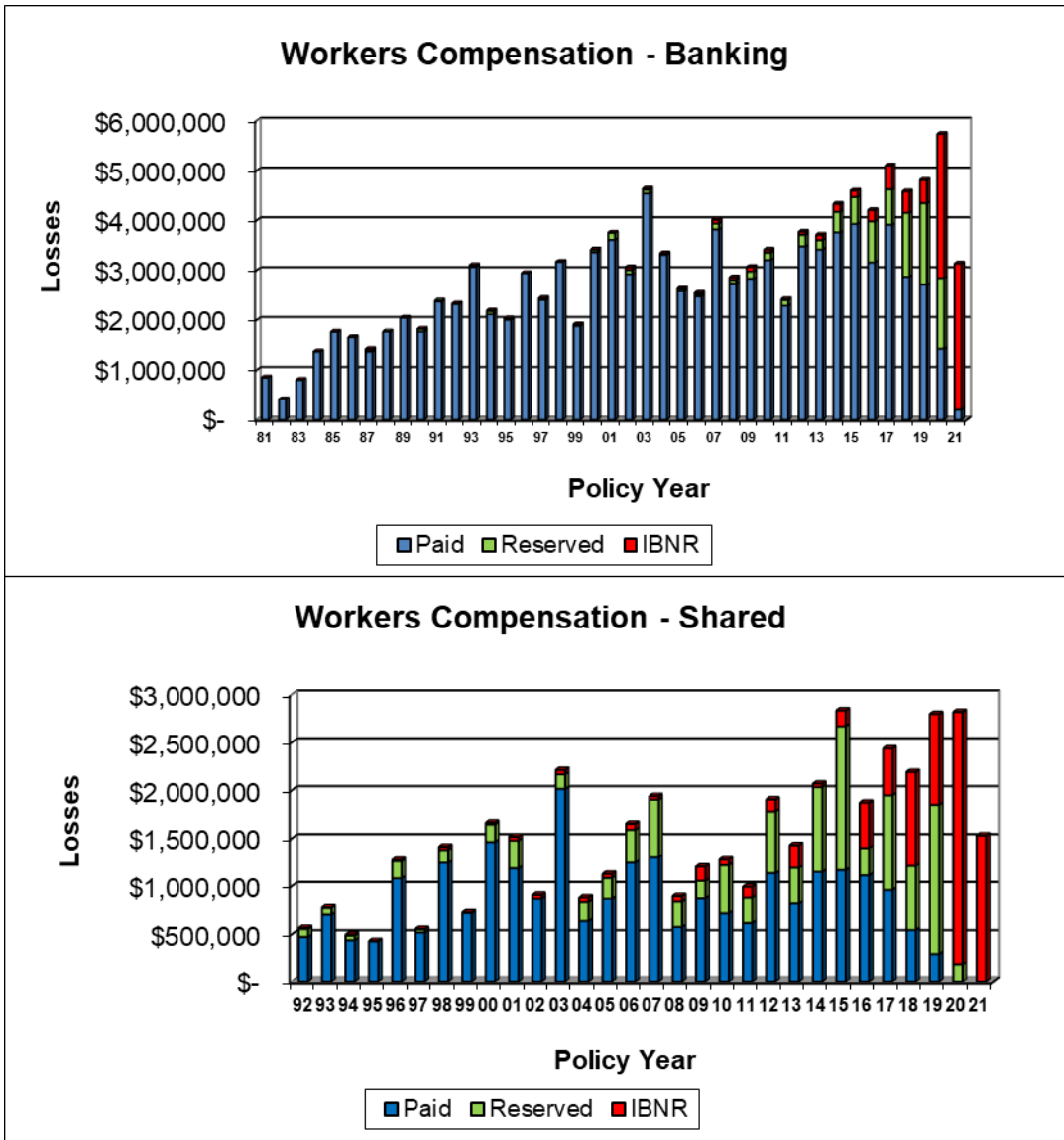
**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Reconciliation of Claims Liability by Program
As of December 31, 2020 and June 30, 2020**

	Liability Banking 2020	Liability Shared Risk 2020	Total Liability Program		WC Banking 2020	WC Shared Risk 2020	Total WC Program		Totals	
			2020	2020			2020	2020	2020	2020
Unpaid claims and claim adjustment expenses at beginning of the fiscal year	\$ 2,893,270	\$ 6,359,069	\$ 9,252,339	\$ 8,027,727	\$ 16,411,367	\$ 19,580,248	\$ 35,991,615	\$ 32,559,494	\$ 45,243,954	\$ 40,587,221
Incurred claims and claim adjustment expenses:										
Provision for insured events of the current fiscal year	1,647,605	1,771,440	3,419,045	3,415,771	2,779,106	1,530,884	4,309,990	7,958,265	7,729,035	11,374,036
Increases (Decreases) in provision for insured events of prior fiscal years	(744,437)	(133,198)	(877,635)	(39,717)	80,234	50,739	130,973	2,527,575	(746,662)	2,487,858
Change in provision for ULAE in current year	-	-	-	-	54,666	35,050	89,716	32,293	89,716	32,293
Total incurred claims and claim adjustment expenses	903,168	1,638,242	2,541,410	3,376,054	2,914,006	1,616,674	4,530,680	10,518,133	7,072,090	13,894,187
Payments:										
Claims and claim adjustment expenses attributable to insured events of the current fiscal year	183,668	-	183,668	81,357	204,036	-	204,036	916,169	387,704	997,526
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	236,272	1,457,233	1,693,505	2,070,085	1,641,034	931,328	2,572,362	6,169,842	4,265,867	8,239,927
Total Payments	419,940	1,457,233	1,877,173	2,151,442	1,845,070	931,328	2,776,398	7,086,012	4,653,571	9,237,454
Total unpaid claims and claim adjustment expenses at end of the fiscal year	\$ 3,376,498	\$ 6,540,078	\$ 9,916,576	\$ 9,252,339	\$ 17,480,303	\$ 20,265,594	\$ 37,745,897	\$ 35,991,615	\$ 47,662,473	\$ 45,243,954
Claims Liability	\$ 3,376,499	\$ 6,540,079	\$ 9,916,578	\$ 9,252,339	\$ 16,586,344	\$ 19,229,192	\$ 35,815,536	\$ 34,150,971	\$ 45,732,114	\$ 43,403,310
Claims ULAE	-	-	-	-	893,959	1,036,401	1,930,360	1,840,644	1,930,360	1,840,644
Total Claim Liabilities	\$ 3,376,499	\$ 6,540,079	\$ 9,916,578	\$ 9,252,339	\$ 17,480,303	\$ 20,265,593	\$ 37,745,896	\$ 35,991,615	\$ 47,662,474	\$ 45,243,954

Northern California Cities Self Insurance Fund
Graphical Summary of Claims
As of December 31, 2020



Northern California Cities Self Insurance Fund
Graphical Summary of Claims
As of December 31, 2020



Northern California Cities Self Insurance Fund
Budget to Actual
As of December 31, 2020

	Budget 2020-2021			YTD Expended 2020-2021			Remaining 2020-2021			
	Total	WC	Liab	Total	WC	Liab	Total \$	Total %	WC	Liab
ADMIN BUDGET										
Administrative Revenue										
41010 Administrative Deposit - See Note 1	\$ 1,390,718	\$ 924,122	\$ 466,596	\$ 695,360	\$ 462,062	\$ 233,298	\$ 695,358	50%	\$ 462,060	\$ 233,298
44030 Change in Fair Value - See Note 2	-	-	-	(4,091)	(2,289)	(1,802)	4,091		2,289	1,802
44040 Interest Income - See Note 2	-	-	-	13,298	7,270	6,028	(13,298)		(7,270)	(6,028)
44080 Risk Management Grants - See Note 6	-	-	-	81,618	81,618	-	(81,618)		(81,618)	-
Total Admin Revenue	<u>\$ 1,390,718</u>	<u>\$ 924,122</u>	<u>\$ 466,596</u>	<u>\$ 786,185</u>	<u>\$ 548,661</u>	<u>\$ 237,524</u>	<u>\$ 604,533</u>	<u>0%</u>	<u>\$ 375,461</u>	<u>\$ 229,072</u>
Administrative Expenses										
52101 Claims Audit	\$ 11,600	\$ 11,600	\$ -	\$ -	\$ -	\$ -	\$ 11,600	100%	\$ 11,600	\$ -
52102 Financial Audit	27,700	13,850	13,850	27,700	13,850	13,850	-	0%	-	-
52103 Legal Services	17,000	2,000	15,000	4,170	-	4,170	12,830	75%	2,000	10,830
52104 Actuarial Services	13,420	5,710	7,710	-	-	-	13,420	100%	5,710	7,710
52900 Member Identity Theft Protection	14,020	14,020	-	7,010	7,010	-	7,010	50%	7,010	-
52109 Misc Consulting / Contingency	5,000	2,500	2,500	-	-	-	5,000	100%	2,500	2,500
Total Admin Expenses	<u>\$ 88,740</u>	<u>\$ 49,680</u>	<u>\$ 39,060</u>	<u>\$ 38,880</u>	<u>\$ 20,860</u>	<u>\$ 18,020</u>	<u>\$ 49,860</u>	<u>56%</u>	<u>\$ 28,820</u>	<u>\$ 21,040</u>
Safety Services										
52201 Outside Training	\$ 30,000	\$ 15,000	\$ 15,000	\$ 900	\$ 450	\$ 450	\$ 29,100	97%	\$ 14,550	\$ 14,550
52202 Risk Mgmt Comm Mtg Expense	1,500	750	750	-	-	-	1,500	100%	750	750
52204 Bickmore Risk Management Services	178,480	89,240	89,240	89,240	44,620	44,620	89,240	50%	44,620	44,620
52207 Member Training and Risk Management	88,000	50,000	38,000	2,157	1,226	931	85,843	98%	48,774	37,069
52208 Lexipol Police Manual Updates & DTBs	144,441	144,441	-	72,221	72,221	-	72,220	50%	72,220	-
52209 Police Risk Management Funds	50,000	25,000	25,000	31,437	15,722	15,715	18,563	37%	9,278	9,285
54200 Safety Grant Fund - See Note 3	-	-	-	6,351	6,351	-	(6,351)		(6,351)	-
Total Safety Services Expenses	<u>\$ 492,421</u>	<u>\$ 324,431</u>	<u>\$ 167,990</u>	<u>\$ 202,306</u>	<u>\$ 140,590</u>	<u>\$ 61,716</u>	<u>\$ 290,115</u>	<u>59%</u>	<u>\$ 183,841</u>	<u>\$ 106,274</u>

Northern California Cities Self Insurance Fund
Budget to Actual
As of December 31, 2020

	Budget 2020-2021			YTD Expended 2020-2021			Remaining 2020-2021			
	Total	WC	Liab	Total	WC	Liab	Total	Total %	WC	Liab
ADMIN BUDGET CONTINUED										
Claims Administration										
52304 State Funding/Fraud Assessment	\$ 322,284	\$ 322,284	\$ -	\$ 345,404	\$ 345,404	\$ -	\$ (23,120)	-7%	\$ (23,120)	\$ -
Total Claims Admin Expenses	\$ 322,284	\$ 322,284	\$ -	\$ 345,404	\$ 345,404	\$ -	\$ (23,120)	-7%	\$ (23,120)	\$ -
Program Administration										
52401 Program Administration and Brokerage Fee	\$ 350,003	\$ 159,092	\$ 190,911	\$ 175,002	\$ 79,546	\$ 95,456	\$ 175,001	50%	\$ 79,546	\$ 95,455
52403 Accounting Services	109,770	54,885	54,885	55,470	27,735	27,735	54,300	49%	27,150	27,150
Total Program Admin Expenses	\$ 459,773	\$ 213,977	\$ 245,796	\$ 230,472	\$ 107,281	\$ 123,191	\$ 229,301	50%	\$ 106,696	\$ 122,605
Board Expenses										
52501 Executive Committee	\$ 2,500	\$ 1,250	\$ 1,250	\$ -	\$ -	\$ -	\$ 2,500	100%	\$ 1,250	\$ 1,250
52502 Executive Committee Member Travel	4,000	2,000	2,000	-	-	-	4,000	100%	2,000	2,000
52503 Board of Directors Meetings (includes Travel)	8,000	4,000	4,000	-	-	-	8,000	100%	4,000	4,000
52509 Board of Directors Long Range Planning Session	8,000	4,000	4,000	-	-	-	8,000	100%	4,000	4,000
52504 Association Memberships	5,000	2,500	2,500	1,500	750	750	3,500	70%	1,750	1,750
Total Board Expenses	\$ 27,500	\$ 13,750	\$ 13,750	\$ 1,500	\$ 750	\$ 750	\$ 26,000	95%	\$ 13,000	\$ 13,000
Total Admin Expenses	\$ 1,390,718	\$ 924,122	\$ 466,596	\$ 818,562	\$ 614,885	\$ 203,677	\$ 572,156	41%	\$ 309,237	\$ 262,919
TOTAL ADMIN REVENUE OVER EXPENSES	\$ -	\$ -	\$ -	\$ (32,377)	\$ (66,224)	\$ 33,847	\$ 32,377		\$ 66,224	\$ (33,847)

Northern California Cities Self Insurance Fund
Budget to Actual
As of December 31, 2020

	Budget 2020-2021			YTD Expended 2020-2021			Remaining 2020-2021			
	Total	WC	Liab	Total	WC	Liab	Total	Total %	WC	Liab
ADMIN BUDGET CONTINUED										
Banking Layer Revenue										
41020 Banking Layer Deposit - See Note 1	\$ 9,637,487	\$ 7,215,000	\$ 2,422,487	\$ 4,818,744	\$ 3,607,500	\$ 1,211,244	\$ 4,818,743	50%	\$ 3,607,500	\$ 1,211,243
44030 Change in Fair Value - See Note 2	-	-	-	(101,314)	(77,665)	(23,649)	101,314		77,665	23,649
44040 Interest Income - See Note 2	-	-	-	314,507	239,687	74,820	(314,507)		(239,687)	(74,820)
Total Banking Layer Revenue	<u>\$ 9,637,487</u>	<u>\$ 7,215,000</u>	<u>\$ 2,422,487</u>	<u>\$ 5,031,937</u>	<u>\$ 3,769,522</u>	<u>\$ 1,262,415</u>	<u>\$ 4,605,550</u>	<u>48%</u>	<u>\$ 3,445,478</u>	<u>\$ 1,160,072</u>
Banking Layer Expenses										
51100 Claims Expense - See Note 4	\$ 8,118,000	\$ 6,312,000	\$ 1,806,000	\$ 2,131,964	\$ 1,845,070	\$ 286,894	\$ 5,986,036	74%	\$ 4,466,930	\$ 1,519,106
51135 Claims Admin - Liability - See Note 4	-	-	-	133,045	-	133,045	(133,045)		-	(133,045)
51400 OS Liability Adjustment - See Note 4	-	-	-	1,497,498	1,014,269	483,229	(1,497,498)		(1,014,269)	(483,229)
51800 ULAE Adjustment - See Note 4	-	-	-	54,667	54,667	-	(54,667)		(54,667)	-
52300 Claims Admin - Monthly WC Only - See Note 4	608,392	608,392	-	304,196	304,196	-	304,196	50%	304,196	-
Total Banking Layer Expenses	<u>\$ 8,726,392</u>	<u>\$ 6,920,392</u>	<u>\$ 1,806,000</u>	<u>\$ 4,121,370</u>	<u>\$ 3,218,202</u>	<u>\$ 903,168</u>	<u>\$ 4,605,022</u>	<u>53%</u>	<u>\$ 3,702,190</u>	<u>\$ 902,832</u>
TOTAL BANKING REVENUE OVER EXPENSES	\$ 911,095	\$ 294,608	\$ 616,487	\$ 910,567	\$ 551,320	\$ 359,247	\$ 528		\$ (256,712)	\$ 257,240

Northern California Cities Self Insurance Fund
Budget to Actual
As of December 31, 2020

	Budget 2020-2021			YTD Expended 2020-2021			Remaining 2020-2021			
	Total	WC	Liab	Total	WC	Liab	Total	Total %	WC	Liab
ADMIN BUDGET CONTINUED										
Shared Layer Revenue										
41030 Shared Risk Layer Deposit - See Note 1	\$ 6,797,538	\$ 3,948,000	\$ 2,849,538	\$ 3,398,769	\$ 1,974,000	\$ 1,424,769	\$ 3,398,769	50%	\$ 1,974,000	\$ 1,424,769
41040 Excess Deposit/Premium - See Note 1	3,601,123	1,535,744	2,065,379	1,800,562	767,872	1,032,690	1,800,561	50%	767,872	1,032,689
41060 Shared Risk Refund	-	-	-	-	-	-	-	-	-	-
44010 Other Income	17,072	-	17,072	28,574	-	28,574	(11,502)	-67%	-	(11,502)
44030 Change in Fair Value	-	-	-	(95,976)	(67,399)	(28,577)	95,976		67,399	28,577
44040 Interest Income	-	-	-	297,913	206,380	91,533	(297,913)		(206,380)	(91,533)
44060 Property Premium - See Note 1	2,275,629	-	2,275,629	1,355,220	-	1,355,220	920,409	40%	-	920,409
44070 Crime Premium - See Note 1	53,523	-	53,523	68,875	-	68,875	(15,352)	-29%	-	(15,352)
Total Shared Layer Revenue	\$ 12,744,885	\$ 5,483,744	\$ 7,261,141	\$ 6,853,937	\$ 2,880,853	\$ 3,973,084	\$ 5,890,948	46%	\$ 2,602,891	\$ 3,288,057
Shared Layer Expenses										
51100 Claims Expense	\$ 5,213,000	\$ 3,069,000	2,144,000	\$ 3,269,311	\$ 1,393,781	\$ 1,875,530	\$ 1,943,689	37%	\$ 1,675,219	\$ 268,470
52201 Outside Training	-	-	-	14,287	-	14,287	(14,287)		-	(14,287)
54100 Excess Deposit/Premium Exp - See Note 5	3,601,123	1,535,744	2,065,379	1,800,562	767,872	1,032,690	1,800,561	50%	767,872	1,032,689
54150 Member Property Coverage - See Note 5	2,041,230	-	2,041,230	1,351,601	-	1,351,601	689,629	34%	-	689,629
54150 Member Crime Coverage - See Note 5	53,523	-	53,523	68,875	-	68,875	(15,352)	-29%	-	(15,352)
Total Shared Layer Expenses	\$ 10,908,876	\$ 4,604,744	\$ 6,304,132	\$ 6,504,636	\$ 2,161,653	\$ 4,342,983	\$ 4,404,240	40%	\$ 2,443,091	\$ 1,961,149
TOTAL SHARED REVENUE OVER EXPENSES	\$ 1,836,009	\$ 879,000	\$ 957,009	\$ 349,301	\$ 719,200	\$ (369,899)	\$ 1,486,708		\$ 159,800	\$ 1,326,908
OTHER INCOME/(EXPENSE)										
Rounding	-	-	-	(3)	8	(11)	3		(8)	11
Total Other Income/(Expense)	\$ -	\$ -	\$ -	\$ (3)	\$ 8	\$ (11)	\$ 3		\$ (8)	\$ 11
TOTAL INCOME/(EXPENSE)	\$ 2,747,104	\$ 1,173,608	\$ 1,573,496	\$ 1,227,488	\$ 1,204,304	\$ 23,184	\$ 1,519,616		\$ (30,696)	\$ 1,550,312

Northern California Cities Self Insurance Fund
Notes to Budget to Actual
As of December 31, 2020

1. Revenue Recognition

The budget presents revenue to be earned during the entire fiscal year. In accordance with the accrual basis of accounting, the YTD Expended columns show only the amount earned by the organization, year-to-date.

2. Investment Income

No budget is developed for the Change in Fair Value and Interest Income amounts, as it is difficult to predict the yield on the organization's portfolio.

3. CJPRMA Refund

For budgeting purposes, the CJPRMA refund is recorded in the year following its approval. In accordance with the accrual basis of accounting, the refund to the organization is recorded on the books in the period it was declared.

4. Claims Expenses

Claims related expenses are budgeted based on the estimated claims expense for the year. Claims related expenses are recorded on the books in several additional categories. Review of the budget to actual performance of claims related items should take this into consideration.

5. Insurance Expense Recognition

The budget presents excess and other insurance expense based on the policy fee paid for entire fiscal year. In accordance with the accrual basis of accounting, the YTD Expended columns show only the portion of the policy used by the organization, year-to-date. The remainder of the policy fee paid, but not used to date is recorded in Prepaid Expenses on the Statement of Net Position, as applicable.

**Northern California Cities Self Insurance Fund
Risk Management Reserves Current Usage Report
As of December 31, 2020**

Designee	06/30/2020	Election FY20-21	07/01/2020 Through	12/31/2020
	Balance Forward		Current Year Spent	Remaining
Designated Funds				
Anderson Designations	9,681.00	0.00	0.00	9,681.00
Auburn Designations	24,770.00	0.00	0.00	24,770.00
Colusa Designations	0.00	0.00	0.00	0.00
Corning Designations	0.00	0.00	0.00	0.00
Dixon Designations	7,365.76	81,618.00	6,350.62	82,633.14
Elk Grove Designations	0.00	0.00	0.00	0.00
Folsom Designations	(1,829.37)	0.00	0.00	(1,829.37)
Galt Designations	7,931.00	0.00	0.00	7,931.00
Gridley Designations	31,140.00	0.00	0.00	31,140.00
Ione Designations	514.00	0.00	0.00	514.00
Jackson Designations	11,409.00	0.00	0.00	11,409.00
Lincoln Designations	8,788.31	0.00	0.00	8,788.31
Marysville Designations	19,122.00	0.00	0.00	19,122.00
Nevada City Designations	2,453.00	0.00	0.00	2,453.00
Oroville Designations	2,529.50	0.00	0.00	2,529.50
Paradise Designations	0.00	0.00	0.00	0.00
Placerville Designations	9,048.00	0.00	0.00	9,048.00
Red Bluff Designations	0.00	0.00	0.00	0.00
Rio Vista Designations	0.00	0.00	0.00	0.00
Rocklin Designations	85,545.20	0.00	0.00	85,545.20
Willows Designations	1,999.00	0.00	0.00	1,999.00
Yuba City Designations	0.00	0.00	0.00	0.00
Total Designated Funds	220,466.40	81,618.00	6,350.62	295,733.78

**Northern California Cities Self Insurance Fund
Police Risk Management Grants Current Usage Report
As of December 31, 2020**

	06/30/2020		07/01/2020 Through 12/31/2020	12/31/2020
	Balance Forward	Grant FY20/21	Current Year Spent	Remaining
Designated Funds				
Anderson Designations	9,090.00	1,515.00	0.00	10,605.00
Auburn Designations	6,060.00	3,030.00	0.00	9,090.00
Colusa Designations	6,060.00	1,515.00	0.00	7,575.00
Corning Designations	3,497.62	1,515.00	0.00	5,012.62
Dixon Designations	9,185.62	3,030.00	4,300.00	7,915.62
Elk Grove Designations	3,030.00	3,030.00	0.00	6,060.00
Folsom Designations	15,149.50	3,787.50	15,150.00	3,787.00
Galt Designations	18,180.00	3,030.00	0.00	21,210.00
Gridley Designations	4,546.74	1,515.00	0.00	6,061.74
Ione Designations	4,463.99	1,515.00	0.00	5,978.99
Jackson Designations	9,090.00	1,515.00	0.00	10,605.00
Lincoln Designations	8,999.87	3,030.00	0.00	12,029.87
Marysville Designations	8,715.63	2,272.50	0.00	10,988.13
Nevada City Designations	3,030.00	1,515.00	0.00	4,545.00
Oroville Designations	6,060.00	3,030.00	0.00	9,090.00
Paradise Designations	7,195.00	2,272.50	2,700.41	6,767.09
Placerville Designations	1,444.93	1,515.00	1,077.49	1,882.44
Red Bluff Designations	2,276.33	2,272.50	0.00	4,548.83
Rio Vista Designations	4,848.85	1,515.00	0.00	6,363.85
Rocklin Designations	6,060.00	3,030.00	6,060.00	3,030.00
Willows Designations	6,960.00	1,515.00	2,157.00	6,318.00
Yuba City Designations	12,120.00	3,030.00	0.00	15,150.00
Total Designated Funds	156,064.08	49,995.00	31,444.90	174,614.18



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021**

Agenda Item H.2.

BUDGET TO ACTUAL AS OF DECEMBER 31, 2020

INFORMATION ITEM

ISSUE: Members have asked for this item to be reviewed at each meeting to ensure that NCCSIF is on track. They have requested that the Program Administrators discuss any items pertaining to the budget, updating members on the status of the current budget-to-actual.

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: NCCSIF administrative expenses year-to-date are currently on track with the FY 20/21 Budget. The annual State Workers' Compensation Assessment is the one exception and inherently difficult to budget but this year it is closer than most, with \$322,284 budgeted and a \$345,404 assessment.

ATTACHMENT(S): Please refer to pages 26 and 27 of the Quarterly Financial Report for Period Ending December 31, 2020 - Budget to Actual as of December 31, 2020.



Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021

Agenda Item I.1.

FY 21/22 NCCSIF ADMINISTRATION BUDGET

INFORMATION ITEM

ISSUE: The Executive Committee reviews and recommends to the Board the budget for the next fiscal year. Attached is the preliminary budget for review and discussion. The Administrative Costs are discussed in more detail below. The budget to actual revenues provided by our accountant are used in creating the FY 21/22 budget.

Administrative Expenses

1. Claim Audits - Every year either the Liability or Workers' Compensation claims are audited. The Liability Claims audit in FY 19/20 was \$6,625 and is budgeted at \$7,500 for FY 21/22.
2. Actuarial Services are increasing by \$360 (2.8%) per current service agreement.
3. Accounting Services are expected to increase \$3,600 (3.4%) per current contract.
4. York's Risk Control services are the same as last year based on the current contract, and the rest of the risk control budget is expected to be flat, *pending Lexipol renewal*.
5. State Funding/Fraud Assessment has been estimated to increase by 10.2% to almost \$10,000 above the actual expense of \$345,404 in FY 20/21. This is hard to predict as it is based on the amount of indemnity payments during the year but the overall amount of OSIP funding is expected to increase.
6. The Program Administration and Brokerage Fee is increasing by \$11,375 (3.2%) per the terms of the current agreement.

RECOMMENDATION: None - information item only. The EC may give direction regarding the funding for the next draft budget.

FISCAL IMPACT: Total administrative expenses are estimated to be \$1,439,143, an increase of \$48,424 (3.5%) over FY 20/21, driven by the estimated increase of \$32,716, in the State's Self-Insured Assessment. The remainder is due to scheduled service contract increases. A small amount of surplus offset may be available to reduce the funding, to be determined as we get closer to the fiscal year end.

BACKGROUND: None

ATTACHMENT(S): Preliminary FY 21/22 NCCSIF Budget

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
ADMIN BUDGET - Draft Presented to EC as of March 25, 2021
July 1, 2021 to June 30, 2022

		WORK COMP	LIABILITY	GROUP PURCHASE	FY 21/22 TOTAL	FY 20/21 PRIOR YEAR	\$ CHANGE	% CHANGE
REVENUES								
Est	WC Program Banking Layer	\$7,487,000			\$7,487,000	\$7,215,000	\$272,000	4%
Est	WC Program Shared Layer	\$4,146,000			\$4,146,000	\$3,948,000	\$198,000	5%
Est	WC Program Admin Expense	\$985,312			\$985,312	\$924,122	\$61,190	7%
Est	Excess WC Coverage (EIA)	\$1,955,000			\$1,955,000	\$1,535,744	\$419,256	27%
Est	Liability Program Banking Layer		\$2,234,000		\$2,234,000	\$2,422,487	(\$188,487)	-8%
Est	Liability Program Shared Layer		\$3,000,000		\$3,000,000	\$2,849,538	\$150,462	5%
Est	Liability Program Admin Expense		\$449,497		\$449,497	\$466,596	(\$17,099)	-4%
Est	Excess Liability Coverage (CJPRMA)		\$3,375,239		\$3,375,239	\$2,065,379	\$1,309,860	63%
Est	Group Purchase Property Coverage (APIP)			\$2,694,117	\$2,694,117	\$2,275,629	\$418,488	18%
Est	Group Purchase Crime Coverage (ACIP)			\$53,523	\$53,523	\$53,523	\$0	0%
Est	Group Purchase Coverage (ADWRP)				\$12,336	\$12,336	\$0	0%
Est	Pass through Cost - Lexipol Fire Manuals				\$32,888	\$32,888	\$0	0%
N/A	Pass through Cost - Appraisal Services			N/A	N/A	N/A		
Est	Pass through Cost - Drone Coverage				\$5,000	\$4,736	\$264	6%
	Total Revenues	\$14,573,312	\$9,058,736	\$2,747,640	\$26,429,912	\$24,629,473		

EXPENSES		WORK COMP	LIABILITY		FY 21/22 TOTAL	FY 20/21 PRIOR YEAR	\$ CHANGE	% CHANGE
Administrative Expenses:								
Consultants								
52101	Claims Audit		\$7,500		\$7,500	\$14,625	(\$7,125)	-48.7%
52102	Financial Audit	\$13,850	\$13,850		\$27,700	\$27,700	\$0	0.0%
52103	Legal Services	\$2,000	\$15,000		\$17,000	\$17,000	\$0	0.0%
52104	Actuarial Review	\$5,900	\$7,900		\$13,800	\$13,420	\$380	2.8%
52105	Computer Services				N/A	N/A	N/A	N/A
52106	CAJPA Accreditation (every 3 years: not until 2021)				N/A	\$5,850	N/A	N/A
52109	Misc. Consulting/Contingency	\$2,500	\$2,500		\$5,000	\$5,000	\$0	0.0%
	Total Consultant Expenses	\$24,250	\$46,750		\$71,000	\$74,720	(\$3,720)	-5.0%

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
ADMIN BUDGET - Draft Presented to EC as of March 25, 2021
July 1, 2021 to June 30, 2022

		WORK COMP	LIABILITY	GROUP PURCHASE	FY 21/22 TOTAL	FY 20/21 PRIOR YEAR	\$ CHANGE	% CHANGE
Safety Services:								
52204	Risk Control Services Agreement	\$89,240	\$89,240		\$178,480	\$178,480	\$0	0.0%
52201	Outside Training	\$15,000	\$15,000		\$30,000	\$30,000	\$0	0.0%
52202	Risk Mgmt Comm Mtg Expense	\$750	\$750		\$1,500	\$1,500	\$0	0.0%
52207	Member Training and Risk Management	\$50,000	\$38,000		\$88,000	\$88,000	\$0	0.0%
52208	Lexipol Police Manual Updates & DTBs	\$144,441			\$148,774	\$144,441	\$4,333	3.0%
52209	Police Risk Management Funds	\$25,000	\$25,000		\$50,000	\$50,000	\$0	0.0%
	Total Safety Services Expenses	\$324,431	\$167,990		\$496,754	\$492,421	\$4,333	0.9%
Claims Administration								
52302	Claims Administration Fee (Reports, etc.) Annual	\$0	\$0		\$0	\$0	\$0	
	Claims Adjustment Fee*							
52304	State Funding/Fraud Assessment	\$355,000			\$355,000	\$322,284	\$32,716	10.2%
	Total Claims Administration Expenses	\$355,000	\$0		\$355,000	\$322,284	\$32,716	10.2%
Program Administration								
52401	Program Administration and Brokerage Fee	\$197,116	\$164,262		\$361,378	\$350,003	\$11,375	3.2%
52403	Accounting Services	\$56,745	\$56,745		\$113,490	\$109,770	\$3,720	3.4%
	Total Program Administration Expenses	\$253,861	\$221,007		\$474,868	\$459,773	\$15,095	3.3%
Board Expenses								
52501	Executive Committee	\$1,250	\$1,250		\$2,500	\$2,500	\$0	0.0%
52502	Executive Committee Member Travel	\$2,000	\$2,000		\$4,000	\$4,000	\$0	0.0%
52503	Board of Directors Meetings (includes Travel)	\$4,000	\$4,000		\$8,000	\$8,000	\$0	0.0%
52509	Board of Directors Long Range Planning (every 3 years, last LRP January 2020)	\$4,000	\$4,000		\$8,000	\$8,000	\$0	0.0%
52504	Association Memberships (PARMA, CAJPA, AGRIP)	\$2,500	\$2,500		\$5,000	\$5,000	\$0	0.0%
	Total Board Expenses	\$13,750	\$13,750		\$27,500	\$27,500	\$0	0.0%
OTHER Administration Expenses (Not identified with above budget line items)								
52000	Administrative Expense	\$0	\$0		\$0	\$0	\$0	0.0%
52001	Administration Expense - Other	\$0	\$0		\$0	\$0	\$0	0.0%
52900	Member Identity Theft Protection	\$14,020	0		\$14,020	\$14,020	\$0	0.0%
	Total Other Admin	\$14,020	\$0		\$14,020	\$14,020	\$0	0.0%
Total Admin Expenses		\$985,312	\$449,497		\$1,439,143	\$1,390,718	\$48,424	3.5%



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021

Agenda Item I.2.a

ACTUARIAL STUDY FOR WORKERS' COMPENSATION PROGRAM

ACTION ITEM

ISSUE: NCCSIF's actuary annually provides a report to assist in making funding, dividend and assessment decisions. Below is a summary of this year's report that will be discussed in greater detail at the meeting.

FY 20/21 Funding

Total recommended funding for the Banking and Shared Risk Layers is \$11,663,000 at the current 80% Confidence Level (CL). *Overall the rates have increased 2.9%, from \$ 4.507 to \$4.637, with a 3.1% increase in the Banking Layer and a 2.6% increase for the Shared Layer.*

Outstanding Liabilities at June 30th

The actuary estimates that NCCSIF will have total assets of approximately \$56,010,000 on June 30, 2021, compared to \$51,065,000 last year. The estimated total Outstanding Liability at June 30th is \$47,159,000 at the 90% Confidence Level (CL), compared to \$44,469,000 last year. *This results in an estimated \$8,851,000 in net position above the 90% CL, compared to \$8,851,000 last year.*

Assets for the Banking Layer are estimated at \$28,548,000 as of June 30, 2021, \$2,698,000 above the estimate of \$25,850,000 in 2020. Banking Layer liabilities are \$21,948,000 at the 90% CL, compared to \$20,140,000 last year. *This means the Banking Layer net position above the 90% CL is estimated at \$6,600,000 compared \$5,710,000 last year.*

Assets for the Shared Risk Layer are estimated to be \$27,462,000 at June 30, 2021, compared to \$25,215,000 in 2020. Liabilities are estimated at \$25,211,000 at the 90% CL, compared \$24,329,000 last year. *The net position in excess of the 90% CL is estimated to be \$2,251,000, compared to \$886,000 last year.*

RECOMMENDATION: Review, receive and file report.

FISCAL IMPACT: TBD; the underlying rates are increasing 2.9%. No change is expected to the CL of 80%.

BACKGROUND: NCCSIF annually receives an actuary report to determine the estimated Outstanding Liabilities (OL) for the Workers' Compensation program as of June 30 and to estimate the amount of funding required for the upcoming fiscal year. These figures are used for financial reporting purposes and to prepare the budget for member deposits. *The funding CL was increased from 75% to 80% in FY 18/19.*

ATTACHMENT(S): Workers' Compensation Program Actuarial Study for FY 21/22 - **DRAFT** Summary



Bickmore

Actuarial

Actuarial Review of the Self-Insured Workers' Compensation Program

Outstanding Liabilities as of June 30, 2021
Forecast for Program Years 2021-22

Presented to
Northern California Cities Self-Insurance Fund

March 4, 2021 - DRAFT

Thursday, March 4, 2021

Mr. Marcus Beverly
Vice President
Northern California Cities Self Insurance Fund
c/o Alliant Insurance Services, Inc.
2180 Harvard Street, Suite 460
Sacramento, CA 95815

Re: Actuarial Review of the Self-Insured Workers' Compensation Program

Dear Mr. Beverly:

As you requested, we have completed our review of Northern California Cities Self Insurance Fund's self-insured workers' compensation program. Assuming an SIR of \$500,000 per occurrence, we estimate the ultimate cost of claims and expenses for claims incurred during the 2021-22 program year to be \$9,759,000. This amount includes allocated loss adjustment expenses (ALAE), unallocated loss adjustment expenses (ULAE), and a discount for anticipated investment income, but excludes 4850 TD (Temporary Disability) and 4850 SC (Salary Continuation). Of this amount, \$6,556,000 is for the banking layer (\$0 – \$100,000 per occurrence) and \$3,203,000 is for the shared layer (\$100,000 – \$500,000 per occurrence). ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes). The discount for investment income is calculated based on the likely payout pattern of NCCSIF's claims, assuming a 1.5% return on investments per year. For budgeting purposes, the expected cost of 2021-22 claims translates to a rate of \$3.890 per \$100 of payroll, \$2.613 for the banking layer and \$1.277 for the shared layer (assuming \$250,900,000 in rated payroll).

In addition, we estimate the program's liability for outstanding claims to be \$37,487,000 as of June 30, 2021 again including ALAE and ULAE, and discounted for anticipated investment income, but excluding 4850 TD and 4850 SC benefits. Given estimated program assets of \$56,010,000 as of June 30, 2021, the program will be funded above the 90% confidence level on a combined basis and for both the banking layer and shared layer separately (see Graphs 1a, 1b and 1c on pages 11, 12, and 13).

The \$37,487,000 estimate is the minimum liability to be booked by NCCSIF at June 30, 2021 for its workers' compensation program, in accordance with Governmental Accounting Standards Board (GASB) Statement #10. GASB #10 requires NCCSIF to accrue a liability on its financial statements for the ultimate cost of claims and expenses associated with all reported and unreported claims, including ALAE and ULAE. GASB #10 does not prohibit the discounting of losses to recognize investment income.

DRAFT

Our conclusions regarding NCCSIF's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2021 are summarized in the table below.

Northern California Cities Self Insurance Fund
Self-Insured Workers' Compensation Program
Estimated Liability for Unpaid Loss and LAE
Banking and Shared Layer Combined
at June 30, 2021
Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$37,613,000					
ULAE	2,014,000					
Investment Income Offset	(2,140,000)					
Discounted Loss and LAE	\$37,487,000	\$40,561,000	\$41,761,000	\$43,185,000	\$44,909,000	\$47,159,000
Assets	56,010,000					
Surplus or (Deficit)	\$18,523,000	\$15,449,000	\$14,249,000	\$12,825,000	\$11,101,000	\$8,851,000

Northern California Cities Self Insurance Fund
Self-Insured Workers' Compensation Program
Estimated Liability for Unpaid Loss and LAE
Banking Layer
at June 30, 2021
Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$17,598,000					
ULAE	2,014,000					
Investment Income Offset	(1,059,000)					
Discounted Loss and LAE	\$18,553,000	\$19,722,000	\$20,149,000	\$20,631,000	\$21,206,000	\$21,948,000
Assets	28,548,000					
Surplus or (Deficit)	\$9,995,000	\$8,826,000	\$8,399,000	\$7,917,000	\$7,342,000	\$6,600,000

Northern California Cities Self Insurance Fund
 Self-Insured Workers' Compensation Program
 Estimated Liability for Unpaid Loss and LAE
 Shared Layer
 at June 30, 2021
 Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$20,015,000					
ULAE	0					
Investment Income Offset	(1,081,000)					
Discounted Loss and LAE	\$18,934,000	\$20,839,000	\$21,612,000	\$22,554,000	\$23,703,000	\$25,211,000
Assets	27,462,000					
Surplus or (Deficit)	\$8,528,000	\$6,623,000	\$5,850,000	\$4,908,000	\$3,759,000	\$2,251,000

GASB #10 does not address an actual asset requirement for the program, but only speaks to the liability to be recorded on NCCSIF's financial statements. Because actuarial estimates of claims costs are subject to some uncertainty, we recommend that an amount in addition to the discounted expected loss costs be set aside as a risk margin for contingencies. Generally, the amount should be sufficient to fund assets to the 75% to 85% confidence level for primary programs. We consider funding assets to the 70% confidence level to be marginally acceptable and funding assets to the 90% confidence level to be conservative.

Furthermore, the Public Risk Innovation, Solutions, and Management (PRISM) standard states that based upon the actuarial recommendations, the member should maintain assets and make funding contributions equal to or exceeding the present value of expected losses and a reasonable margin for contingencies.

The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2021-22 fiscal year.

Northern California Cities Self Insurance Fund
 Self-Insured Workers' Compensation Program
 Loss and LAE Funding Guidelines for 2021-22
 Banking and Shared Layers Combined
 Banking Layer: \$0 to \$100,000
 Shared Layer: \$100,000 to \$500,000
 Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$9,319,000					
ULAE	840,000					
Investment Income Offset	(400,000)					
Discounted Loss and LAE	\$9,759,000	\$10,774,000	\$11,174,000	\$11,633,000	\$12,189,000	\$12,950,000
Rate per \$100 of 2021-22 Payroll	\$3.890	\$4.294	\$4.454	\$4.637	\$4.858	\$5.161

Northern California Cities Self Insurance Fund
 Self-Insured Workers' Compensation Program
 Loss and LAE Funding Guidelines for 2021-22
 Banking Layer: \$0 to \$100,000
 Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$5,985,000					
ULAE	840,000					
Investment Income Offset	(269,000)					
Discounted Loss and LAE	\$6,556,000	\$7,080,000	\$7,271,000	\$7,487,000	\$7,743,000	\$8,077,000
Rate per \$100 of 2021-22 Payroll	\$2.613	\$2.822	\$2.898	\$2.984	\$3.086	\$3.219

Northern California Cities Self Insurance Fund
 Self-Insured Workers' Compensation Program
 Loss and LAE Funding Guidelines for 2021-22
 Shared Layer: \$100,000 to \$500,000
 Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$3,334,000					
ULAE	0					
Investment Income Offset	(131,000)					
Discounted Loss and LAE	\$3,203,000	\$3,694,000	\$3,903,000	\$4,146,000	\$4,446,000	\$4,873,000
Rate per \$100 of 2021-22 Payroll	\$1.277	\$1.472	\$1.556	\$1.652	\$1.772	\$1.942

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2021. They are for losses and loss adjustment expenses only, and do not include a provision for loss control, overhead, excess insurance premiums, and other expenses associated with the program. They do not include 4850 TD and 4850 SC benefits.

The estimates in this report do not include a provision for the potential impact on the cost of workers' compensation claims as a result of the coronavirus (COVID-19) pandemic.

The loss projections in this report reflect the estimated impact of benefit legislation contained in AB749, AB227, SB228, SB899, SB863, and recent WCAB court decisions based upon information provided by the WCIRB. The ultimate impact on loss costs of legislated benefit adjustments are generally difficult to forecast in advance because the changes typically take place over a period of several years following enactment. Furthermore, actuarially derived benefit level evaluations often underestimate actual future cost levels. The shortfalls result from a variety of circumstances, including: increases in utilization levels, unanticipated changes in administrative procedures, and cost shifting among benefit categories. Thus, actual cost increases could differ, perhaps substantially, from the WCIRB's estimates.

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The report that follows outlines the scope of our study, its background, and our conclusions, recommendations, and assumptions. Judgments regarding the appropriateness of our conclusions and recommendations should be made only after studying the report in its entirety, including the graphs, attachments, exhibits and appendices. Our report has been developed for NCCSIF's internal use. It is not intended for general circulation.

We appreciate the opportunity to be of service to Northern California Cities Self Insurance Fund in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162, James Kim at (916) 290-4644 or Eric Small at (916) 244-1165 with any questions you may have concerning this report.

Sincerely,

Bickmore Actuarial

DRAFT

Mike Harrington, FCAS, MAAA
President and Principal, Bickmore Actuarial
Fellow, Casualty Actuarial Society
Member, American Academy of Actuaries

DRAFT

James Kim, ACAS, MAAA
Senior Analyst, Bickmore Actuarial
Associate, Casualty Actuarial Society
Member, American Academy of Actuaries

DRAFT

Eric Small
Actuarial Consultant, Bickmore Actuarial

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I. BACKGROUND

Northern California Cities Self Insurance Fund began its self-insured workers' compensation program on July 1, 1979. Its purpose was to provide excess workers' compensation coverage to its members which consist of Northern California municipalities. The predecessor to NCCSIF was Feather River JPA and this study includes 20 claims for that period. All of these claims are closed. The original NCCSIF program was comprised of eight members. Currently, the program includes the twenty two members shown below.

ANDERSON	ELK GROVE	JACKSON	PARADISE	WILLOWS
AUBURN	FOLSOM	LINCOLN	PLACERVILLE	YUBA CITY
COLUSA	GALT	MARYSVILLE	RED BLUFF	
CORNING	GRIDLEY	NEVADA CITY	RIO VISTA	
DIXON	IONE	OROVILLE	ROCKLIN	

The Program's current self-insured retention is \$500,000, and excess coverage is provided by the PRISM. Claims administration services are provided by Sedgwick. Additional background on the program is given in Appendix K. Please note that the estimates contained in this report exclude costs for 4850 TD (temporary disability) and 4850 SC (salary continuation).

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Although NCCSIF carries a self-insured retention of \$500,000, the program is actually split into two parts, a banking layer and a shared risk layer. The banking layer applies to the first \$100,000 of each loss and each member is directly responsible for its actual losses in this layer. The shared risk layer applies to the portion of each loss between \$100,000 and \$500,000. The shared risk layer losses are pooled among members. The table below shows the confidence levels to which each layer was funded by year.

Accident Year	Shared Layer	Banking Layer
1996-97	70%	70%
1997-01	80%	70%
2001-02	80%	Expected
2002-03	60%	70%
2003-04	70%	70%
2004-05	70%	Expected
2005-06	70%	70%
2006-07	70%	70%
2007-08	70%	70%
2008-09	60%	60%
2009-10	60%	60%
2010-11	60%	60%
2011-12	60%	60%
2012-13	60%	60%
2013-14	60%	60%
2014-15	65%	65%
2015-16	67.5%	67.5%
2016-17	70%	70%
2017-18	75%	75%
2018-19	80%	80%
2019-20	80%	80%
2020-21	80%	80%
2021-22	80%	80%

The purpose of this review is to provide a guide to NCCSIF to determine reasonable funding levels for its self-insurance program according to the funding policy NCCSIF has adopted and to comply with Governmental Accounting Standards Board Statements #10 and #30. The specific objectives of the study are to estimate NCCSIF's liability for outstanding claims as of June 30, 2021, project ultimate loss costs for 2021-22, and provide funding guidelines to meet these liabilities and future costs.

II. CONCLUSIONS AND RECOMMENDATIONS

A. LIABILITY FOR OUTSTANDING CLAIMS

Graphs 1a, 1b and 1c on the following pages summarize our assessment of NCCSIF's funding position as of June 30, 2021. The dark-colored bars indicate our estimates of the program's liability for outstanding claims before recognition of the investment income that can be earned on the assets held before the claim payments come due. The horizontal line across each graph indicates NCCSIF's available assets at June 30, 2021.

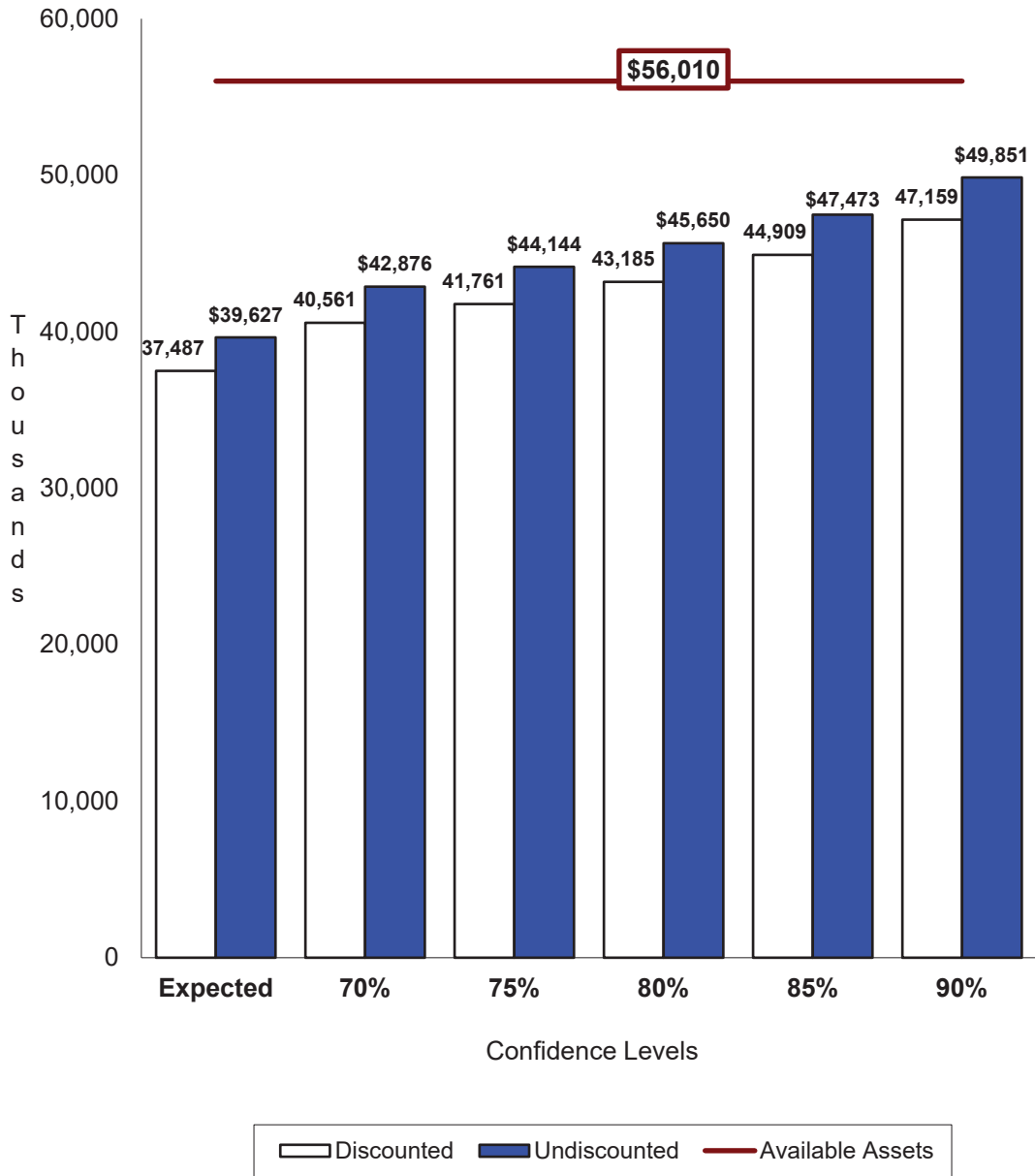
Our best estimate of the full value of NCCSIF's liability for outstanding claims within its pool limit is \$39,627,000, \$19,612,000 is for the banking layer and \$20,015,000 is for the shared layer as of June 30, 2021. These amounts include losses, allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expenses (ULAE), but exclude 4850 TD and 4850 SC benefits. ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer claims to final settlement, which may be years in the future (e.g. claims adjusters' salaries, taxes).

There is some measure of uncertainty associated with our best estimate because of the random nature of much of the process that determines ultimate claims costs. For this reason, we generally recommend that a program such as this include some funding margin for the possibility that actual loss costs will be greater than the best estimate. We generally measure the amount of this margin by thinking in terms of the probability distribution of actual possible results around our best estimate. As the margin grows, the probability that the corresponding funding amount will be sufficient to meet actual claim liabilities increases. We typically refer to this probability as the "confidence level" of funding. Graphs 1a, 1b and 1c show the liabilities for outstanding claims at several confidence levels that are typically of interest to risk managers in formulating funding policies for self-insurance programs.

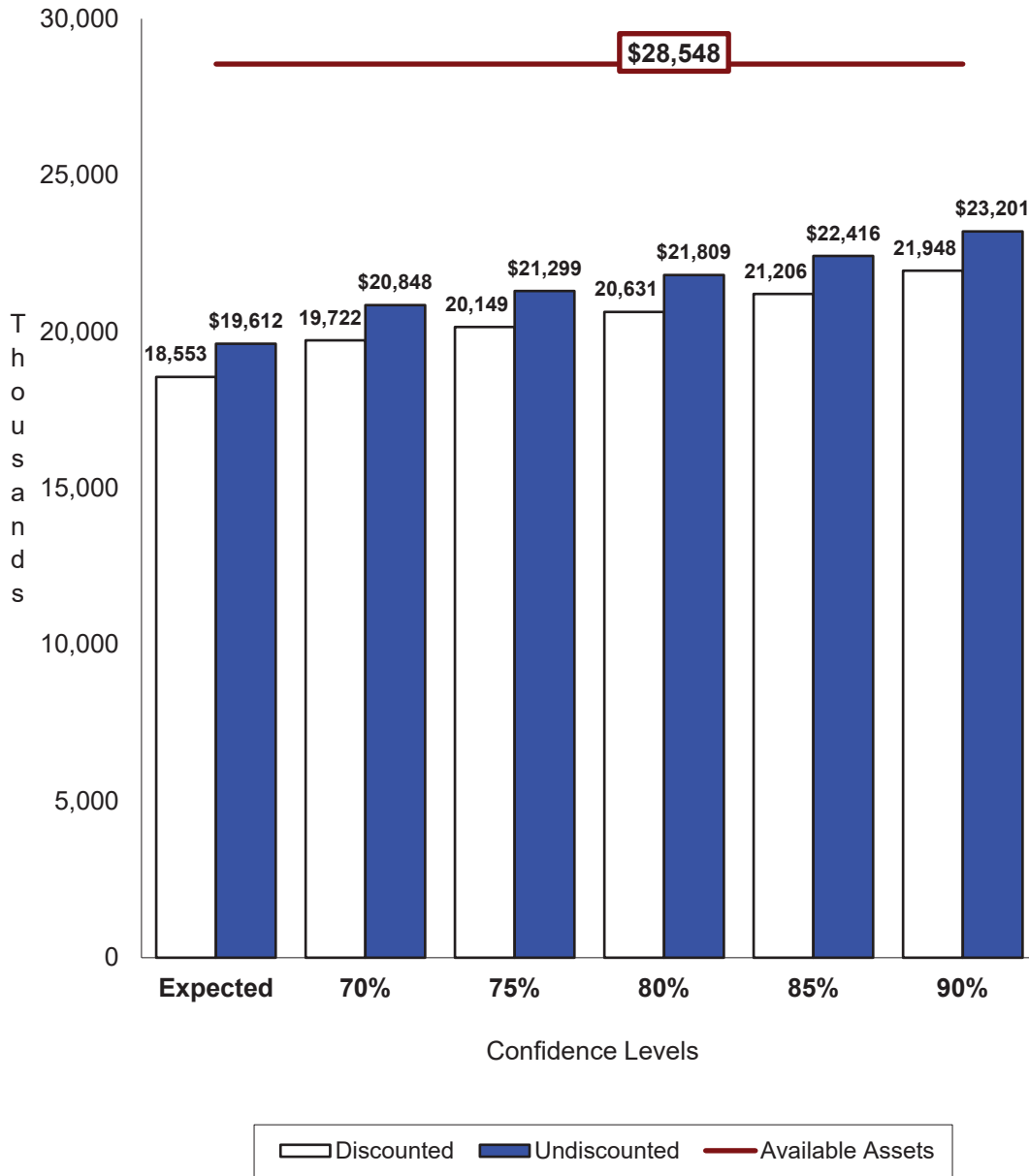
NCCSIF can earn investment income on the assets it holds until claims payments come due. Assuming a long-term average annual return on investments of 1.5%, we estimate the impact of investment income earnings to be about 5.4% if the program is funded within the range indicated in the graphs, resulting in a discounted liability for outstanding claims of \$37,487,000, \$18,553,000 for the banking layer and \$18,934,000 for the shared layer as of June 30, 2021.

Investment income earnings will be less than this when the program does not maintain sufficient funding, and more when there is excess funding. Thus, thinking in terms of liabilities discounted for investment income can actually mask funding deficiencies and redundancies that might otherwise be obvious. However, the discounted liabilities do represent legitimate funding targets. The light-colored bars on Graphs 1a, 1b and 1c show our estimates of NCCSIF's discounted liability for outstanding claims.

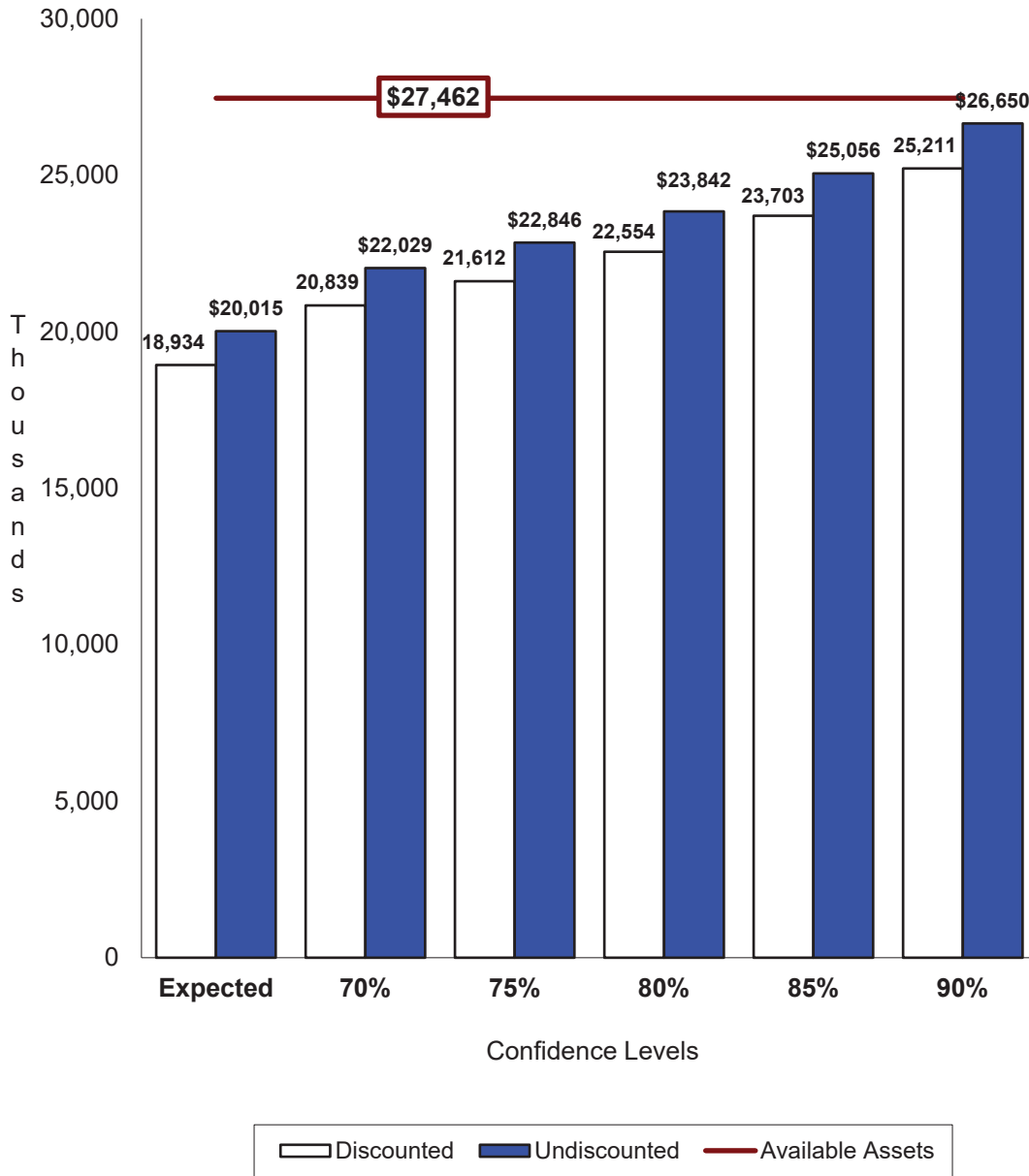
NCCSIF - Workers' Compensation
 Available Assets vs Outstanding Liability (\$000's)
 at June 30, 2021
 Banking and Shared Layers Combined
 Net of 4850 TD and 4850 SC



NCCSIF - Workers' Compensation
Available Assets vs Outstanding Liability (\$000's)
at June 30, 2021
Banking Layer
Net of 4850 TD and 4850 SC



NCCSIF - Workers' Compensation
 Available Assets vs Outstanding Liability (\$000's)
 at June 30, 2021
 Shared Layer
 Net of 4850 TD and 4850 SC



The table below displays a breakdown of the program's outstanding loss and LAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2021, before recognition of investment income.

Northern California Cities Self Insurance Fund
Self-Insured Workers' Compensation Program
Estimated Liability for Unpaid Loss and LAE at June 30, 2021
Banking and Shared Layers Combined
Net of 4850 TD and 4850 SC

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$1,052,052	\$47,411	\$1,099,463
2000-01	448,303	15,380	463,683
2001-02	84,113	18,531	102,644
2002-03	162,344	51,388	213,732
2003-04	203,719	47,276	250,995
2004-05	263,560	51,617	315,177
2005-06	361,907	64,976	426,883
2006-07	843,591	116,775	960,366
2007-08	488,019	88,869	576,888
2008-09	323,012	106,970	429,982
2009-10	644,639	140,911	785,550
2010-11	367,937	114,677	482,614
2011-12	1,087,612	129,688	1,217,300
2012-13	532,194	261,646	793,840
2013-14	1,363,502	218,246	1,581,748
2014-15	2,391,968	153,086	2,545,054
2015-16	1,129,110	659,775	1,788,885
2016-17	1,766,228	637,425	2,403,653
2017-18	1,790,203	1,054,155	2,844,358
2018-19	3,369,080	1,358,087	4,727,167
2019-20	3,135,605	2,821,738	5,957,343
2020-21	2,207,277	5,438,368	7,645,645
Loss and ALAE	\$24,015,975	\$13,596,995	\$37,612,970
ULAE		2,013,659	2,013,659
Total	\$24,015,975	\$15,610,654	\$39,626,629

B. PROGRAM FUNDING: GOALS AND OBJECTIVES

As self-insurance programs have proliferated among public entities, it has become apparent that there is a large measure of inconsistency in the way in which these programs recognize and account for their claims costs. This is the result of the fact that there have been several different sources of guidance available, none of which has been completely relevant to public entity self-insurance programs.

According to the Governmental Accounting Standards Board (GASB), the most relevant source of guidance on the subject is Financial Accounting Standards Board Statement #60. A liability for unpaid claim costs, including all loss adjustment expenses, should be accrued at the time the self-insured events occur. This liability should include an allowance for incurred but not reported claims. It may be discounted for investment income at an appropriate rate of return, provided the discounting is disclosed. The regulations detailing the way in which this must be done are outlined in GASB's statements #10 and #30. These regulations are required to be applied by NCCSIF.

GASB #10 and #30 do not address asset requirements. They do, however, allow a range of amounts to be recognized for accounting purposes; specifically, GASB #10 and #30 allow recognition of a risk margin for unexpectedly adverse loss experience. Thus, for accounting purposes, it is possible to formulate a funding policy from a range of alternatives. The uncertainty in any estimate of the program's liability for outstanding claims should be taken into consideration in determining funding policy, but it may be offset by recognizing anticipated investment income earnings. This usually means developing a funding program based on discounted claims costs with some risk margin for unexpected adverse loss experience.

The amount of the risk margin should be a question of long-term funding policy. We recommend that the risk margin be determined by thinking in terms of the probability that a given level of assets will prove to be adequate. For example, a reasonable goal might be to maintain assets at the 85% confidence level.

A key factor to consider in determining funding policy is the degree to which stability is required in the level of contributions to the program from year to year. If you elect to maintain assets at a low confidence level, the chances are much greater that future events will prove that additional contributions should have been made for old claims. The additional contributions for old claims may be required at the same time that costs are increasing dramatically on new claims. The burden of funding for increases on past years as well as on current years, may well be prohibitive.

We generally recommend maintaining program assets at the 80% confidence level, after recognition of investment income, with a recommended range of the 75% to 85% confidence levels. We tend to think of the 70% confidence level as marginally acceptable and of the 90% confidence level as conservative. We recommend the 75% to 85% confidence level range because the probabilities are reasonably high that resulting assets will be sufficient to meet claim liabilities, yet the required risk margins are not so large that they will cause most self-insured entities to experience undue financial hardship. In addition, within this range, anticipated investment income generally offsets the required risk margin for the most part, which means that assets are likely sufficient on an undiscounted basis.

We also strongly believe, however, that the confidence level to which any future year is funded should be evaluated in light of the relative certainty of the assumptions underlying the actuarial analysis, NCCSIF's other budgetary constraints, and the relative level of risk it is believed appropriate to assume. This means formulating both short and long-term funding goals, which may be the same in some years, but different in others.

In general, we recommend funding each year's claims costs in that year. When surpluses or deficits have developed on outstanding liabilities and funding adjustments are necessary, they should be clearly identified as such so that the habit of funding each year's claims costs that year is maintained. We also recommend that you reduce a surplus more slowly than you would accumulate funding to reduce a deficit.

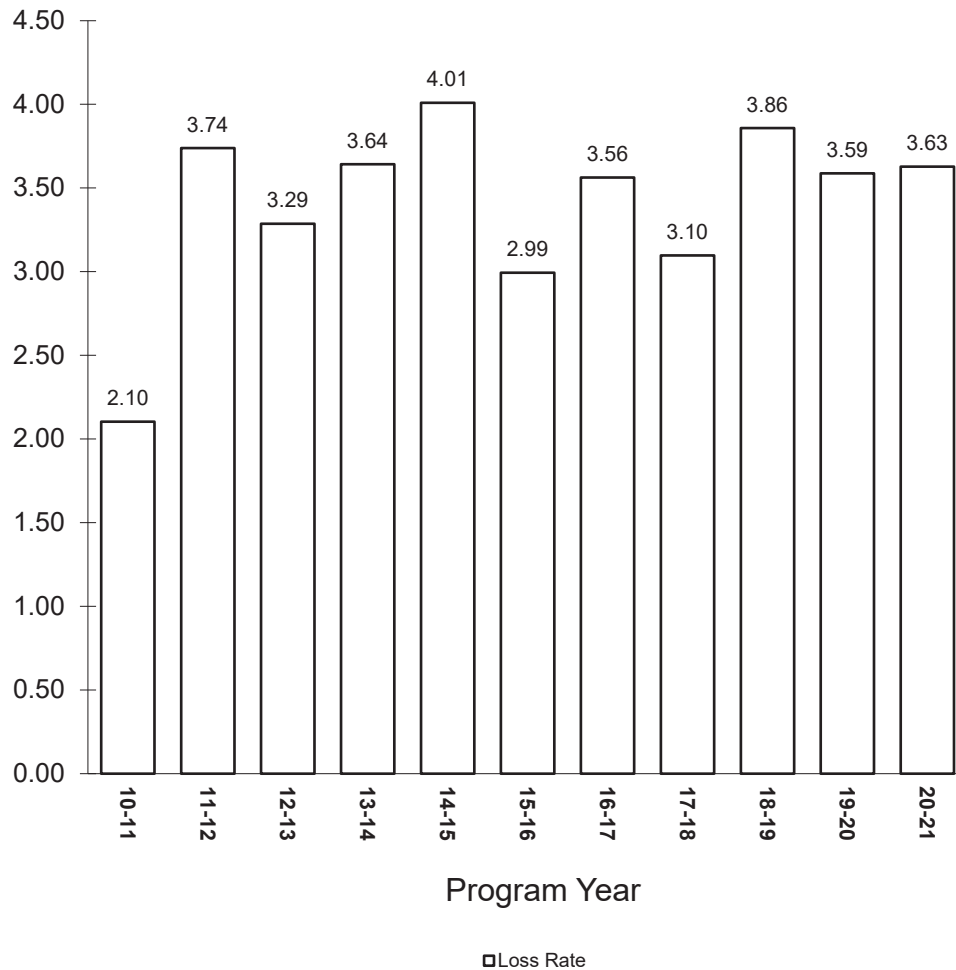
It is estimated that program assets will be \$56,010,000 at June 30, 2021, \$28,548,000 for the banking layer and \$27,462,000 for the shared layer, resulting in the program being funded above the 90% confidence level on a combined basis and for both the banking layer and shared layer separately

C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM

The program's loss rate per \$100 of payroll has been relatively flat during the last nine years, averaging \$3.53 per \$100 of payroll. We selected a loss rate of \$3.63 per \$100 of payroll for the 2020-21 program year based on the assumption that this trend will continue. See Graph 2a below.

Graph 2a

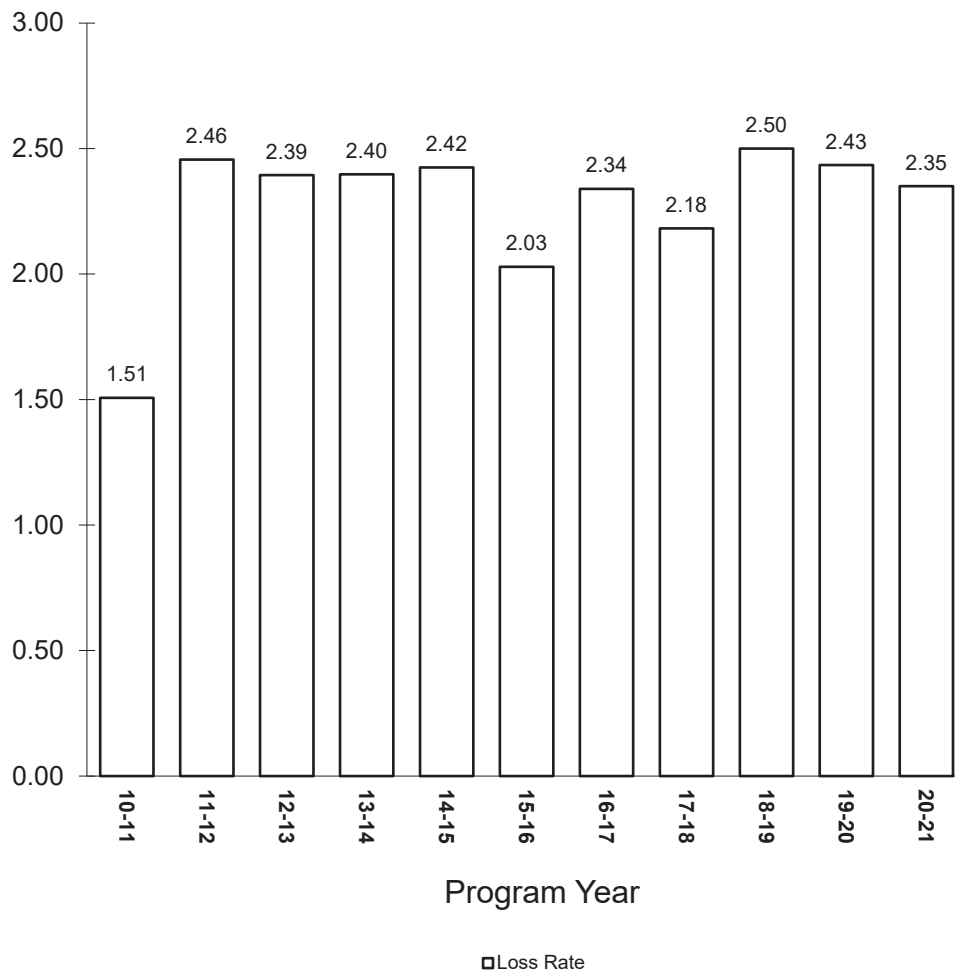
NCCSIF - Workers' Compensation
Banking and Shared Layers Combined
Dollars of Loss per
\$100 of Payroll
Net of 4850 TD and 4850 SC



The banking layer loss rate per \$100 of payroll has been relatively flat during the last nine years. Our projected 2020-21 loss rate of \$2.35 per \$100 of payroll reflects this trend. See Graph 2b below.

Graph 2b

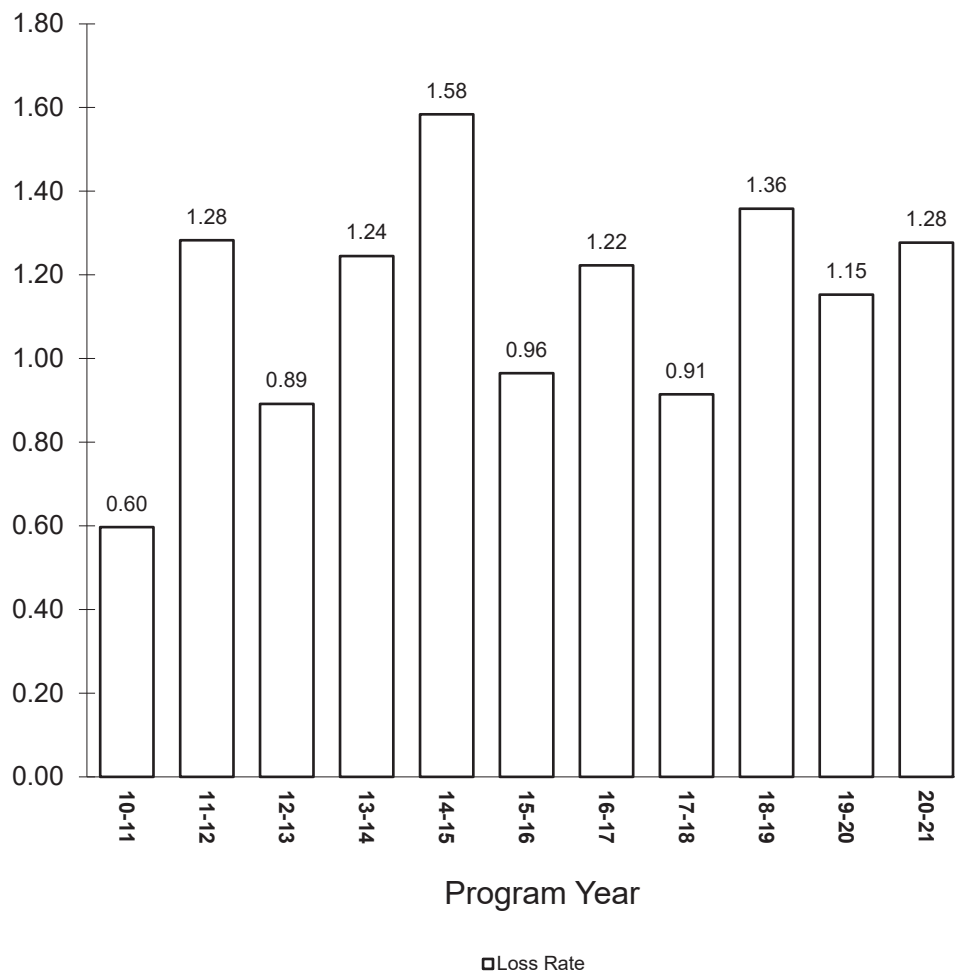
NCCSIF - Workers' Compensation
Banking Layer
Dollars of Loss per
\$100 of Payroll
Net of 4850 TD and 4850 SC



The shared layer loss rate has varied a considerably over the last ten years, typical for excess layers losses. Overall rates appear to follow an increasing trend in the most recent ten years. We projected 2020-21 loss rate of \$1.28 based on this trend. See Graph 2c below.

Graph 2c

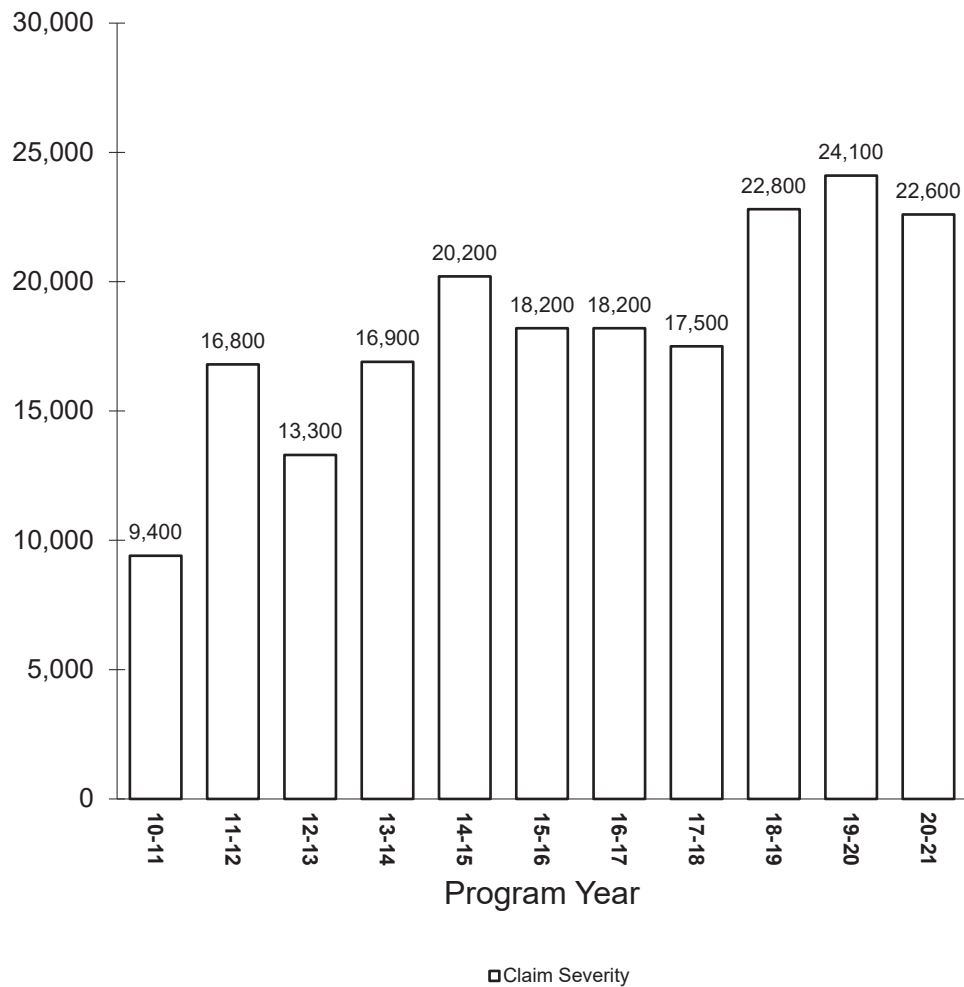
NCCSIF - Workers' Compensation
Shared Layer
Dollars of Loss per
\$100 of Payroll
Net of 4850 TD and 4850 SC



The program's average cost per claim has been following a generally increasing trend over the past ten years. The program's average cost per claim has ranged from a low of \$9,400 to a high of \$24,100. Our projected 2020-21 average cost of \$22,600 per claim reflects this upward trend. See Graph 3a below.

Graph 3a

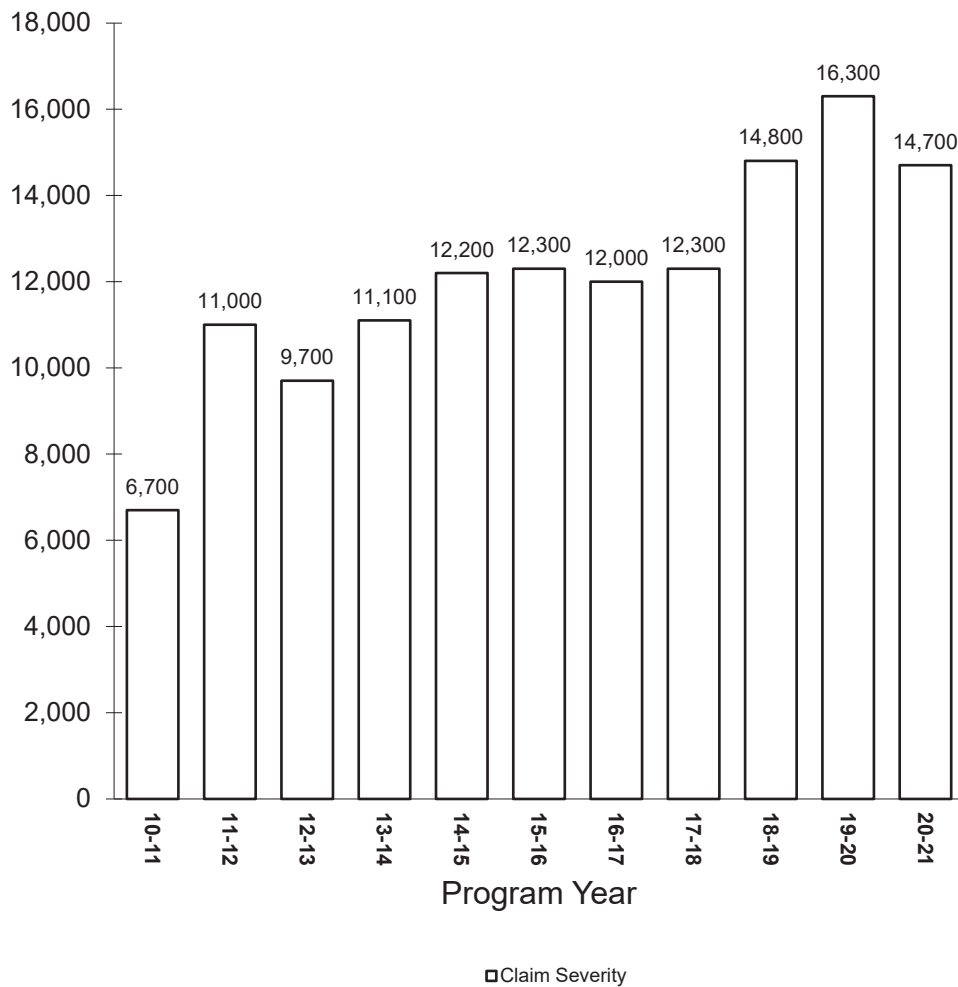
NCCSIF - Workers' Compensation
Banking and Shared Layers Combined
Dollars of Loss per Claim
Net of 4850 TD and 4850 SC



The banking layer's average cost per claim been following a generally increasing trend over the past ten years. The program's average cost per claim has ranged from a low of \$6,700 to a high of \$16,300. Our projected 2020-21 average cost of \$14,700 per claim reflects this upward trend. See Graph 3b below.

Graph 3b

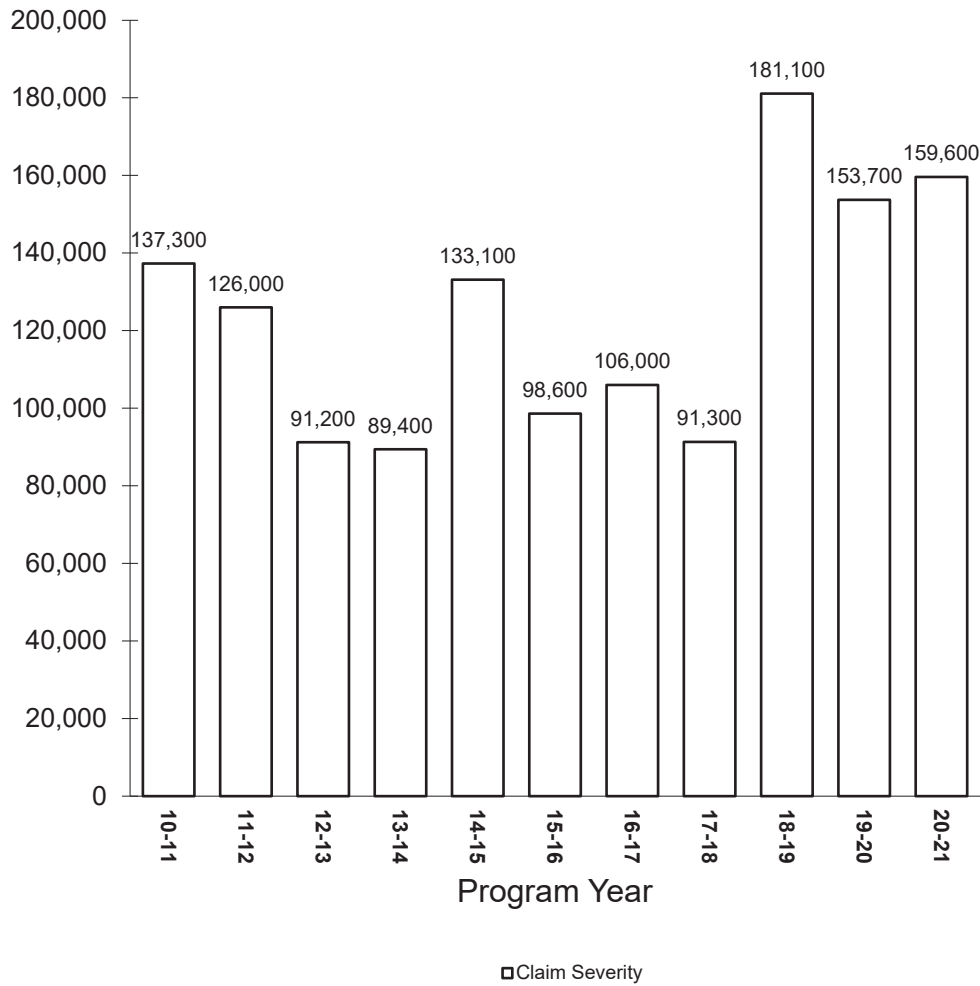
NCCSIF - Workers' Compensation
Banking Layer
Dollars of Loss per Claim
Net of 4850 TD and 4850 SC



The shared layer average cost per claim has been volatile over the period shown below but has been generally increasing during the past ten years. We project the 2020-21 shared layer severity to be \$159,600 per claim. See Graph 3c Below.

Graph 3c

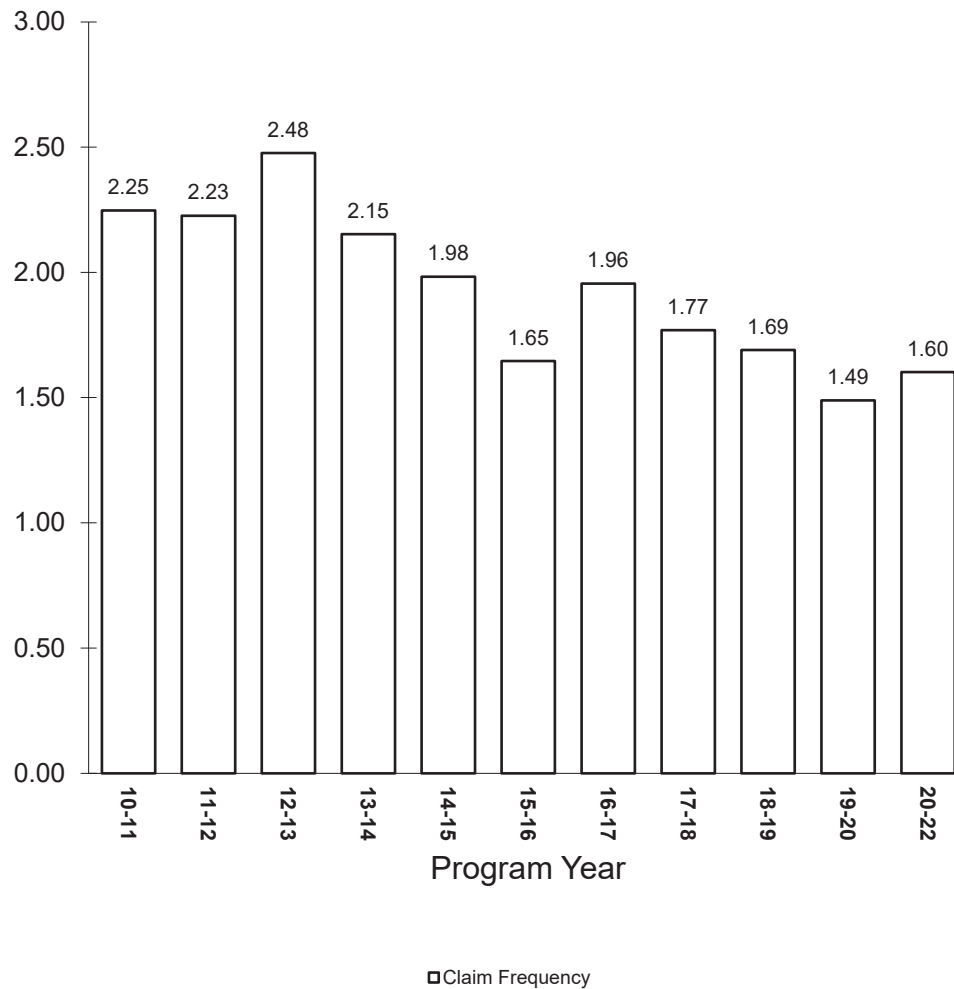
NCCSIF - Workers' Compensation
Shared Layer
Dollars of Loss per Claim
Net of 4850 TD and 4850 SC



The program's frequency of claims per \$1 million payroll has been generally trending downward. The projected 2020-21 frequency of 1.60 is based on that decreasing trend. See Graph 4a below. (Note that banking layer frequency is the same as shown below for the program.)

Graph 4a

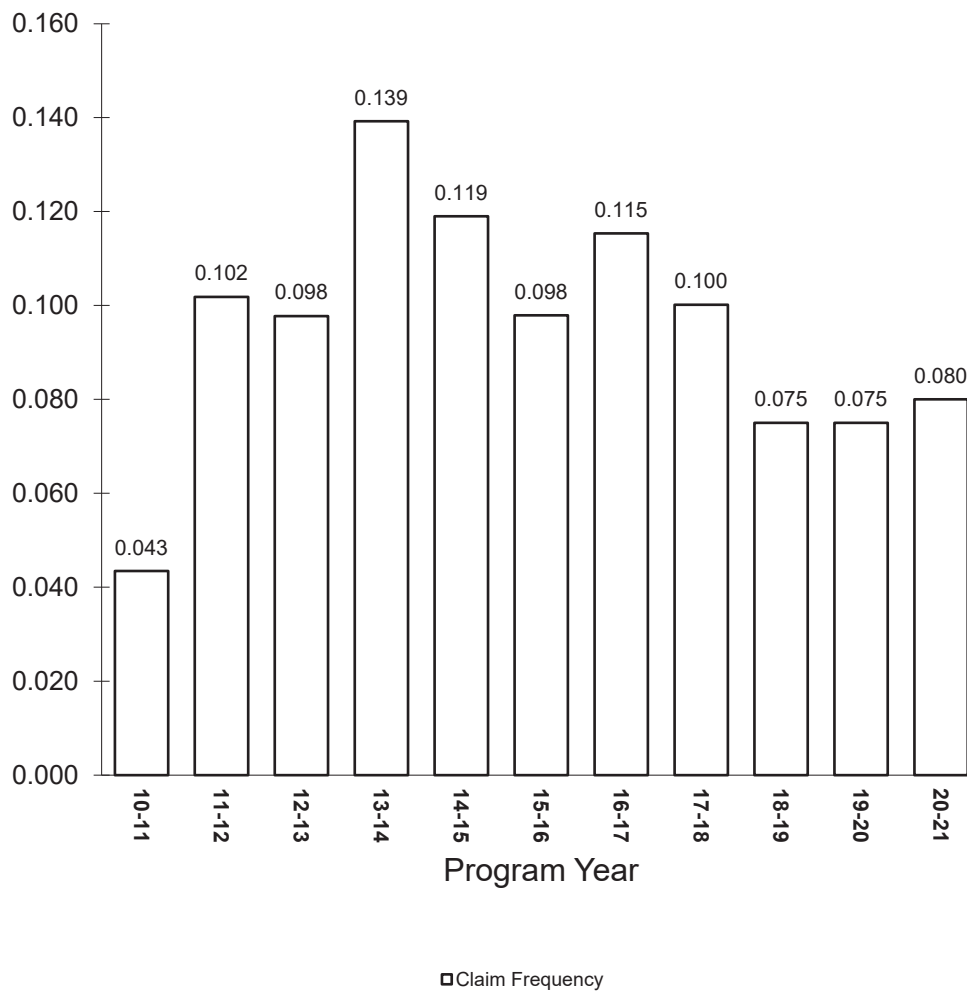
NCCSIF - Workers' Compensation
Number of Claims per
\$1 Million of Payroll



The shared layer frequency of claims per \$1 million payroll has been somewhat volatile, following no discernable pattern. Such volatility is not unexpected since the program receives very few claims per year. Thus, even one additional claim can have a significant impact. We project the 2020-21 shared layer frequency to be 0.080 claims per \$1 million payroll. See Graph 4b below.

Graph 4b

NCCSIF - Workers' Compensation
Shared Layer
Number of Claims per
\$1 Million of Payroll



D. COMPARISON WITH PREVIOUS RESULTS

The prior report for Northern California Cities Self Insurance Fund was dated March 5, 2020. In the table below we display actual versus expected development of incurred losses and ALAE by accident year between the December 31, 2019 evaluation date of the prior report and the December 31, 2020 evaluation date of the current report.

Actual Versus Expected Incurred Loss and ALAE Development

Net of 4850 TD and 4850 SC

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Prior	\$52,000	\$86,000	\$34,000
2000-01	15,000	27,000	12,000
2001-02	12,000	(24,000)	(36,000)
2002-03	19,000	(55,000)	(74,000)
2003-04	13,000	(5,000)	(18,000)
2004-05	11,000	21,000	10,000
2005-06	11,000	(58,000)	(69,000)
2006-07	17,000	126,000	109,000
2007-08	11,000	136,000	125,000
2008-09	17,000	(142,000)	(159,000)
2009-10	23,000	26,000	3,000
2010-11	32,000	5,000	(27,000)
2011-12	40,000	278,000	238,000
2012-13	25,000	(266,000)	(291,000)
2013-14	59,000	160,000	101,000
2014-15	67,000	412,000	345,000
2015-16	178,000	180,000	2,000
2016-17	167,000	(20,000)	(187,000)
2017-18	584,000	296,000	(288,000)
2018-19	1,094,000	1,343,000	249,000
2019-20	3,476,000	3,658,000	182,000
Total	\$5,923,000	\$6,184,000	\$261,000

As shown, actual incurred development was greater than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that incurred losses would increase by \$5,923,000 between the two evaluation dates. However, actual development was approximately \$6,184,000; or about \$261,000 more than expected. Six of the last nine accident years have developed greater than expected, however, 2012-13, 2016-17, and 2017-18 are emerging much less than expected.

In the table below we display actual versus expected development of paid losses and ALAE by accident year between the December 31, 2019 evaluation date of the prior report and the December 31, 2020 evaluation date of the current report.

Actual Versus Expected Paid Loss and ALAE Development

Net of 4850 TD and 4850 SC

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
Prior	\$164,000	\$164,000	\$0
2000-01	74,000	34,000	(40,000)
2001-02	21,000	21,000	0
2002-03	40,000	60,000	20,000
2003-04	30,000	16,000	(14,000)
2004-05	32,000	38,000	6,000
2005-06	45,000	37,000	(8,000)
2006-07	79,000	13,000	(66,000)
2007-08	45,000	20,000	(25,000)
2008-09	67,000	29,000	(38,000)
2009-10	117,000	27,000	(90,000)
2010-11	104,000	58,000	(46,000)
2011-12	212,000	83,000	(129,000)
2012-13	202,000	246,000	44,000
2013-14	293,000	249,000	(44,000)
2014-15	477,000	400,000	(77,000)
2015-16	537,000	593,000	56,000
2016-17	836,000	823,000	(13,000)
2017-18	1,447,000	969,000	(478,000)
2018-19	1,823,000	1,471,000	(352,000)
2019-20	2,043,000	1,205,000	(838,000)
Total	\$8,688,000	\$6,556,000	(\$2,132,000)

As shown, actual paid development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that paid losses would increase by \$8,688,000 between the two evaluation dates. However, actual development was approximately \$6,556,000; or about \$2,132,000 less than expected. Most accident years are emerging less than expected.

In the table below we display the change in our estimates of the program's ultimate losses and ALAE by accident year since our prior report.

Change in Ultimate Loss and ALAE

Net of 4850 TD and 4850 SC

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	\$47,498,000	\$47,576,000	\$78,000
2000-01	5,283,000	5,295,000	12,000
2001-02	3,942,000	3,905,000	(37,000)
2002-03	6,866,000	6,790,000	(76,000)
2003-04	4,237,000	4,219,000	(18,000)
2004-05	3,777,000	3,786,000	9,000
2005-06	4,244,000	4,174,000	(70,000)
2006-07	6,019,000	6,131,000	112,000
2007-08	3,792,000	3,918,000	126,000
2008-09	4,323,000	4,160,000	(163,000)
2009-10	4,759,000	4,760,000	1,000
2010-11	3,454,000	3,426,000	(28,000)
2011-12	5,760,000	5,946,000	186,000
2012-13	5,211,000	5,108,000	(103,000)
2013-14	6,512,000	6,632,000	120,000
2014-15	7,609,000	7,864,000	255,000
2015-16	6,211,000	6,220,000	9,000
2016-17	7,717,000	7,561,000	(156,000)
2017-18	6,958,000	6,650,000	(308,000)
2018-19	8,422,000	8,628,000	206,000
2019-20	8,267,000	8,431,000	164,000
Total	\$160,861,000	\$161,180,000	\$319,000

As shown, overall we have increased our estimated ultimates by \$319,000 since our prior report. These changes track well with actual versus expected incurred and paid development mentioned above.

At the time of the prior report, we estimated the liability for outstanding claims as of June 30, 2020 to be \$35,405,000 at the discounted, expected level. Our current estimate as of June 30, 2021, is \$37,487,000, an increase in our assessment of NCCSIF's outstanding liabilities, as shown below:

Outstanding Claim Liabilities for Loss and LAE
Banking and Shared Layers Combined
Net of 4850 TD and 4850 SC

	Prior Report at June 30, 2020	Current Report at June 30, 2021	Change
(A) Case Reserves:	\$23,059,000	\$24,016,000	\$957,000
(B) IBNR Reserves:	12,453,000	13,597,000	1,144,000
(C) Claims Administration Reserves:	1,914,000	2,014,000	100,000
(D) Total Reserves:	\$37,426,000	\$39,627,000	\$2,201,000
(E) Offset for Investment Income:	(2,021,000)	(2,140,000)	(119,000)
(F) Total Outstanding Claim Liabilities:	\$35,405,000	\$37,487,000	\$2,082,000

As shown, our estimate of outstanding claims liabilities at the discounted, expected level has increased between June 30, 2020 and June 30, 2021 as reflected in our prior and current reports respectively.

At the time of the prior report, available assets were estimated to be \$51,065,000 as of June 30, 2020, which corresponded to the then-estimated discounted liability for outstanding claims above the 90% confidence level. Available assets are currently estimated to be \$56,010,000 as of June 30, 2021, which corresponds to the currently estimated liability for outstanding claims above the 90% confidence level. It can be summarized as follows:

Funding Margin			
Banking and Shared Layers Combined			
Net of 4850 TD and 4850 SC			
	Prior Report at June 30, 2020	Current Report at June 30, 2021	Change
(A) Outstanding Liability at the Discounted Expected Level:	\$35,405,000	\$37,487,000	\$2,082,000
(B) Estimated Assets At June 30:	51,065,000	56,010,000	4,945,000
(C) Surplus/(Deficit):	\$15,660,000	\$18,523,000	\$2,863,000

At the time of the prior report, our funding estimate for the 2020-21 year was \$9,381,000 at the discounted, expected level. That amount included allocated loss adjustment expenses (ALAE), unallocated loss adjustment expenses (ULAE), and a discount for anticipated investment income. Our current estimate for the 2021-22 year is \$9,759,000 at the discounted, expected level, an increase in the program's expected loss costs, as shown in the table below:

Comparison of Funding for Loss and LAE
 Banking and Shared Layers Combined
 Net of 4850 TD and 4850 SC

	Prior Report 2020-21 Pool Limit = \$500,000	Current Report 2021-22 Pool Limit = \$500,000	Change
(A) Ultimate Loss and ALAE:	\$8,980,000	\$9,319,000	\$339,000
(B) Ultimate Claims Administration (ULAE):	790,000	840,000	50,000
(C) Total Claim Costs:	\$9,770,000	\$10,159,000	\$389,000
(D) Offset for Investment Income:	(389,000)	(400,000)	(11,000)
(E) Total Recommended Funding:	\$9,381,000	\$9,759,000	\$378,000
(F) Funding per \$100 of Payroll:	\$3.79	\$3.89	\$0.10

As you can see, our funding recommendations at the discounted, expected level have increased between 2020-21 and 2021-22, as shown in our prior and current reports respectively. This increase is due to greater than expected claims experience in recent accident years coupled with an increase in payroll.

E. DATA PROVIDED FOR THE ANALYSIS

Overall, the data utilized in preparing this report appears to be accurate.

Comments and issues regarding the data are as follows:

- We have assumed that the program's self-insured retention will remain at \$500,000 per occurrence for 2020-21 and 2021-22 (See Appendix K).
- We estimated the June 30, 2021 asset balance by beginning with the June 30, 2020 asset balance, and adjusting for anticipated revenue and expense for 2020-21 (see Appendix L).
- We received loss data evaluated as of December 31, 2020 (See Appendix M). We also utilized the data from NCCSIF's most recent actuarial study for our assessment of loss development.
- We have assumed that NCCSIF's payroll for 2021-22 will be \$250,917,248 based upon information provided by NCCSIF (See Appendix N).
- Please note that the estimates contained in this report do not include costs for 4850 TD (Temporary Disability) and 4850 SC (salary continuation). The loss run provided separated losses into various layers, including Banking and Shared. However, additional fields were developed which removed voucher amounts which are not paid from the insurance fund. These vouchers are the responsibility of the individual member.
- The estimates in this report do not include a provision for the potential impact on the cost of workers' compensation claims as a result of the coronavirus (COVID-19) pandemic.

The data provided for the analysis appears to be reasonable for use in this actuarial valuation of liabilities and projection of loss costs.

III. ASSUMPTIONS AND LIMITATIONS

Any quantitative analysis is developed within a very specific framework of assumptions about conditions in the outside world, and actuarial analysis is no exception. We believe that it is important to review the assumptions we have made in developing the estimates presented in this report. By doing so, we hope you will gain additional perspective on the nature of the uncertainties involved in maintaining a self-insurance program. Our assumptions, and some observations about them, are as follows:

- Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by NCCSIF. We have accepted all of this information without audit.
- We have also made use of loss statistics that have been developed from the information gathered and compiled from other California counties participating in the PRISM's workers' compensation program.
- We have assumed that the future development of incurred and paid losses can be reasonably predicted on the basis of development of such losses in the recent past. We have also assumed that the historical development patterns for the participants of the PRISM's workers' compensation program in the aggregate form a reasonable basis of comparison to the patterns from Northern California Cities Self Insurance Fund's data.
- We have made use of cost relationships for claims of various sizes derived from the most recent actuarial review of the PRISM's workers' compensation program.
- We have assumed that there is a continuing relationship between past and future loss costs.
- It is not possible to predict future claim costs precisely. Most of the costs of workers' compensation claims arise from a small number of incidents involving serious injury. A relatively small number of such claims could generate enough loss dollars to significantly reduce, or even deplete, the self-insurance fund.
- We cannot predict and have not attempted to predict the impact of future law changes and court rulings on claims costs. This is one major reason why we believe our funding recommendations are reasonable now, but should not be extrapolated into the future.
- The changes in cost levels associated with benefit increases and administrative changes typically take place over a period of several years following their enactment, and these changes are very difficult to forecast in advance. We have based our benefit level factors on those produced by the Workers' Compensation Insurance Rating Bureau of California (WCIRB). See Appendix E for a display of the benefit level cost indices by fiscal year.

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- We have assumed that the loss rate trend associated with claim costs increases at 1.5% per year. We have assumed that claim severity increases at 1.5% per year, and that claim frequency will remain flat.
- We have assumed that payroll and other inflation-sensitive exposure measures increase 2.5% annually due to inflation.
- We have assumed that assets held for investment will generate an average annual return of 1.5% over the duration of payment of the loss liabilities. It should be noted that actual future investment returns may vary significantly from this assumption, depending upon the prevailing investment market conditions.
- The claims costs we have estimated include indemnity and medical payments, and all loss adjustment expenses. We have not included estimates for excess insurance contributions to the PRISM and other expenses associated with the program based upon information provided by NCCSIF.
- Our funding recommendations do not include provisions for catastrophic events not in NCCSIF's history, such as earthquakes, flooding, mass civil disorder, or mass occupational disease.
- Our estimates assume that all excess insurance is valid and collectible. Further, our funding recommendations do not include a provision for losses greater than NCCSIF's excess coverage.
- NCCSIF's assets available for the program are estimated to be \$56,010,000 as of June 30, 2021 for use in this report. This is shown in further detail in Appendix L.

IV. GLOSSARY OF ACTUARIAL TERMS

Accident Year - Year during which the accidents that generate a group of claims occurs, regardless of when the claims are reported, payments are made, or reserves are established.

Allocated Loss Adjustment Expenses (ALAE) - Expense incurred in settling claims that can be directly attributed to specific individual claims (e.g., legal fees, investigative fees, court charges, etc.)

Benefit Level Factor - Factor used to adjust historical losses to the current level of workers' compensation benefits.

Case Reserve - The amount left to be paid on a claim, as estimated by the claims administrator.

Claim Count Development Factor - A factor that is applied to the number of claims reported in a particular accident period in order to estimate the number of claims that will ultimately be reported.

Claim Frequency - Number of claims per \$1 million of payroll.

Confidence Level - An estimated probability that a given level of funding will be adequate to pay actual claims costs. For example, the 85% confidence level refers to an estimate for which there is an 85% chance that the amount will be sufficient to pay loss costs.

Discount Factor - A factor to adjust estimated loss costs to reflect anticipated investment income from assets held prior to actual claim payout.

Expected Losses - The best estimate of the full, ultimate value of loss costs.

Incurred but not Reported (IBNR) Losses - Losses for which the accident has occurred but the claim has not yet been reported. This is the ultimate value of losses, less any amount that has been set up as reported losses by the claims adjuster. It includes both amounts for claims incurred but not yet received by the administrator and loss development on already reported claims.

Loss Development Factor - A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled (see Section IV).

Loss Rate - Ultimate losses per \$100 of payroll.

Non-Claims Related Expenses – Program expenses not directly associated with claims settlement and administration, such as excess insurance, safety program expenses, and general overhead. These exclude expenses associated with loss settlements (Indemnity/Medical, BI/PD), legal expenses associated with individual claims (ALAE), and claims administration (ULAE).

Outstanding Losses - Losses that have been incurred but not paid. This is the ultimate value of losses less any amount that has been paid.

Paid Losses - Losses actually paid on all reported claims.

Program Losses - Losses, including ALAE, limited to the SIR for each occurrence.

Reported Losses - The total expected value of losses as estimated by the claims administrator. This is the sum of paid losses and case reserves.

Self-Insured Retention (SIR) - The level at which an excess insurance policy is triggered to begin payments on a claim. Financially, this is similar to an insurance deductible.

Severity - Average claim cost.

Ultimate Losses - The value of claim costs at the time when all claims have been settled. This amount must be estimated until all claims are actually settled.

Unallocated Loss Adjustment Expenses (ULAE) – Claim settlement expenses that cannot be directly attributed to individual claims (e.g., claims adjusters' salaries, taxes, etc.)



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021

Agenda Item I.2.b.

ACTUARIAL STUDY FOR LIABILITY PROGRAM

ACTION ITEM

ISSUE: NCCSIF's actuary annually provides a report to assist in making funding, dividend and assessment decisions. Below is a summary of this year's report that will be discussed in greater detail at the meeting.

FY 21/22 Funding

Total recommended funding for the Banking and Shared Risk Layers is \$5,233,000 at the current 80% Confidence Level (CL) and \$500,000 SIR, compared to \$5,272,000 for FY 20/21, a decrease of 0.7%, in spite of an increase in total payroll of 2%, from \$180 to \$183 million. The rate at the 80% CL is \$2.851 per \$100 of payroll, compared to \$2.922 last year, a **decrease of 2%**, compared to an increase of 6.7% last year. The total increase reflects a *decrease of 9% in the Banking Layer but an increase in the Shared Layer of 3%*, based on relatively favorable and unfavorable loss development in those layers, respectively.

Outstanding Liabilities at June 30th

The Actuary estimates the Liability Program will have total assets of approximately \$17,693,000 on June 30, 2021, compared to \$16,194,000 last year. The estimated total Outstanding Liability at June 30 is \$13,676,000 at the 90% Confidence Level (CL), compared to \$11,985,000 last year. *This results in an estimated net position of \$4,017,000 above the 90% CL, compared to a net position of \$4,209,000 last year.*

Assets for the Banking Layer are estimated at \$7,789,000 as of June 30, 2021, compared to \$6,935,000 in 2020. Banking Layer liabilities are \$3,815,000 at the 90% confidence level, compared to \$3,524,000 last year. *This means the Banking Layer net position above the 90% CL is estimated at \$3,974,000, compared to \$3,411,000 last year.*

Assets for the Shared Risk Layer are estimated to be \$9,904,000 at June 30, 2021, compared to \$9,259,000 in 2020. Liabilities are estimated at \$9,861,000 at the 90% CL, compared to \$8,461,000 last year. *This results in an estimated net position of \$43,000 above the 90% CL, compared to \$798,000 last year.*

RECOMMENDATION: Review, receive and file report.

FISCAL IMPACT: TBD; the underlying rate decrease of (-2%) will offset the expected payroll increase.

BACKGROUND: NCCSIF annually receives an actuary report to determine the estimated Outstanding Liabilities (OL) for the Liability program as of June 30 and to estimate the amount of funding required for the upcoming fiscal year. These figures are used for financial reporting purposes and to prepare the budget for member deposits. The funding CL was increased from 75% to 80% in FY 18/19.

ATTACHMENT(S): Liability Program Actuarial Study for FY 21/22 - ***DRAFT Summary***



Bickmore

Actuarial

Actuarial Review of the Self-Insured Liability Program

Outstanding Liabilities as of June 30, 2021
Forecast for Program Years 2021-22

Presented to

Northern California Cities Self-Insurance Fund

March 4, 2021 - DRAFT

Thursday, March 4, 2021

Mr. Marcus Beverly
Vice President
Northern California Cities Self Insurance Fund
C/o Alliant Insurance Services, Inc.
1792 Tribute Road, Suite 450
Sacramento, CA 95815

Re: Actuarial Review of the Self-Insured Liability Program

Dear Mr. Beverly:

As you requested, we have completed our review of Northern California Cities Self Insurance Fund's self-insured liability program. Assuming a pool limit of \$500,000 per occurrence, we estimate the ultimate cost of claims and expenses for claims incurred during the 2021-22 program years to be \$3,926,000. Of this amount, \$1,670,000 is for the banking layer (\$0 – \$50,000 per occurrence) and \$2,257,000 is for the shared layer (\$50,000 – \$500,000 per occurrence). These amounts include allocated loss adjustment expenses (ALAE), unallocated loss adjustment expenses (ULAE), and a discount for anticipated investment income. ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes). The discount for investment income is calculated based on the likely payout pattern of NCCSIF's claims, assuming a 1.5% return on investments per year. For budgeting purposes, the expected cost of 2021-22 claims translates to rates of \$2.139 per \$100 payroll, \$0.910 for the banking layer and \$1.229 for the shared layer (assuming \$183,555,242 in 2020 DE-9 payroll).

In addition, we estimate the program's liability for outstanding claims to be \$9,553,000 as of June 30, 2021, again including ALAE and ULAE, and discounted for anticipated investment income. Of this amount, \$2,522,000 is for the banking layer and \$7,031,000 is for the shared layer. Given estimated program assets of \$17,915,000 as of June 30, 2021, the program is expected to be funded above the 90% confidence levels on a combined basis. The banking layer is expected to be funded above the 90% confidence level. The shared layer is expected to be funded above the 90% confidence level. (See Graphs 1a, 1b and 1c on pages 13, 14, and 15.)

The \$9,553,000 estimate is the minimum liability to be booked by NCCSIF at June 30, 2021 for Northern California Cities Self Insurance Fund's liability program, in accordance with Governmental Accounting Standards Board (GASB) Statement #10. GASB #10 requires NCCSIF to accrue a liability on its financial statements for the ultimate cost of claims and expenses associated with all reported and unreported claims, including ALAE and ULAE. GASB #10 does not prohibit the discounting of losses to recognize investment income.

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Our conclusions regarding NCCSIF's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2021 are summarized in the table below.

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Estimated Liability for Unpaid Loss and LAE
Banking and Shared Layers Combined
at June 30, 2021

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$9,829,000					
ULAE*	0					
Investment Income Offset	(276,000)					
Discounted Loss and LAE	\$9,553,000	\$10,613,000	\$11,081,000	\$11,626,000	\$12,304,000	\$13,202,000
Assets	17,915,000					
Surplus or (Deficit)	\$8,362,000	\$7,302,000	\$6,834,000	\$6,289,000	\$5,611,000	\$4,713,000

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Estimated Liability for Unpaid Loss and LAE
Banking Layer
at June 30, 2021

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$2,595,000					
ULAE*	0					
Investment Income Offset	(73,000)					
Discounted Loss and LAE	\$2,522,000	\$2,769,000	\$2,875,000	\$3,001,000	\$3,158,000	\$3,367,000
Assets	8,054,000					
Surplus or (Deficit)	\$5,532,000	\$5,285,000	\$5,179,000	\$5,053,000	\$4,896,000	\$4,687,000

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
 Self-Insured Liability Program
 Estimated Liability for Unpaid Loss and LAE
 Shared Layer
 at June 30, 2021

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$7,234,000					
ULAE*	0					
Investment Income Offset	(203,000)					
Discounted Loss and LAE	\$7,031,000	\$7,844,000	\$8,206,000	\$8,625,000	\$9,146,000	\$9,835,000
Assets	9,861,000					
Surplus or (Deficit)	\$2,830,000	\$2,017,000	\$1,655,000	\$1,236,000	\$715,000	\$26,000

* ULAE is included with Loss and ALAE

GASB #10 does not address an actual asset requirement for the program, but only speaks to the liability to be recorded on NCCSIF's financial statements. Because actuarial estimates of claims costs are subject to some uncertainty, we recommend that an amount in addition to the discounted expected loss costs be set aside as a risk margin for contingencies. Generally, the amount should be sufficient to fund assets to the 75% to 85% confidence level for primary programs. We consider funding assets to the 70% confidence level to be marginally acceptable and funding assets to the 90% confidence level to be conservative.

The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2021-22 fiscal year.

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2021-22
Banking and Shared Layers Combined
Banking Layer: \$0 to \$50,000
Shared Layer: \$50,000 to \$500,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$4,059,000					
ULAE	0					
Investment Income Offset	(133,000)					
Discounted Loss and LAE	\$3,926,000	\$4,570,000	\$4,872,000	\$5,233,000	\$5,685,000	\$6,286,000
Rate per \$100 of 2020 DE-9 Payroll	\$2.139	\$2.490	\$2.654	\$2.851	\$3.097	\$3.425

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2021-22
Banking Layers
Banking Layer: \$0 to \$50,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$1,703,000					
ULAE	0					
Investment Income Offset	(33,000)					
Discounted Loss and LAE	\$1,670,000	\$1,948,000	\$2,078,000	\$2,234,000	\$2,427,000	\$2,685,000
Rate per \$100 of 2020 DE-9 Payroll	\$0.910	\$1.061	\$1.132	\$1.217	\$1.322	\$1.463

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
 Self-Insured Liability Program
 Loss and LAE Funding Guidelines for 2021-22
 Shared Layers
 Shared Layer: \$50,000 to \$500,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$2,356,000					
ULAE	0					
Investment Income Offset	(99,000)					
Discounted Loss and LAE	\$2,257,000	\$2,623,000	\$2,795,000	\$3,000,000	\$3,259,000	\$3,602,000
Rate per \$100 of 2020 DE-9 Payroll	\$1.230	\$1.429	\$1.523	\$1.634	\$1.775	\$1.962

* ULAE is included with Loss and ALAE

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2021. They are for losses and loss adjustment expenses only, and do not include a provision for loss control, overhead, excess insurance premiums, and other expenses associated with the program.

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The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2021-22 fiscal year, assuming a \$750,000 pool limit.

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2021-22
Banking and Shared Layers Combined
Banking Layer: \$0 to \$50,000
Shared Layer: \$50,000 to \$750,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$4,489,000					
ULAE	0					
Investment Income Offset	(147,000)					
Discounted Loss and LAE	\$4,342,000	\$5,054,000	\$5,388,000	\$5,788,000	\$6,287,000	\$6,952,000
Rate per \$100 of 2020 DE-9 Payroll	\$2.366	\$2.753	\$2.935	\$3.153	\$3.425	\$3.787

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2021-22
Banking Layers
Banking Layer: \$0 to \$50,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$1,703,000					
ULAE	0					
Investment Income Offset	(33,000)					
Discounted Loss and LAE	\$1,670,000	\$1,948,000	\$2,078,000	\$2,234,000	\$2,427,000	\$2,685,000
Rate per \$100 of 2020 DE-9 Payroll	\$0.910	\$1.061	\$1.132	\$1.217	\$1.322	\$1.463

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
 Self-Insured Liability Program
 Loss and LAE Funding Guidelines for 2021-22
 Shared Layers
Shared Layer: \$50,000 to \$750,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$2,786,000					
ULAE	0					
Investment Income Offset	(114,000)					
Discounted Loss and LAE	\$2,672,000	\$3,106,000	\$3,310,000	\$3,554,000	\$3,860,000	\$4,267,000
Rate per \$100 of 2020 DE-9 Payroll	\$1.456	\$1.692	\$1.803	\$1.936	\$2.103	\$2.325

* ULAE is included with Loss and ALAE

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2021. They are for losses and loss adjustment expenses only, and do not include a provision for loss control, overhead, excess insurance premiums, and other expenses associated with the program.

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The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2021-22 fiscal year, assuming a \$1,000,000 pool limit.

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2021-22
Banking and Shared Layers Combined
Banking Layer: \$0 to \$50,000
Shared Layer: \$50,000 to \$1,000,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$4,765,000					
ULAE	0					
Investment Income Offset	(156,000)					
Discounted Loss and LAE	\$4,609,000	\$5,365,000	\$5,720,000	\$6,144,000	\$6,674,000	\$7,379,000
Rate per \$100 of 2020 DE-9 Payroll	\$2.511	\$2.923	\$3.116	\$3.347	\$3.636	\$4.020

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2021-22
Banking Layers
Banking Layer: \$0 to \$50,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$1,703,000					
ULAE	0					
Investment Income Offset	(33,000)					
Discounted Loss and LAE	\$1,670,000	\$1,948,000	\$2,078,000	\$2,234,000	\$2,427,000	\$2,685,000
Rate per \$100 of 2020 DE-9 Payroll	\$0.910	\$1.061	\$1.132	\$1.217	\$1.322	\$1.463

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
 Self-Insured Liability Program
 Loss and LAE Funding Guidelines for 2021-22
 Shared Layers
Shared Layer: \$50,000 to \$1,000,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$3,062,000					
ULAE	0					
Investment Income Offset	(123,000)					
Discounted Loss and LAE	\$2,939,000	\$3,417,000	\$3,642,000	\$3,910,000	\$4,247,000	\$4,694,000
Rate per \$100 of 2020 DE-9 Payroll	\$1.601	\$1.862	\$1.984	\$2.130	\$2.314	\$2.557

* ULAE is included with Loss and ALAE

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2021. They are for losses and loss adjustment expenses only, and do not include a provision for loss control, overhead, excess insurance premiums, and other expenses associated with the program.

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The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2021-22 fiscal year, assuming a \$1,250,000 pool limit.

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2021-22
Banking and Shared Layers Combined
Banking Layer: \$0 to \$50,000
Shared Layer: \$50,000 to \$1,250,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$4,926,000					
ULAE	0					
Investment Income Offset	(161,000)					
Discounted Loss and LAE	\$4,765,000	\$5,546,000	\$5,913,000	\$6,352,000	\$6,900,000	\$7,629,000
Rate per \$100 of 2020 DE-9 Payroll	\$2.596	\$3.021	\$3.221	\$3.461	\$3.759	\$4.156

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2021-22
Banking Layers
Banking Layer: \$0 to \$50,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$1,703,000					
ULAE	0					
Investment Income Offset	(33,000)					
Discounted Loss and LAE	\$1,670,000	\$1,948,000	\$2,078,000	\$2,234,000	\$2,427,000	\$2,685,000
Rate per \$100 of 2020 DE-9 Payroll	\$0.910	\$1.061	\$1.132	\$1.217	\$1.322	\$1.463

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
 Self-Insured Liability Program
 Loss and LAE Funding Guidelines for 2021-22
 Shared Layers
Shared Layer: \$50,000 to \$1,250,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$3,223,000					
ULAE	0					
Investment Income Offset	(128,000)					
Discounted Loss and LAE	\$3,095,000	\$3,598,000	\$3,835,000	\$4,118,000	\$4,473,000	\$4,944,000
Rate per \$100 of 2020 DE-9 Payroll	\$1.686	\$1.960	\$2.089	\$2.243	\$2.437	\$2.693

* ULAE is included with Loss and ALAE

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2021. They are for losses and loss adjustment expenses only, and do not include a provision for loss control, overhead, excess insurance premiums, and other expenses associated with the program.

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The estimates in this report do not include a provision for the potential impact on the cost of liability claims as a result of the coronavirus (COVID-19) pandemic.

The report that follows outlines the scope of our study, its background, and our conclusions, recommendations, and assumptions. Judgments regarding the appropriateness of our conclusions and recommendations should be made only after studying the report in its entirety, including the graphs, attachments, exhibits and appendices. Our report has been developed for NCCSIF's internal use. It is not intended for general circulation.

We appreciate the opportunity to be of service to Northern California Cities Self Insurance Fund in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162, James Kim at (916) 290-4644 or Eric Small at (916) 244-1165 with any questions you may have concerning this report.

Sincerely,

Bickmore Actuarial

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I. BACKGROUND

Northern California Cities Self Insurance Fund began its self-insured liability program on July 1, 1981. The program began with eight members and now includes nineteen Northern California municipalities delineated below.

ANDERSON	FOLSOM	LINCOLN	RIO VISTA
AUBURN	GALT	MARYSVILLE	ROCKLIN
COLUSA	GRIDLEY	OROVILLE	WILLOWS
CORNING	IONE	PARADISE	YUBA CITY
DIXON	JACKSON	RED BLUFF	

Its current self-insured retention is \$500,000, and excess coverage is provided by CJPRMA. Claims administration services are provided by Sedgwick. Additional background on the program is shown in Appendix K.

As of June 30, 2021, NCCSIF is expected to have assets of \$17,915,000 for the program. Additional background on program funding is given in Appendix L.

Although NCCSIF carries a self-insured retention of \$500,000, the program is actually split into two parts, a banking layer and a shared layer. Each member is directly responsible for its actual losses in the banking layer. The shared layer losses are pooled among members.

For program years 2006-07 and prior, the banking layer applies to the first \$25,000 of each loss (\$100,000 for the City of Folsom). The shared layer applies to the portion of each loss between \$25,000 and \$500,000.

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Starting with the 2007-08 program year, the banking layer applies to the first \$50,000 of each loss (\$100,000 for the City of Folsom). The shared layer applies to the portion of each loss between \$50,000 and \$1,000,000. Effective 7/1/2013, NCCSIF decreased the shared layer retention to \$500,000. The table below shows the confidence levels to which each layer was funded by year.

Accident Year	Shared Layer	Banking Layer
1996-97	70%	70%
1997-01	80%	70%
2001-02	80%	Expected
2002-03	60%	70%
2003-04	70%	70%
2004-05	70%	Expected
2005-06	70%	70%
2006-07	70%	70%
2007-08	70%	70%
2008-09	60%	60%
2009-10	60%	60%
2010-11	60%	60%
2011-12	60%	60%
2012-13	60%	60%
2013-14	60%	60%
2014-15	65%	65%
2015-16	67.5%	67.5%
2016-17	70%	70%
2017-18	75%	75%
2018-19	80%	80%
2019-20	80%	80%
2020-21	80%	80%
2021-22	80%	80%

The City of Lone joined NCCSIF on 7/1/2010 and carried a banking layer of \$25,000. Effective 7/1/2013, the City increased the banking layer retention to \$50,000.

The purpose of this review is to provide a guide to NCCSIF to determine reasonable funding levels for its self-insurance program according to the funding policy NCCSIF has adopted and to comply with Governmental Accounting Standards Board Statements #10 and #30. The specific objectives of the study are to estimate NCCSIF's liability for outstanding claims as of June 30, 2021, project ultimate loss costs for 2021-22, and provide funding guidelines to meet these liabilities and future costs.

II. CONCLUSIONS AND RECOMMENDATIONS

A. LIABILITY FOR OUTSTANDING CLAIMS

Graphs 1a, 1b and 1c on the following pages summarize our assessment of NCCSIF's funding position as of June 30, 2021. The dark-colored bars indicate our estimates of the program's liability for outstanding claims before recognition of the investment income that can be earned on the assets held before the claim payments come due. The horizontal line across each graph indicates NCCSIF's available assets at June 30, 2021.

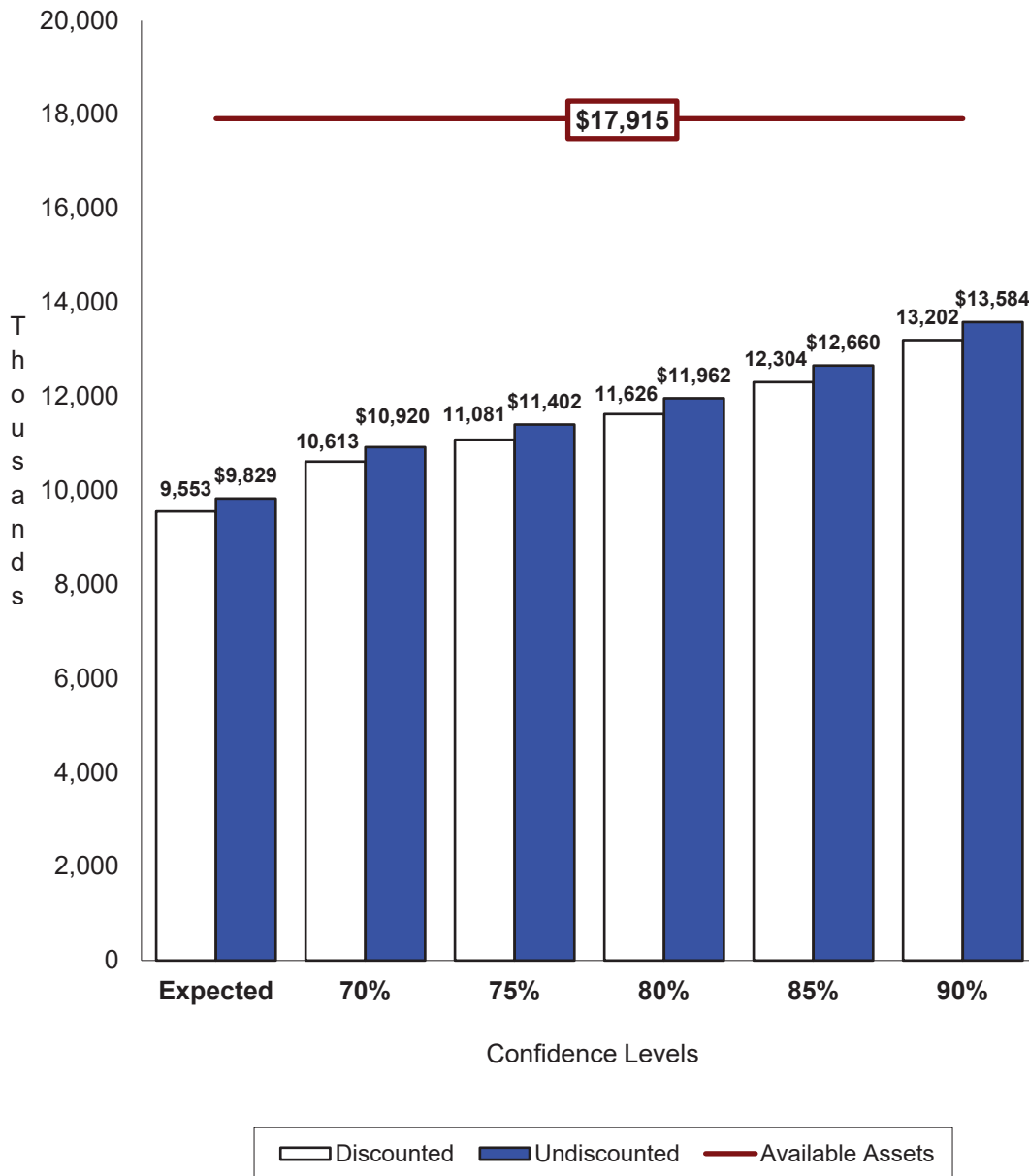
Our best estimate of the full value of NCCSIF's liability for outstanding claims within its pool limit is \$9,829,000, \$2,595,000 for the banking layer and \$7,234,000 for the shared layer as of June 30, 2021. These amounts include losses, allocated loss adjustment expenses (ALAE), and unallocated loss adjustment expenses (ULAE). ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer claims to final settlement, which may be years in the future (e.g. claims adjusters' salaries, taxes).

There is some measure of uncertainty associated with our best estimate because of the random nature of much of the process that determines ultimate claims costs. For this reason, we generally recommend that a program such as this include some funding margin for the possibility that actual loss costs will be greater than the best estimate. We generally measure the amount of this margin by thinking in terms of the probability distribution of actual possible results around our best estimate. As the margin grows, the probability that the corresponding funding amount will be sufficient to meet actual claim liabilities increases. We typically refer to this probability as the "confidence level" of funding. Graphs 1a, 1b and 1c show the liabilities for outstanding claims at several confidence levels that are typically of interest to risk managers in formulating funding policies for self-insurance programs.

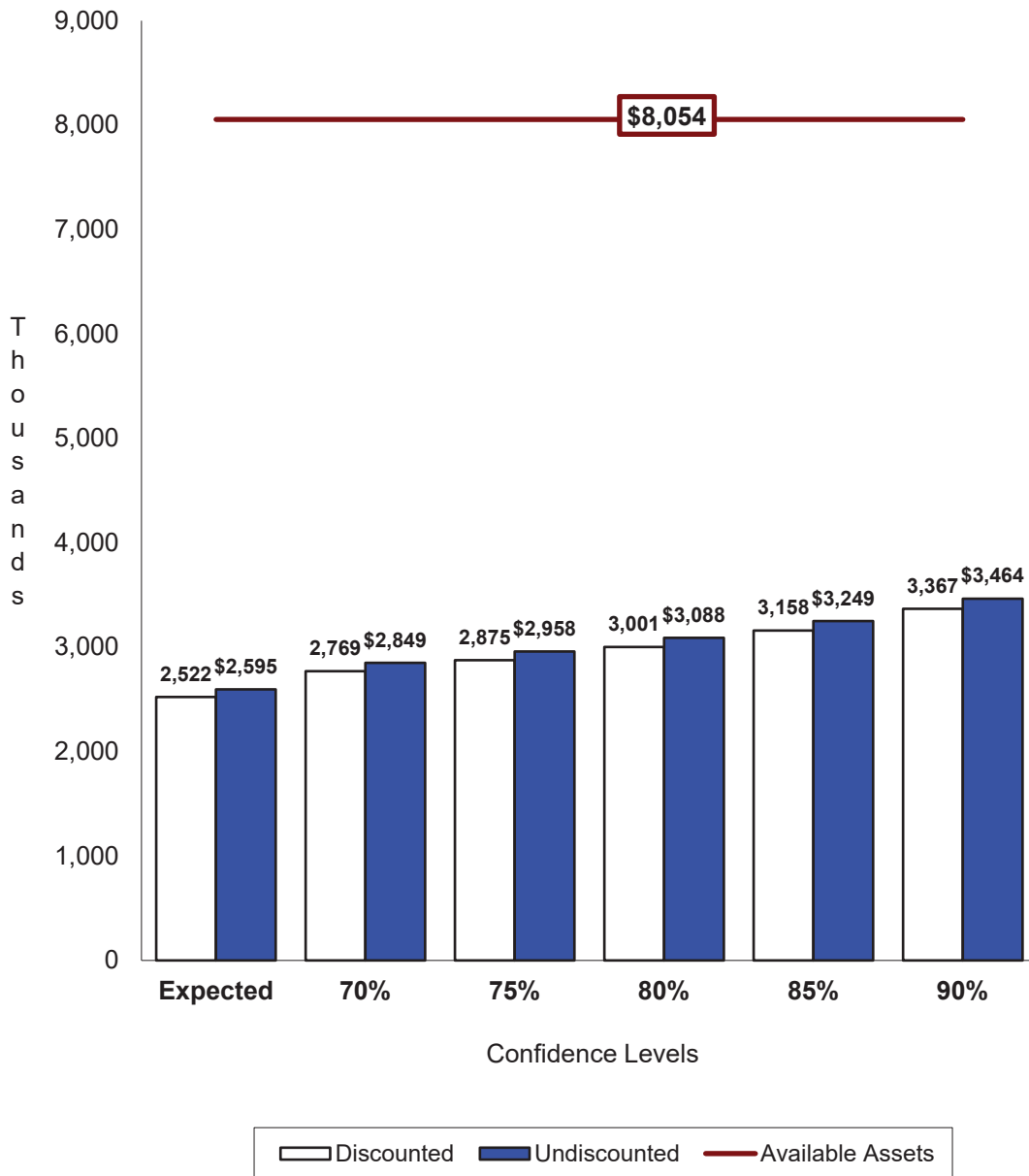
NCCSIF can earn investment income on the assets it holds until claims payments come due. Assuming a long-term average annual return on investments of 1.5%, we estimate the impact of investment income earnings to be about 2.8% if the program is funded within the range indicated in the graphs, resulting in a discounted liability for outstanding claims of \$9,553,000, \$2,522,000 for the banking layer, and \$7,031,000 for the shared layer as of June 30, 2021.

Investment income earnings will be less than this when the program does not maintain sufficient funding, and more when there is excess funding. Thus, thinking in terms of liabilities discounted for investment income can actually mask funding deficiencies and redundancies that might otherwise be obvious. However, the discounted liabilities do represent legitimate funding targets. The light-colored bars on Graphs 1a, 1b and 1c show our estimates of NCCSIF's discounted liability for outstanding claims.

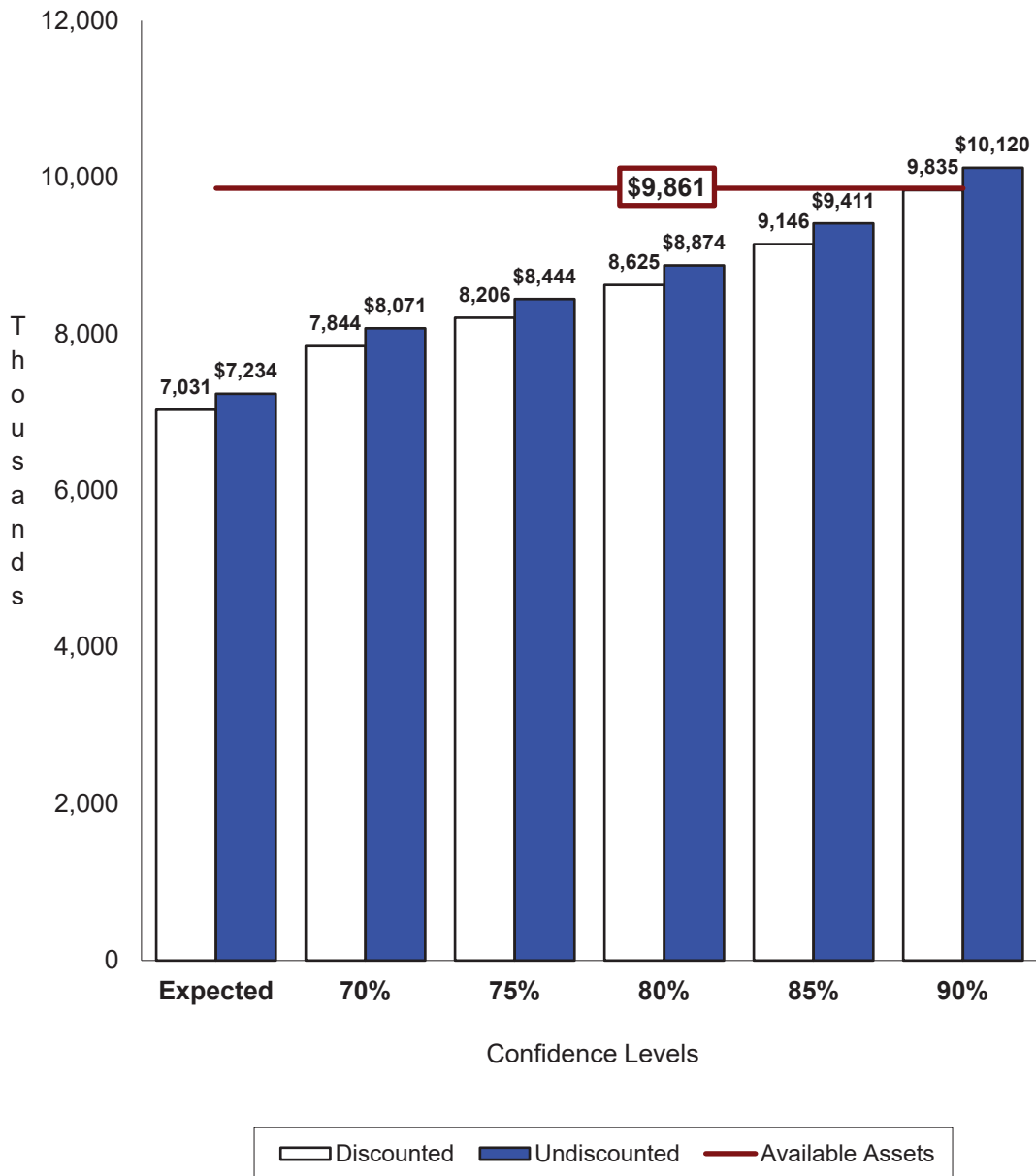
NCCSIF - Liability
 Available Assets vs Outstanding Liability (\$000's)
 at June 30, 2021
 Banking and Shared Layers Combined



NCCSIF - Liability
Available Assets vs Outstanding Liability (\$000's)
at June 30, 2021
Banking Layer



NCCSIF - Liability
Available Assets vs Outstanding Liability (\$000's)
at June 30, 2021
Shared Layer



The table below displays a breakdown of the program's outstanding loss and LAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2021, before recognition of investment income.

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Estimated Liability for Unpaid Loss and LAE at June 30, 2021

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$0	\$0	\$0
2008-09	0	0	0
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	53,283	38,588	91,871
2015-16	56,218	60,400	116,618
2016-17	257,204	133,259	390,463
2017-18	342,816	230,466	573,282
2018-19	2,208,601	628,165	2,836,766
2019-20	1,658,636	893,804	2,552,440
2020-21	771,054	2,496,095	3,267,149
Loss and ALAE	\$5,347,812	\$4,480,777	\$9,828,589
ULAE		0	0
Total	\$5,347,812	\$4,480,777	\$9,828,589

B. PROGRAM FUNDING: GOALS AND OBJECTIVES

As self-insurance programs have proliferated among public entities, it has become apparent that there is a large measure of inconsistency in the way in which these programs recognize and account for their claims costs. This is the result of the fact that there have been several different sources of guidance available, none of which has been completely relevant to public entity self-insurance programs.

According to the Governmental Accounting Standards Board (GASB), the most relevant source of guidance on the subject is Financial Accounting Standards Board Statement #60. A liability for unpaid claim costs, including all loss adjustment expenses, should be accrued at the time the self-insured events occur. This liability should include an allowance for incurred but not reported claims. It may be discounted for investment income at an appropriate rate of return, provided the discounting is disclosed. The regulations detailing the way in which this must be done are outlined in GASB's statements #10 and #30. These regulations are required to be applied by NCCSIF.

GASB #10 and #30 do not address asset requirements. They do, however, allow a range of amounts to be recognized for accounting purposes; specifically, GASB #10 and #30 allow recognition of a risk margin for unexpectedly adverse loss experience. Thus, for accounting purposes, it is possible to formulate a funding policy from a range of alternatives. The uncertainty in any estimate of the program's liability for outstanding claims should be taken into consideration in determining funding policy, but it may be offset by recognizing anticipated investment income earnings. This usually means developing a funding program based on discounted claims costs with some risk margin for unexpected adverse loss experience.

The amount of the risk margin should be a question of long-term funding policy. We recommend that the risk margin be determined by thinking in terms of the probability that a given level of assets will prove to be adequate. For example, a reasonable goal might be to maintain assets at the 85% confidence level.

A key factor to consider in determining funding policy is the degree to which stability is required in the level of contributions to the program from year to year. If you elect to maintain assets at a low confidence level, the chances are much greater that future events will prove that additional contributions should have been made for old claims. The additional contributions for old claims may be required at the same time that costs are increasing dramatically on new claims. The burden of funding for increases on past years as well as on current years, may well be prohibitive.

We generally recommend maintaining program assets at the 80% confidence level, after recognition of investment income, with a recommended range of the 75% to 85% confidence levels. We tend to think of the 70% confidence level as marginally acceptable and of the 90% confidence level as conservative. We recommend the 75% to 85% confidence level range because the probabilities are reasonably high that resulting assets will be sufficient to meet claim liabilities, yet the required risk margins are not so large that they will cause most self-insured entities to experience undue financial hardship. In addition, within this range, anticipated investment income generally offsets the required risk margin for the most part, which means that assets are likely sufficient on an undiscounted basis.

We also strongly believe, however, that the confidence level to which any future year is funded should be evaluated in light of the relative certainty of the assumptions underlying the actuarial analysis, NCCSIF's other budgetary constraints, and the relative level of risk it is believed appropriate to assume. This means formulating both short and long-term funding goals, which may be the same in some years, but different in others.

In general, we recommend funding each year's claims costs in that year. When surpluses or deficits have developed on outstanding liabilities and funding adjustments are necessary, they should be clearly identified as such so that the habit of funding each year's claims costs that year is maintained. We also recommend that you reduce a surplus more slowly than you would accumulate funding to reduce a deficit.

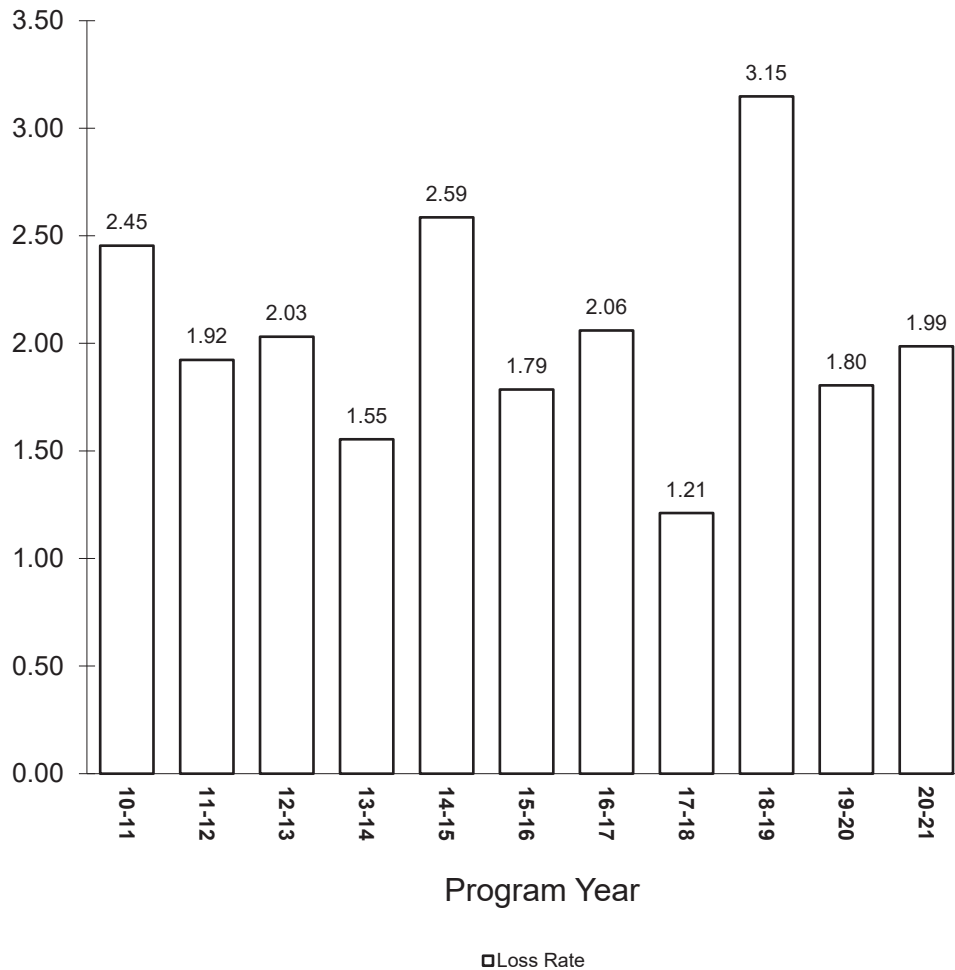
It is estimated that program assets will be \$17,915,000 at June 30, 2021, \$8,054,000 for the banking layer and \$9,861,000 for the shared layer, resulting in the program being funded above the 90% confidence level on a combined basis and for both the banking and shared layer separately.

C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM

The program's loss rate per \$100 payroll has varied during the past ten years, but has been somewhat flat during the most recent nine years. Losses during the 2010-11 to 2012-13 years reflect the higher pool limit of \$1,000,000. Effective July 1, 2013, NCCSIF decreased the pool limit to \$500,000. See Graph 2a below.

Graph 2a

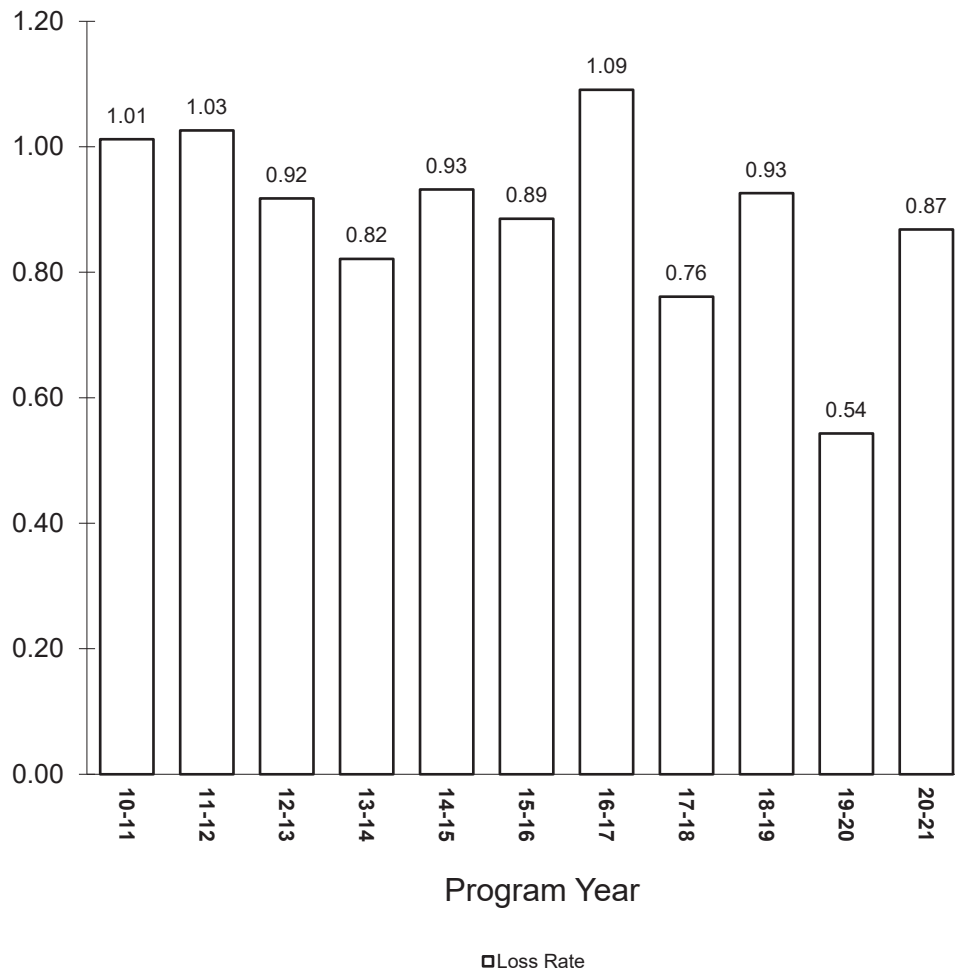
NCCSIF - Liability
Banking and Shared Layers Combined
Dollars of Loss per \$100 of Payroll



The banking loss rate per \$100 payroll has been gradually decreasing over the past ten years. See Graph 2b below.

Graph 2b

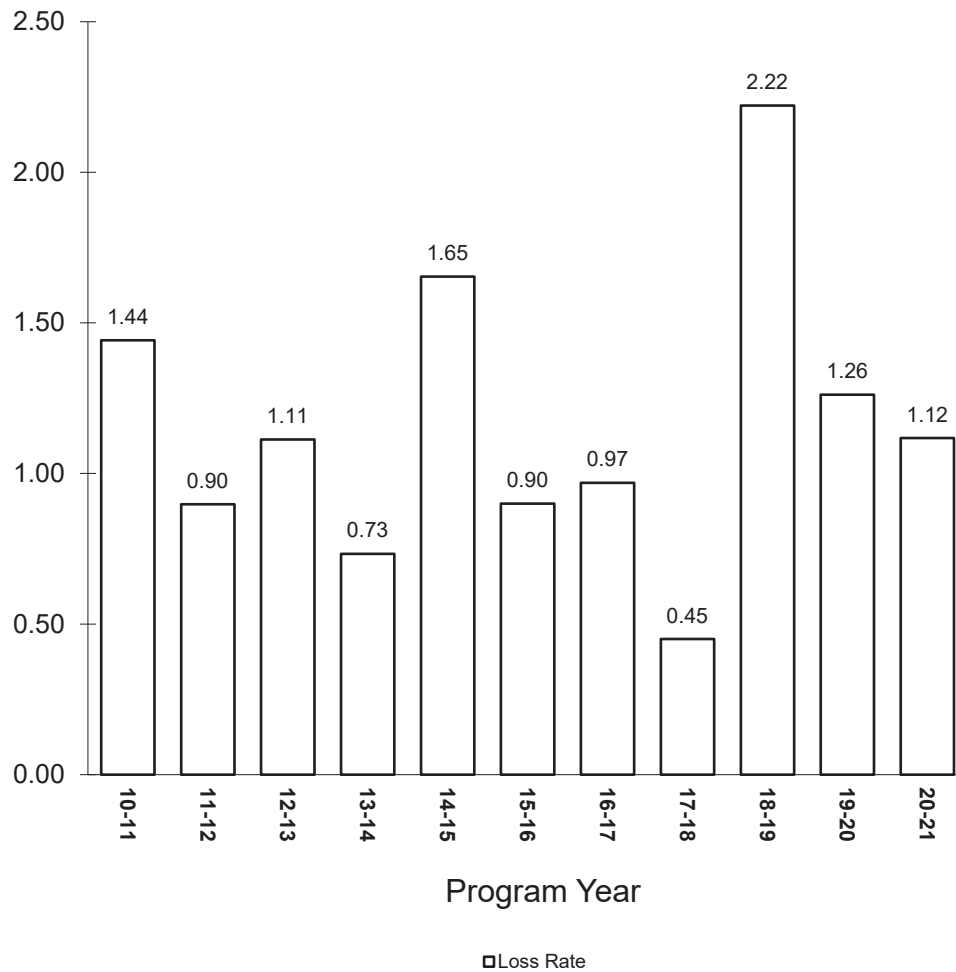
NCCSIF - Liability
Banking Layer
Dollars of Loss per \$100 of Payroll



The shared layer loss rate per \$100 payroll has varied over the past ten years, typical for excess layers, with no apparent trend. The 2010-11 to 2012-13 years reflect the shared layer from \$50,000 to \$1,000,000 per occurrence. The 2013-14 and subsequent years reflect the shared layer from \$50,000 to \$500,000 per occurrence. See Graph 2c below.

Graph 2c

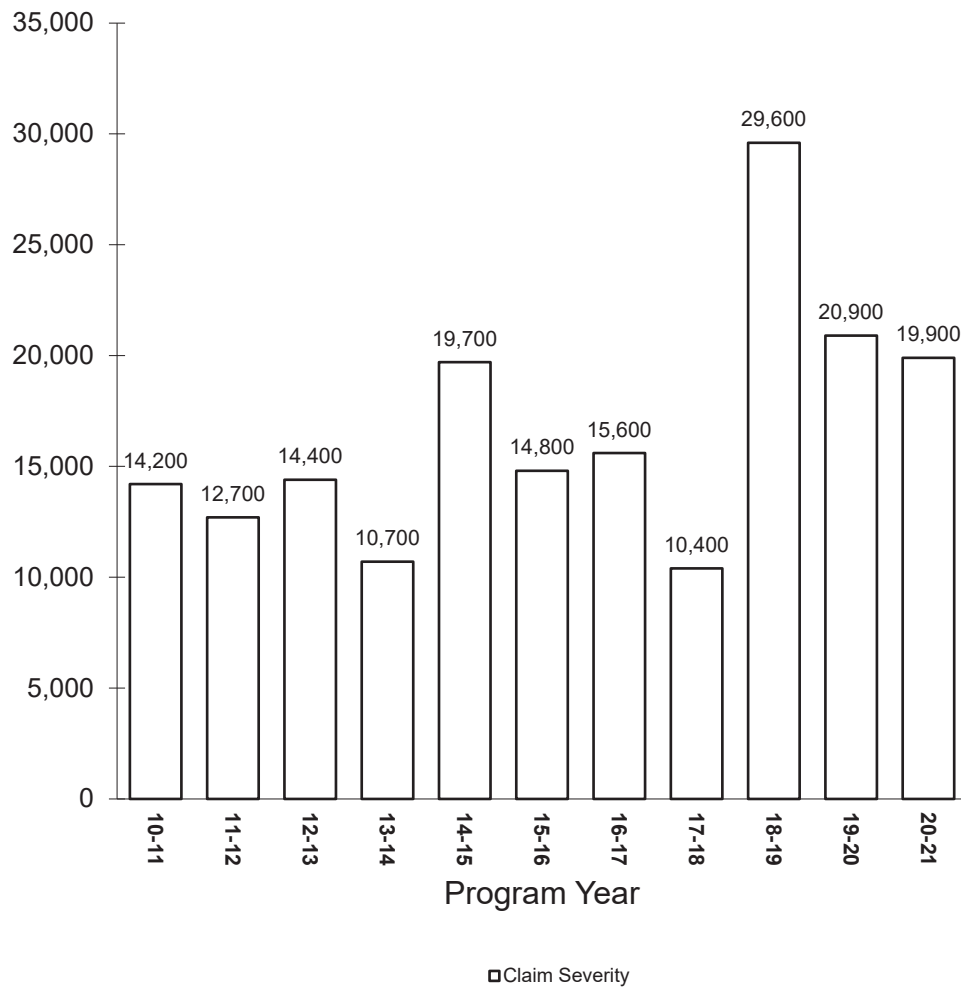
NCCSIF - Liability
Shared Layer
Dollars of Loss per \$100 of Payroll



The program's average cost per claim, or severity, has followed a generally increasing trend over the past ten years, with the 2014-15, 2018-19, and 2019-20 years coming in particularly high. The projected 2020-21 severity reflects that increasing trend. See Graph 3a below.

Graph 3a

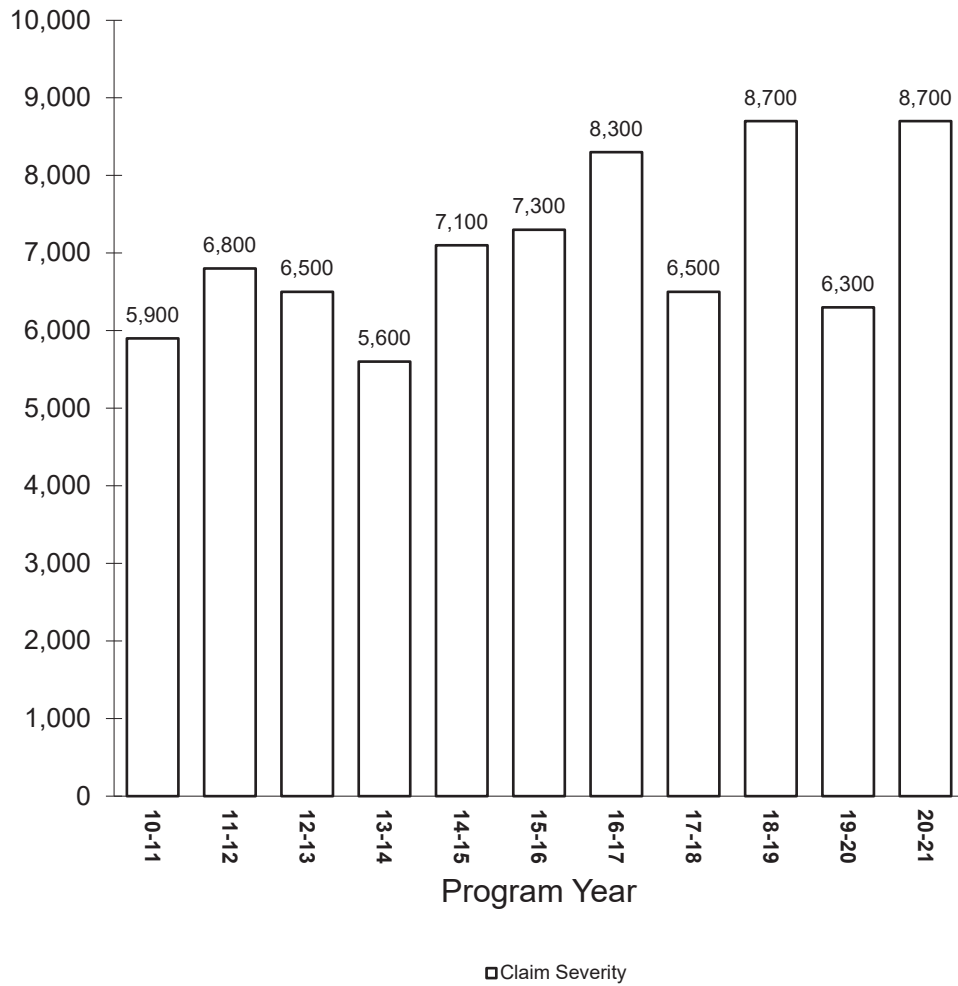
NCCSIF - Liability
Banking and Shared Layers Combined
Dollars of Loss per Claim



The banking layer average cost per claim, or severity, has followed a generally increasing trend over the past ten years. The projected 2020-21 severity reflects that increasing trend. See Graph 3b below.

Graph 3b

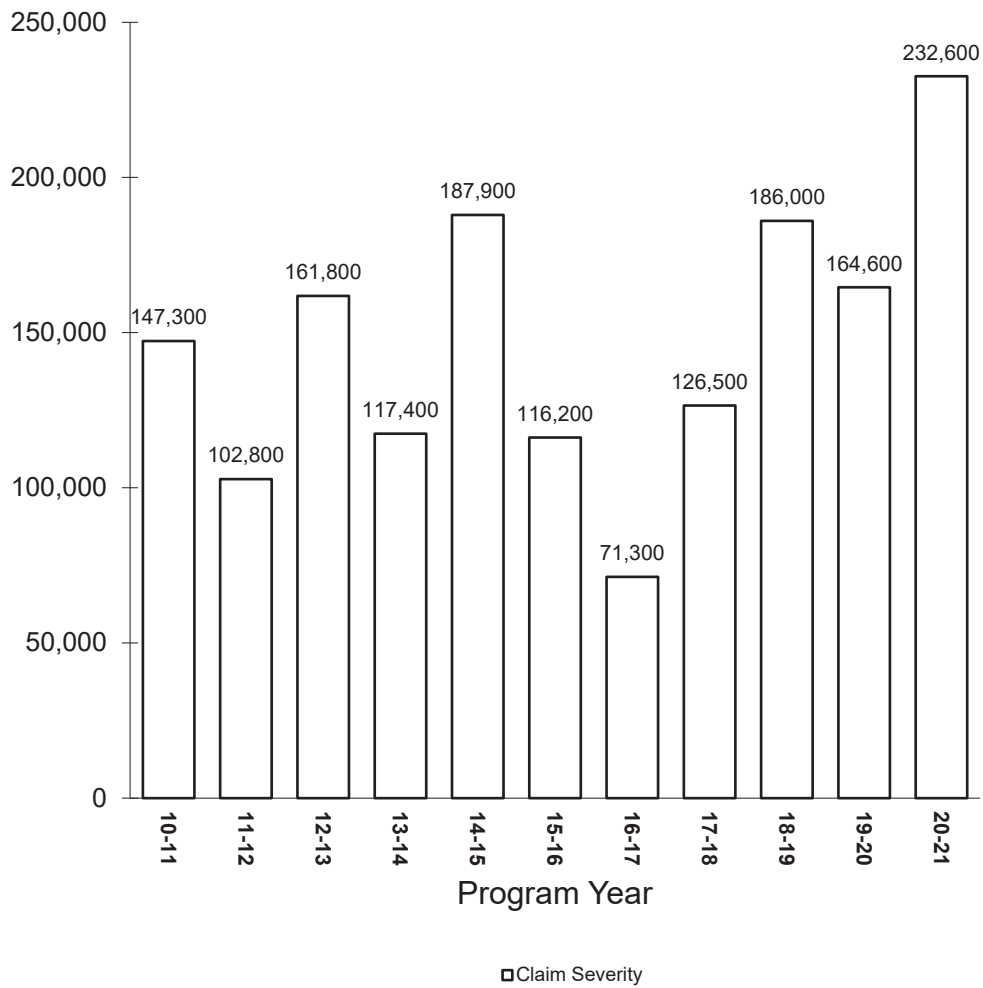
NCCSIF - Liability
Banking Layer
Dollars of Loss per Claim



The shared layer average cost per claim has seen dramatic variation over the past ten years. This is not unexpected since there are few claims in that layer each year; even one claim can have a significant impact. See Graph 3c below.

Graph 3c

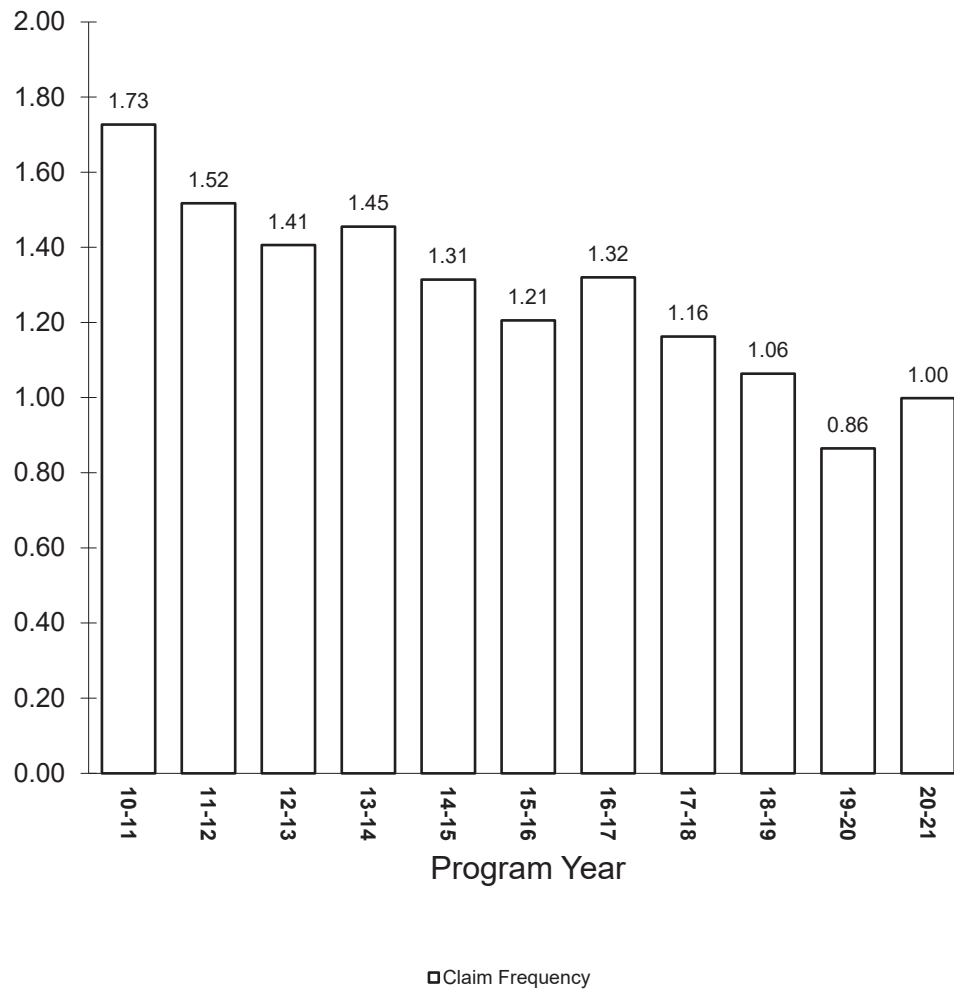
NCCSIF - Liability
Shared Layer
Dollars of Loss per Claim



The program's frequency of claims per \$1 million payroll has been generally decreasing over the past ten years. The projected 2020-21 frequency reflects that decreasing trend. See Graph 4a below. (Note that banking layer frequency is the same as shown below for the program.)

Graph 4a

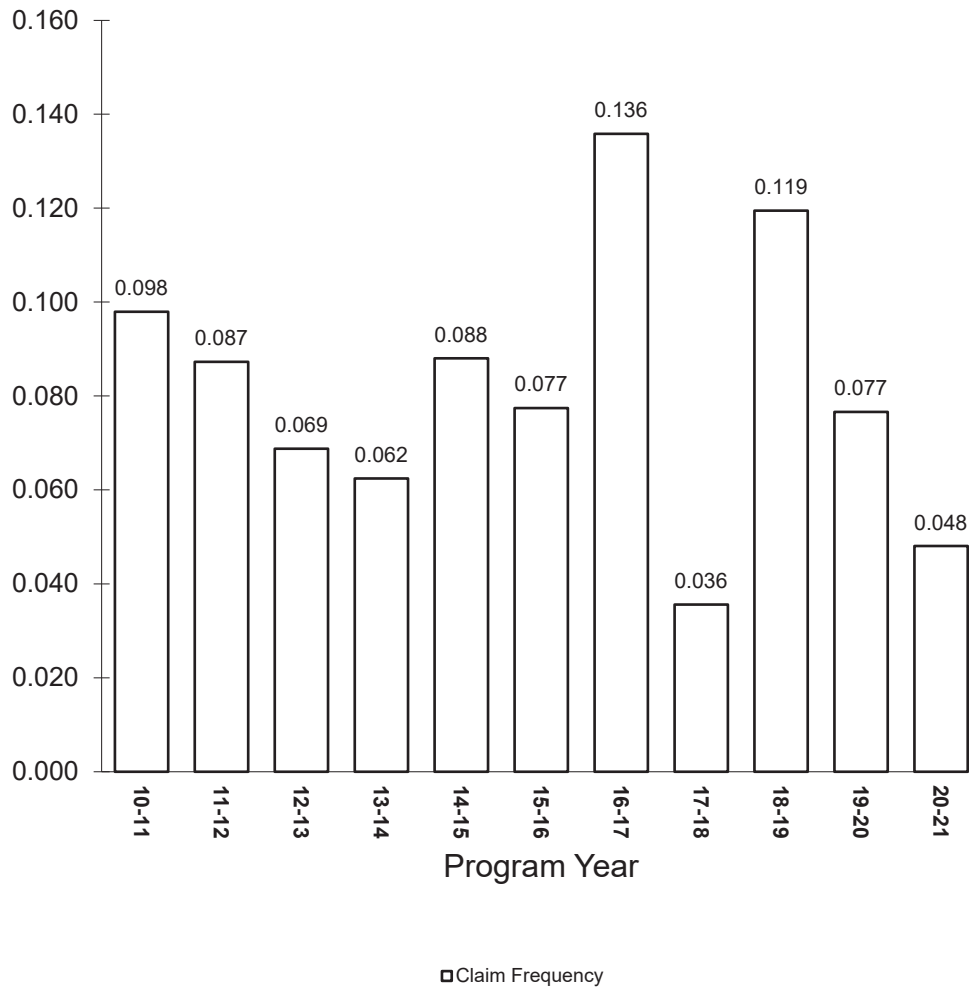
NCCSIF - Liability
Banking and Shared Layers Combined
Number of Claims per \$1 Million of Payroll



The shared layer frequency of claims per \$1 million payroll has been quite volatile since 2010-11. See Graph 4b below.

Graph 4b

NCCSIF - Liability
Shared Layer
Number of Claims per \$1 Million of Payroll



D. COMPARISON WITH PREVIOUS RESULTS

The prior report for Northern California Cities Self Insurance Fund was dated March 17, 2020. In the table below we display actual versus expected development of incurred losses and ALAE for the years shown by accident year between the December 31, 2019 evaluation date of the prior report and the December 31, 2020 evaluation date of the current report.

Actual Versus Expected Incurred Loss and ALAE Development

Banking and Shared Layers Combined

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Prior	\$0	\$0	\$0
2000-01	0	0	0
2001-02	0	0	0
2002-03	0	0	0
2003-04	0	0	0
2004-05	0	0	0
2005-06	0	0	0
2006-07	0	0	0
2007-08	0	0	0
2008-09	0	1,000	1,000
2009-10	4,000	(143,000)	(147,000)
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	0	0
2013-14	12,000	(32,000)	(44,000)
2014-15	49,000	(20,000)	(69,000)
2015-16	58,000	35,000	(23,000)
2016-17	183,000	(119,000)	(302,000)
2017-18	224,000	(223,000)	(447,000)
2018-19	619,000	1,681,000	1,062,000
2019-20	2,045,000	2,048,000	3,000
Total	\$3,194,000	\$3,228,000	\$34,000

* ULAE is included with Loss and ALAE

As shown, actual incurred development was greater than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that incurred losses would increase by \$3,194,000 between the two evaluation dates. However, actual development was approximately \$3,228,000; or about \$34,000 more than expected.

In the table below we display actual versus expected development of paid losses and ALAE for the years shown by accident year between the December 31, 2019 evaluation date of the prior report and the December 31, 2020 evaluation date of the current report.

Actual Versus Expected Paid Loss and ALAE Development

Banking and Shared Layers Combined

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
Prior	\$0	\$0	\$0
2000-01	0	0	0
2001-02	0	0	0
2002-03	0	0	0
2003-04	0	0	0
2004-05	0	0	0
2005-06	0	0	0
2006-07	0	0	0
2007-08	0	0	0
2008-09	0	1,000	1,000
2009-10	41,000	11,000	(30,000)
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	0	0
2013-14	26,000	1,000	(25,000)
2014-15	194,000	223,000	29,000
2015-16	238,000	242,000	4,000
2016-17	517,000	269,000	(248,000)
2017-18	557,000	208,000	(349,000)
2018-19	1,200,000	1,398,000	198,000
2019-20	838,000	163,000	(675,000)
Total	\$3,611,000	\$2,516,000	(\$1,095,000)

* ULAE is included with Loss and ALAE

As shown, actual paid development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that paid losses would increase by \$3,611,000 between the two evaluation dates. However, actual development was approximately \$2,516,000; or about \$1,095,000 less than expected.

In the table below we display the change in our estimates of the program's ultimate losses and ALAE for the years shown by accident year since our prior report.

Change in Ultimate Loss and ALAE*
Banking and Shared Layers Combined

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	\$20,120,000	\$20,120,000	\$0
2000-01	2,020,000	2,020,000	0
2001-02	2,038,000	2,038,000	0
2002-03	2,291,000	2,291,000	0
2003-04	2,054,000	2,054,000	0
2004-05	3,058,000	3,058,000	0
2005-06	2,338,000	2,338,000	0
2006-07	2,898,000	2,898,000	0
2007-08	2,050,000	2,050,000	0
2008-09	2,726,000	2,726,000	0
2009-10	5,975,000	5,819,000	(156,000)
2010-11	3,823,000	3,823,000	0
2011-12	2,928,000	2,928,000	0
2012-13	3,032,000	3,032,000	0
2013-14	2,383,000	2,318,000	(65,000)
2014-15	4,062,000	3,994,000	(68,000)
2015-16	2,956,000	2,932,000	(24,000)
2016-17	3,718,000	3,433,000	(285,000)
2017-18	2,487,000	2,042,000	(445,000)
2018-19	4,241,000	5,533,000	1,292,000
2019-20	3,526,000	3,297,000	(229,000)
Total	\$80,724,000	\$80,744,000	\$20,000

* ULAE is included with Loss and ALAE

As shown, overall we have increased our estimated ultimates by \$20,000 since our prior report. The greater than anticipated incurred loss development mentioned above translates to an increase in our estimates of ultimate losses. The changes by accident year generally track well with the actual versus expected incurred loss development.

At the time of the prior report, we estimated the liability for outstanding claims as of June 30, 2020 to be \$8,635,000 at the discounted, expected level. Our current estimate as of June 30, 2021, is \$9,553,000, an increase in our assessment of NCCSIF's outstanding liabilities, as shown below:

Outstanding Claim Liabilities for Loss and LAE
Banking and Shared Layers Combined

	Prior Report at June 30, 2020	Current Report at June 30, 2021	Change
(A) Case Reserves:	\$4,638,000	\$5,348,000	\$710,000
(B) IBNR Reserves:	4,246,000	4,481,000	235,000
(C) Claims Administration (ULAE*):	0	0	0
(D) Total Reserves:	\$8,884,000	\$9,829,000	\$945,000
(E) Offset for Investment Income:	(249,000)	(276,000)	(27,000)
(F) Total Outstanding Claim Liabilities:	\$8,635,000	\$9,553,000	\$918,000

* ULAE is included with Loss and ALAE

As shown, our estimate of outstanding claims liabilities at the discounted, expected level has increased between June 30, 2020 and June 30, 2021 as reflected in our prior and current reports respectively.

The increase in claim reserves (case and IBNR) is driven primarily by lower than expected claims payments as previously discussed. Reserves for future claims administration expenses are included with Loss and ALAE, resulting in a \$945,000 increase in total claim reserves. This increase in reserves leads to a larger offset for investment income. The net change due to the above factors is an overall increase of \$918,000 in our estimate of outstanding claim liabilities for loss and LAE.

At the time of the prior report, available assets were estimated to be \$16,194,000 as of June 30, 2020, which corresponded to the then-estimated discounted liability for outstanding claims above the 90% confidence levels. Available assets are currently estimated to be \$17,915,000 as of June 30, 2021, which corresponds to the currently estimated liability for outstanding claims above the 90% confidence level. It can be summarized as follows:

Funding Margin			
Banking and Shared Layers Combined			
	Prior Report at June 30, 2020	Current Report at June 30, 2021	Change
(A) Outstanding Liability at the Discounted Expected Level:	\$8,635,000	\$9,553,000	\$918,000
(B) Estimated Assets At June 30:	16,194,000	17,915,000	1,721,000
(C) Surplus/(Deficit):	\$7,559,000	\$8,362,000	\$803,000

As you can see, our estimate of the program's funding margin at the discounted, expected level has increased by \$803,000 between June 30, 2020 (as previously estimated) and June 30, 2021 (as currently estimated). This is driven by an increase in the estimated fund assets between the two points, partially offset by an increase in the estimated outstanding liability.

At the time of the prior report, our funding estimate for the 2020-21 year was \$3,950,000 at the discounted, expected level. That amount included allocated loss adjustment expenses (ALAE), unallocated loss adjustment expenses (ULAE), and a discount for anticipated investment income. Our current estimate for the 2021-22 year is \$3,926,000 at the discounted, expected level, a decrease in the program's expected loss costs, as shown in the table below:

Comparison of Funding for Loss and LAE
Banking and Shared Layers Combined

	Prior Report 2020-21 Pool Limit = \$500,000	Current Report 2021-22 Pool Limit = \$500,000	Change
(A) Ultimate Loss and ALAE:	\$4,082,000	\$4,059,000	(\$23,000)
(B) Ultimate Claims Administration (ULAE)*:	0	0	0
(C) Total Claim Costs:	\$4,082,000	\$4,059,000	(\$23,000)
(D) Offset for Investment Income:	(132,000)	(133,000)	(1,000)
(E) Total Recommended Funding:	\$3,950,000	\$3,926,000	(\$24,000)
(F) Funding per \$100 of Payroll**:	\$2.191	\$2.139	(\$0.052)

* ULAE is included with Loss and ALAE

** Payroll is 2019 DE-9 for 2020-21 Funding and 2020 DE-9 for 2021-22 Funding.

As you can see, our funding recommendations at the discounted, expected level have decreased between 2020-21 and 2021-22, as shown in our prior and current reports respectively.

Our estimates of ultimate loss and ALAE have decreased by \$23,000, driven primarily by favorable loss experience for recent years as previously discussed. Investment income is expected to be slightly higher. The net change due to the above factors is an overall decrease of \$24,000 in our annual funding estimate for loss and LAE.

E. DATA PROVIDED FOR THE ANALYSIS

Overall, the data utilized in preparing this report appears to be accurate.

Comments and issues regarding the data are as follows:

- We have assumed that the program's self-insured retention will remain at \$500,000 per occurrence for 2020-21 and 2021-22 (See Appendix K).
- We estimated the June 30, 2020 asset balance by beginning with the December 31, 2020 asset balance, and adjusting for anticipated revenue and expense for the last six months of 2020-21 (see Appendix L).
- We received loss data evaluated as of December 31, 2020 (See Appendix M). We also utilized the data from NCCSIF's most recent actuarial study for our assessment of loss development.
- We have assumed that NCCSIF's payroll for 2021-22 will be \$194,318,471, based upon information provided by NCCSIF (See Appendix N).
- We have calculated funding rates using 2020 DE-9 payroll of \$183,555,242 since that is used as the rating base for the 2021-22 premiums.
- The estimates in this report do not include a provision for the potential impact on the cost of liability claims as a result of the coronavirus (COVID-19) pandemic.

The data provided for the analysis appears to be reasonable for use in this actuarial valuation of liabilities and projection of loss costs.

II. ASSUMPTIONS AND LIMITATIONS

Any quantitative analysis is developed within a very specific framework of assumptions about conditions in the outside world, and actuarial analysis is no exception. We believe that it is important to review the assumptions we have made in developing the estimates presented in this report. By doing so, we hope you will gain additional perspective on the nature of the uncertainties involved in maintaining a self-insurance program. Our assumptions, and some observations about them, are as follows:

- Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by NCCSIF. We have accepted all of this information without audit.
- We have also made use of loss statistics that have been developed from the information gathered and compiled from other California public entities with self-insured liability programs.
- We have assumed that the future development of incurred and paid losses can be reasonably predicted on the basis of development of such losses in the recent past. We have also assumed that the historical development patterns for other California public entities with self-insured liability programs in the aggregate form a reasonable basis of comparison to the patterns from Northern California Cities Self Insurance Fund's data.
- We have made use of cost relationships for claims of various sizes derived from the most recent actuarial review of other California public entities with self-insured liability programs in the aggregate.
- We have assumed that there is a continuing relationship between past and future loss costs.
- It is not possible to predict future claim costs precisely. Most of the costs of liability claims arise from a small number of incidents involving serious injury. A relatively small number of such claims could generate enough loss dollars to significantly reduce, or even deplete, the self-insurance fund.
- We cannot predict and have not attempted to predict the impact of future law changes and court rulings on claims costs. This is one major reason why we believe our funding recommendations are reasonable now, but should not be extrapolated into the future.
- We have assumed that the loss rate trend associated with claim costs increases at 0.9% per year. We have assumed that claim severity increases at 3.5% per year, and that claim frequency decreases at 2.5% per year.
- We have assumed that payroll and other inflation-sensitive exposure measures increase 2.5% annually due to inflation.

- We have assumed that assets held for investment will generate an average annual return of 1.5% over the duration of payment of the loss liabilities. It should be noted that actual future investment returns may vary significantly from this assumption, depending upon the prevailing investment market conditions.
- The claims costs we have estimated include indemnity and medical payments, and all loss adjustment expenses. We have not included estimates for excess insurance contributions and other expenses associated with the program based upon information provided by NCCSIF.
- Our funding recommendations do not include provisions for catastrophic events not in NCCSIF's history, such as earthquakes, flooding, mass civil disorder, or mass occupational disease.
- Our estimates assume that all excess insurance is valid and collectible. Further, our funding recommendations do not include a provision for losses greater than NCCSIF's excess coverage.
- NCCSIF's assets available for the program are estimated to be \$17,915,000 as of June 30, 2021 for use in this report. This is shown in further detail in Appendix L.

IV. GLOSSARY OF ACTUARIAL TERMS

Accident Year - Year during which the accidents that generate a group of claims occurs, regardless of when the claims are reported, payments are made, or reserves are established.

Allocated Loss Adjustment Expenses (ALAE) - Expense incurred in settling claims that can be directly attributed to specific individual claims (e.g., legal fees, investigative fees, court charges, etc.)

Benefit Level Factor - Factor used to adjust historical losses to the current level of liability benefits.

Case Reserve - The amount left to be paid on a claim, as estimated by the claims administrator.

Claim Count Development Factor - A factor that is applied to the number of claims reported in a particular accident period in order to estimate the number of claims that will ultimately be reported.

Claim Frequency - Number of claims per \$1 million of payroll.

Confidence Level - An estimated probability that a given level of funding will be adequate to pay actual claims costs. For example, the 85% confidence level refers to an estimate for which there is an 85% chance that the amount will be sufficient to pay loss costs.

Discount Factor - A factor to adjust estimated loss costs to reflect anticipated investment income from assets held prior to actual claim payout.

Expected Losses - The best estimate of the full, ultimate value of loss costs.

Incurred but not Reported (IBNR) Losses - Losses for which the accident has occurred but the claim has not yet been reported. This is the ultimate value of losses, less any amount that has been set up as reported losses by the claims adjuster. It includes both amounts for claims incurred but not yet received by the administrator and loss development on already reported claims.

Loss Development Factor - A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled (see Section IV).

Loss Rate - Ultimate losses per \$100 of payroll.

Non-Claims Related Expenses – Program expenses not directly associated with claims settlement and administration, such as excess insurance, safety program expenses, and general overhead. These exclude expenses associated with loss settlements (Indemnity/Medical, BI/PD), legal expenses associated with individual claims (ALAE), and claims administration (ULAE).

Outstanding Losses - Losses that have been incurred but not paid. This is the ultimate value of losses less any amount that has been paid.

Paid Losses - Losses actually paid on all reported claims.

Program Losses - Losses, including ALAE, limited to the SIR for each occurrence.

Reported Losses - The total expected value of losses as estimated by the claims administrator. This is the sum of paid losses and case reserves.

Self-Insured Retention (SIR) - The level at which an excess insurance policy is triggered to begin payments on a claim. Financially, this is similar to an insurance deductible.

Severity - Average claim cost.

Ultimate Losses - The value of claim costs at the time when all claims have been settled. This amount must be estimated until all claims are actually settled.

Unallocated Loss Adjustment Expenses (ULAE) – Claim settlement expenses that cannot be directly attributed to individual claims (e.g., claims adjusters' salaries, taxes, etc.)



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021

Agenda Item I.3.a

**WORKERS COMPENSATION PROGRAM
ANNUAL BANKING PLAN ADJUSTMENTS**

ACTION ITEM

ISSUE: Each year NCCSIF adjusts Member Banking Layer Fund balances by refunding amounts in excess of required funding or assessing members whose balances fall below the required funding. James Marta & Company has prepared the recommended dividend and assessment calculations for the Workers' Compensation Program.

RECOMMENDATION: Review, discuss and approve the Banking Layer Fund adjustments. The recommended dividend is 35% of the available Net Position. The assessment at 20% of the amount below the target benchmark is per the NCCSIF Policy and Procedure A-1.

FISCAL IMPACT: TBD - based on review and discussion at meeting. Recommended dividends totaling \$2,153,420 and assessments of \$93,154 will impact individual members while the Banking Layer itself will remain funded above the 90% Confidence Level.

BACKGROUND: On an annual basis, in accordance with Policy and Procedure A-1, Banking Plan Fund Adjustments, the NCCSIF Board of Directors reviews and determines whether to approve distribution of excess funds to members. This plan allows for redistribution to the members of funds in excess of the outstanding liabilities at a 90% Confidence Level plus a Buffer Layer of \$1,000,000 (*ten times the Self Insured Retention (SIR) of \$100,000*).

At the Board meeting, on January 8, 2015, members agreed to make a change to the adjustment formula by allocating the Buffer Layer contingency funds to all members rather than allocating the funds only to members whose balances are above the required funding levels. The formula spreadsheet was also revised to include more annotations explaining the calculations.

ATTACHMENT(S): Workers' Compensation Banking Layer Plan Adjustments

NCCSIF

Banking Layer Targeted Equity and Dividend and Assessment Worksheet

Workers Compensation Banking Layer

Evaluation of Equity by member above 90% confidence level

as of 12/31/20

\$10,000 or less assess

100%, else

20%

Expected

Assessment

Adjusted
Net Position
Equity at 12/31/20

A

O/S @ Exp
times
90% Factor

B

5530

1.183

margin
to
90% claims

C

10 x SIR \$1M
Layer Allocated

D

Net Margin above
(below)
90% and 10xSIR

E

A-C-D

Members above
target
Amount
Available

F

Limited
Amount
Available
Above target

G

Limited
to the net margin
above target
should equal col E

35%
Net Equity above
pool 10xsir and
90% conf. level

H

	A	B	C	D	E	F	G	H	I
ANDERSON	238,753	427,936	66,198	20,322	152,233	152,233	142,243	49,785	-
AUBURN	167,489	902,863	139,665	44,180	(16,356)	-	-	-	(10,000)
COLUSA	98,179	189,294	29,282	9,896	59,001	59,001	55,129	19,295	-
CORNING	59,436	194,910	30,151	10,710	18,575	18,575	17,356	6,075	-
DIXON	474,652	895,792	138,572	52,884	283,196	283,196	264,611	92,614	-
ELK GROVE	646,354	2,784,430	430,728	130,689	84,937	84,937	79,363	27,777	-
FOLSOM	2,007,315	4,903,359	758,508	237,765	1,011,042	1,011,042	944,692	330,642	-
GALT	438,555	751,229	116,209	35,137	287,209	287,209	268,361	93,926	-
GRIDLEY	615,614	89,691	13,874	6,197	595,543	595,543	556,461	194,761	-
IONE	43,715	72,603	11,231	2,763	29,721	29,721	27,771	9,720	-
JACKSON	134,633	234,851	36,329	11,264	87,040	87,040	81,328	28,465	-
LINCOLN	537,231	900,880	139,358	39,032	358,841	358,841	335,292	117,352	-
MARYSVILLE	211,487	586,169	90,675	17,367	103,445	103,445	96,656	33,830	-
NEVADA CITY	224,307	170,220	26,331	9,282	188,694	188,694	176,311	61,709	-
OROVILLE	728,767	322,893	49,949	17,033	661,785	661,785	618,355	216,424	-
PARADISE	648,064	441,100	68,234	16,306	563,524	563,524	526,543	184,290	-
PLACERVILLE	162,657	668,199	103,365	36,904	22,388	22,388	20,919	7,322	-
RED BLUFF	(12,567)	2,070,782	320,332	82,869	(415,768)	-	-	-	(83,154)
RIO VISTA	177,591	264,507	40,917	14,908	121,766	121,766	113,775	39,821	-
ROCKLIN	1,143,533	1,926,141	297,958	102,557	743,018	743,018	694,257	242,990	-
WILLOWS	120,943	53,117	8,217	2,256	110,470	110,470	103,220	36,127	-
YUBA CITY	1,514,652	2,021,123	312,650	99,677	1,102,325	1,102,325	1,029,985	360,495	-

	10,381,360	20,872,089	3,228,733	999,998	6,152,629	6,584,753	6,152,628	2,153,420	(93,154)
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Total

Margin to 90%

3,228,733

Plus 10x SIR

1,000,000

Total Target Margin

4,228,733

Amount above (below) Margin

6,152,629

-



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021

Agenda Item I.3.b

**WORKERS COMPENSATION PROGRAM
ANNUAL SHARED RISK PLAN ADJUSTMENTS**

ACTION ITEM

ISSUE: Each year NCCSIF reviews the financial status of the Shared Risk Layer Fund to determine if refunds or assessments may be declared. The total adjustment is allocated to members based on their pro-rata share of the total Shared contributions over a rolling ten-year period.

Based on the latest actuarial report, the Fund has \$2,251,000 in excess of the minimum required assets, defined as the lesser of total assets less outstanding liabilities at the 90% Confidence Level or Net Position of five times the SIR of \$400,000 (\$2,000,000). Please refer to the attached for details and discussion points, including how much of the available funds to disburse to each member.

RECOMMENDATION: Review and approve refund amount of 25% of the available funds per Executive Committee recommendation, refund a different amount, or provide direction.

FISCAL IMPACT: T.B.D., reduction of Net Position by amount of dividend approved.

BACKGROUND: Last year the total available for distribution was \$886,000, with a recommendation to refund as much as 50% of that amount, and the Board approved a 25% distribution. Given last year's decision and that the Shared Layer is experiencing adverse development, the Program Administrators have calculated the distribution at 25% for illustration and as recommended by the Executive Committee.

On an annual basis in accordance with Policy and Procedure A-12, Shared Risk Layer Plan Fund Adjustments, the NCCSIF Board of Directors reviews and determines whether to approve distributions of excess Shared Risk Layer Funds to the members or if assessments need to be declared.

ATTACHMENT(S): Workers' Compensation Shared Risk Layer Plan Adjustments.

NCCSIF Shared Risk Layer Plan Fund Adjustments - WORKERS' COMPENSATION for 2021 Distribution

Estimated Available Assets as of June 30, 2020				Discounted Outstanding Liabilities @ Expected	Outstanding Liabilities @ 80%	Outstanding Liabilities @ 90%	5 times \$400K SIR	Available Refund, Lesser of the Two Formulas
A	B			C	D	E	F	A-E or A-F
\$27,462,000				\$18,934,000	\$22,554,000	\$25,211,000	\$2,000,000	\$2,251,000
	Net Position/NP over 5x SIR =			\$8,528,000	\$4,908,000	\$2,251,000	\$6,528,000	
						Refund of 25% =		\$562,750
Members	Historical Shared Layer Contributions FY 07/08 to FY 16/17	Total %	Available Refund	Assessment	25% of Available Refund			
Anderson	\$527,239	2.2%	\$50,260		\$12,565			
Auburn	\$838,730	3.6%	\$79,953		\$19,988			
Colusa	\$305,577	1.3%	\$29,130		\$7,282			
Corning	\$383,300	1.6%	\$36,539		\$9,135			
Dixon	\$1,114,186	4.7%	\$106,212		\$26,553			
Elk Grove	\$1,463,771	6.2%	\$139,536		\$34,884			
Folsom	\$4,943,845	20.9%	\$471,280		\$117,820			
Galt	\$1,211,495	5.1%	\$115,488		\$28,872			
Gridley	\$546,663	2.3%	\$52,112		\$13,028			
Ione	\$137,462	0.6%	\$13,104		\$3,276			
Jackson	\$302,526	1.3%	\$28,839		\$7,210			
Lincoln	\$1,570,618	6.7%	\$149,722		\$37,430			
Maysville	\$535,142	2.3%	\$51,013		\$12,753			
Nevada City	\$302,119	1.3%	\$28,800		\$7,200			
Oroville	\$954,483	4.0%	\$90,988		\$22,747			
Placerville	\$862,366	3.7%	\$82,206		\$20,552			
Paradise	\$816,385	3.5%	\$77,823		\$19,456			
Red Bluff	\$956,603	4.1%	\$91,190		\$22,797			
Rio Vista	\$452,898	1.9%	\$43,173		\$10,793			
Rocklin	\$2,446,846	10.4%	\$233,250		\$58,312			
Willows	\$310,294	1.3%	\$29,579		\$7,395			
Yuba City	\$2,630,998	11.1%	\$250,804		\$62,701			
Total	\$23,613,546	100.0%	\$2,251,000		\$562,750			

Any Available Refund should be in excess of the liabilities at the 90% confidence level and excess of the liabilities at expected plus 3-5 times SIR. This year we suggest 5 times SIR



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021

Agenda Item I.3.c.

WORKERS COMPENSATION PROGRAM
FY 20/21 DEPOSIT PREMIUM CALCULATIONS
ACTION ITEM

ISSUE: Each year the Executive Committee reviews the actuary's recommended funding levels for the upcoming fiscal year and recommends the Deposit Premium to the Board.

Total funding at an 80% Confidence Level (CL) is estimated at \$14,573,312, an **increase of 7%** over current funding at the 80% CL. Total payroll is increasing 1.3%, with the underlying rate for the self-insured layers increasing 2.9%. The rest of the increase is due to the excess coverage increasing up to 27%, or \$419,256.

The individual funding increase cap of 40% is applicable to one member this year, the City of Willows, with a total of \$30,284 reallocated to the rest of the members. The average funding change for the group is 10% over last year.

The excess coverage estimate as of March 2021 is \$1,955,000, a 27% increase over last year and 44% of the total premium increase for FY 21/22.

RECOMMENDATION: Approve funding at the 80% Confidence Level.

FISCAL IMPACT: TBD, based on final excess and admin expenses.

BACKGROUND: Members have steadily increased the Confidence Level of annual funding over the years, from 65% to 70%, 75%, and as of FY 18/19 the current 80% CL. Over the same period the Discount Factor has decreased from 3% to 1.5%. Both of these changes have contributed to an increase in total funding, in addition to increases in payroll. NCCSIF's Funding Policy sets a goal of annual funding at an 80% CL.

ATTACHMENTS:

1. Preliminary FY 21/22 Workers' Compensation Deposit Calculations, 80% CL
2. PRISM FY 21/22 Excess Workers' Compensation Premium Estimate

FY 21/22 NCCSIF Workers' Compensation Allocation PRELIMINARY

80% Confidence Level

Total Admin Expense = \$985,312

A	B	C	D	E	F	G	H	I	J	K	
Formula/Allocation		Member Share of: Last 5 Years Average Losses, Weighted 75%; FY 18/19	Member Share of EX MOD Adjusted Payroll	Member Share of: Last 5 Years Average Losses, Weighted 25%; FY 18/19	Member Share of Banking, Shared & Excess Premium	22 Equal Shares	C+D+E+F+G			Member % of Total Payroll Without Capped Members x Capped Amount	
Member	FY 21/22 Estimated PAYROLL (P)	BANKING LAYER \$0 to \$100K	SHARED LAYER \$100K to \$500K	PRISM EXCESS LAYER \$500K TO STATUTORY	Variable ADMIN EXPENSE 65%	Fixed ADMIN EXPENSE 35%	Preliminary FY 21/22 DEPOSIT	Total FY 20/21 Deposit	% Change DEPOSIT	Total FY 21/22 Deposit With Cap of 40%	Payroll Change from FY 20/21
Rate/Amount	Exposure Base	\$7,487,000	\$4,146,000	\$1,955,000	\$640,453	\$344,859	80% CL			\$ 30,284	
Anderson	\$ 4,095,034	\$153,488	\$75,024	\$34,546	\$12,399	\$15,675	\$291,132	\$299,037	-2.6%	\$291,629	1.0%
Auburn	\$ 7,189,036	\$329,004	\$158,460	\$73,705	\$26,450	\$15,675	\$603,294	\$532,092	13.4%	\$604,166	2.1%
Colusa	\$ 2,605,774	\$80,377	\$43,071	\$24,931	\$6,994	\$15,675	\$171,047	\$143,282	19.4%	\$171,364	12.5%
Corning	\$ 3,313,085	\$79,460	\$59,047	\$23,641	\$7,643	\$15,675	\$185,465	\$136,383	36.0%	\$185,867	8.8%
Dixon	\$ 10,956,807	\$372,675	\$193,763	\$108,868	\$31,830	\$15,675	\$722,811	\$771,003	-6.3%	\$724,140	-32.0%
Elk Grove	\$ 46,004,008	\$1,027,743	\$662,836	\$231,634	\$90,601	\$15,675	\$2,028,490	\$1,935,005	4.8%	\$2,034,070	4.9%
Folsom	\$ 47,574,717	\$1,359,059	\$736,043	\$394,501	\$117,344	\$15,675	\$2,622,622	\$2,285,124	14.8%	\$2,628,393	4.7%
Galt	\$ 12,747,317	\$378,858	\$225,701	\$76,197	\$32,087	\$15,675	\$728,517	\$732,167	-0.5%	\$730,064	2.5%
Gridley	\$ 3,570,539	\$67,096	\$64,498	\$26,455	\$7,449	\$15,675	\$181,174	\$205,414	-11.8%	\$181,607	-19.9%
Ione	\$ 1,680,112	\$40,808	\$24,195	\$13,205	\$3,686	\$15,675	\$97,570	\$93,232	4.7%	\$97,774	4.0%
Jackson	\$ 2,173,111	\$105,881	\$45,978	\$22,302	\$8,209	\$15,675	\$198,045	\$201,649	-1.8%	\$198,309	-6.6%
Lincoln	\$ 16,793,802	\$313,337	\$183,667	\$115,926	\$28,890	\$15,675	\$657,494	\$589,495	11.5%	\$659,531	18.3%
Marysville	\$ 4,530,708	\$150,018	\$71,495	\$37,095	\$12,189	\$15,675	\$286,472	\$315,602	-9.2%	\$287,022	11.7%
Nevada City	\$ 2,801,835	\$156,878	\$58,709	\$30,354	\$11,592	\$15,675	\$273,208	\$259,309	5.4%	\$273,548	2.9%
Oroville	\$ 8,466,026	\$263,093	\$135,105	\$72,983	\$22,208	\$15,675	\$509,064	\$475,462	7.1%	\$510,091	17.6%
Paradise	\$ 4,859,324	\$202,953	\$95,422	\$35,921	\$15,757	\$15,675	\$365,728	\$370,273	-1.2%	\$366,317	4.5%
Placerville	\$ 7,792,934	\$183,716	\$117,474	\$62,336	\$17,134	\$15,675	\$396,337	\$347,449	14.1%	\$397,282	2.5%
Red Bluff	\$ 7,190,045	\$390,157	\$156,008	\$80,391	\$29,532	\$15,675	\$671,763	\$567,270	18.4%	\$672,636	2.3%
Rio Vista	\$ 4,198,335	\$119,538	\$72,787	\$42,677	\$11,077	\$15,675	\$261,754	\$234,404	11.7%	\$262,263	-20.2%
Rocklin	\$ 27,358,531	\$779,329	\$436,634	\$202,866	\$66,875	\$15,675	\$1,501,380	\$1,344,461	11.7%	\$1,504,698	0.7%
Willows	\$ 1,252,800	\$65,190	\$33,084	\$10,014	\$5,104	\$15,675	\$129,067	\$70,560	82.9%	\$98,784	0.0%
Yuba City	\$ 23,763,368	\$868,341	\$497,002	\$234,453	\$75,404	\$15,675	\$1,690,876	\$1,714,194	-1.4%	\$1,693,758	-0.7%
Total:	\$250,917,248	\$7,487,000	\$4,146,000	\$1,955,000	\$640,453	\$344,859	\$14,573,312	\$13,622,866	7.0%	\$14,573,312	1.3%

Actuary/Verif \$250,917,248 \$7,487,000 \$4,146,000 est. 3/19

NCCSIF Workers' Compensation Program Funding Changes 20/21 to 21/22

	FY 21/22	FY 20/21	Difference
Base Rate*	4.637	4.507	2.9%
*Confidence Level Remains at 80%			

	FY 21/22	FY 20/21	Difference
Excess Insurance	\$ 1,955,000	\$ 1,535,744	27%
Rate per \$100 Payroll	\$ 0.78	\$ 0.62	\$ 419,256

Deposit Premium Change			
Member Entity	Current Year FY 21/22 80% CL	Prior Year FY 20/21 80% CL	% Change
Anderson	\$291,629	\$299,037	-2%
Auburn	\$604,166	\$532,092	14%
Colusa	\$171,364	\$143,282	20%
Corning	\$185,867	\$136,383	36%
Dixon	\$724,140	\$771,003	-6%
Elk Grove	\$2,034,070	\$1,935,005	5%
Folsom	\$2,628,393	\$2,285,124	15%
Galt	\$730,064	\$732,167	0%
Gridley	\$181,607	\$205,414	-12%
Ione	\$97,774	\$93,232	5%
Jackson	\$198,309	\$201,649	-2%
Lincoln	\$659,531	\$589,495	12%
Marysville	\$287,022	\$315,602	-9%
Nevada City	\$273,548	\$259,309	5%
Oroville	\$510,091	\$475,462	7%
Paradise	\$366,317	\$370,273	-1%
Placerville	\$397,282	\$347,449	14%
Red Bluff	\$672,636	\$567,270	19%
Rio Vista	\$262,263	\$234,404	12%
Rocklin	\$1,504,698	\$1,344,461	12%
Willows	\$98,784	\$70,560	40%
Yuba City	\$1,693,758	\$1,714,194	-1%
Total	\$ 14,573,312	\$13,622,866	7%

Payroll		
Estimated WC FY 21/22 Payroll	Estimated WC FY 20/21 Payroll	% Change
\$4,095,034	\$4,054,052	1%
\$7,189,036	\$7,039,088	2%
\$2,605,774	\$2,315,522	13%
\$3,313,085	\$3,045,046	9%
\$10,956,807	\$16,104,633	-32%
\$46,004,008	\$43,846,037	5%
\$47,574,717	\$45,420,903	5%
\$12,747,317	\$12,440,697	2%
\$3,570,539	\$4,458,227	-20%
\$1,680,112	\$1,615,600	4%
\$2,173,111	\$2,327,553	-7%
\$16,793,802	\$14,194,860	18%
\$4,530,708	\$4,057,841	12%
\$2,801,835	\$2,722,499	3%
\$8,466,026	\$7,199,488	18%
\$4,859,324	\$4,650,691	4%
\$7,792,934	\$7,602,862	3%
\$7,190,045	\$7,030,038	2%
\$4,198,335	\$5,260,090	-20%
\$27,358,531	\$27,167,992	1%
\$1,252,800	\$1,252,800	0%
\$23,763,368	\$23,929,647	-1%
\$250,917,248	\$247,736,166	1%

Banking Layer Losses \$0-\$100K		
5-Year Avg FY 2015-19	5-Year Avg FY 2014-18	% Change
\$98,529	\$113,195	-13%
\$211,595	\$184,590	15%
\$43,732	\$32,434	35%
\$44,389	\$20,967	112%
\$210,499	\$215,520	-2%
\$659,376	\$640,469	3%
\$770,531	\$701,134	10%
\$253,634	\$266,123	-5%
\$30,017	\$48,290	-38%
\$21,573	\$21,555	0%
\$69,726	\$77,669	-10%
\$148,936	\$139,928	6%
\$92,472	\$123,743	-25%
\$106,402	\$107,367	-1%
\$153,057	\$160,640	-5%
\$141,503	\$155,037	-9%
\$93,802	\$84,675	11%
\$258,989	\$214,706	21%
\$58,601	\$48,520	21%
\$468,701	\$423,283	11%
\$47,204	\$11,440	313%
\$512,557	\$588,359	-13%
\$4,495,823	\$4,379,643	3%

Shared Layer Losses \$20-\$120K		
Total Incurred Losses FY 2015-19	Total Incurred Losses FY 2014-18	% Change
\$319,380	\$540,775	-41%
\$733,451	\$883,010	-17%
\$171,802	\$155,190	11%
\$154,609	\$55,263	180%
\$740,174	\$1,059,763	-30%
\$2,180,825	\$3,043,761	-28%
\$2,494,388	\$3,116,189	-20%
\$791,812	\$1,157,038	-32%
\$60,195	\$212,681	-72%
\$100,000	\$108,853	0%
\$276,656	\$391,283	-29%
\$343,042	\$596,104	-42%
\$334,763	\$616,227	-46%
\$432,934	\$577,529	-25%
\$503,819	\$716,504	-30%
\$541,948	\$754,643	-28%
\$302,170	\$404,529	-25%
\$873,402	\$1,006,096	-13%
\$109,164	\$156,110	-30%
\$1,484,448	\$1,918,568	-23%
\$166,961	\$34,813	380%
\$1,884,338	\$2,843,042	-34%
\$15,000,281	\$20,347,971	-26%

Experience Mod		
FY 21/22	FY 20/21	% Change
1.05	1.10	-5%
1.15	1.12	3%
1.02	0.97	5%
0.96	0.85	12%
1.05	1.04	1%
0.87	0.90	-3%
0.92	0.88	5%
1.00	1.04	-4%
0.86	0.92	-6%
1.01	0.99	2%
1.10	1.12	-2%
0.75	0.77	-2%
1.07	1.16	-8%
1.19	1.20	-1%
1.02	1.04	-1%
1.17	1.19	-1%
0.91	0.90	1%
1.27	1.20	6%
0.88	0.87	1%
0.96	0.95	1%
1.04	0.93	12%
1.11	1.20	-7%



This third round of early estimates have been prepared to further aid you in budgeting for the 2021/22 fiscal year. At this time, updated estimates are being provided for all major programs. Since the January version: (1) The budget estimates have been updated with actuarial rates for the pooled layers; (2) The reinsurance rates were updated where we have proposals; and (3) We have incorporated more accurate administrative budget numbers. While the estimates are more refined from the previous version, they contain a range if there are still outstanding items specific to the program. The estimates are intended to be conservative; however, there may be a chance that final numbers will come in higher than the assumptions currently in place. For this reason we recommend continuing to budget toward the high end of the estimate range if one is provided.

If you are aware that you have had any substantial changes over the past 12 months, please contact Rebekah Winger and a better estimate can be developed for you.

Excess Workers' Compensation Program

Premium

19/20 Premium:	\$1,668,873	2019/20 Estimated Payroll:	\$231,495,323
20/21 Premium:	\$1,536,800	2020/21 Estimated Payroll:	\$222,962,549
21/22 Estimated Premium:	\$1,895,000 to \$1,955,000	2021/22 Estimated Payroll:	\$250,917,249
Payroll Audit:	(\$3,662)		
Estimated Collectible:	\$1,891,338 to \$1,951,338		

The EWC premium projections have been updated to reflect your entity's estimated 2021/22 payroll, as provided on your renewal application and your entity's losses based on the 6/30/20 evaluation date. Since the January estimate, we have updated the projected program administrative costs and received and updated the pool and reinsurance rates.

Pool rates have changed from last year as follows:

- County rates are up 10%
- High Safety Rates are down 6%
- Low Safety Rates are down 2%
- School rates are down 6%

Reinsurance premiums continue to be estimated at 5%-15% for most layers, but up to 40% for some Core Tower layers.

The estimates have become more accurate; however, we are still pending the finalization of most reinsurance agreements, so a range has been provided. We recommending budgeting at the high end of the range.

If you have directed us to apply the 2019/20 payroll audit to your 2021/22 premium, it has been included in the the total collection shown. If you have decided to handle the payroll audit outside of your renewal premium, the estimated premium shown is the estimated total collection.



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021

Agenda Item I.4.a.

LIABILITY PROGRAM
ANNUAL BANKING PLAN ADJUSTMENTS
ACTION ITEM

ISSUE: Each year NCCSIF adjusts member Banking Layer Fund balances by refunding amounts in excess of required funding or assessing members whose balances fall below the required funding. James Marta & Company has prepared the attached recommended dividend and assessment calculations for the Liability Program.

NOTE: Adjustments made to include additional ULAE in the actuary's estimate of outstanding liabilities, as presented to the Board but after the Executive Committee recommended the Banking Layer adjustments, will result in an increase of \$491,000 in the layer's ultimate losses. These changes would have resulted in a decrease of \$220,910 in available funds for distribution. Given the relatively small adjustment, the conservative percentage of available funds to be distributed, and that members have already received adjustment notices, those changes are not reflected in the attached.

RECOMMENDATION: Review and approve adjustments for the Banking Layer Fund. The recommended dividend is 35% of the available Net Position. The assessment at 20% of the amount below the target benchmark is per the NCCSIF Policy and Procedure A-1.

FISCAL IMPACT: TBD, based on committee recommendation. Recommended dividends totaling \$1,313,735 and assessments of \$109,282 will impact individual members while the Banking Layer itself will remain funded above the 90% Confidence Level.

BACKGROUND: On an annual basis, in accordance with Policy and Procedure A-1, Banking Plan Fund Adjustments, the NCCSIF Board of Directors reviews and determines whether to approve distribution of excess funds to members. This plan allows for redistribution to the members of funds in excess of the outstanding liabilities at a 90% Confidence Level plus a Buffer Layer of \$500,000 (*ten times the Self Insured Retention (SIR) of \$50,000*).

At the Board meeting, on January 8, 2015, members agreed to make a change to the adjustment formula by allocating the Buffer Layer contingency funds to all members rather than allocating the funds only to members whose balances are above the required funding levels. The formula spreadsheet was also revised to include more annotations explaining the calculations.

ATTACHMENT(S): Liability Banking Layer Plan Adjustments



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021

Agenda Item I.4.b

**LIABILITY PROGRAM
ANNUAL SHARED RISK PLAN ADJUSTMENTS**

ACTION ITEM

ISSUE: Each year NCCSIF reviews the financial status of the Shared Risk Layer Fund to determine if refunds or assessments may be declared. The total adjustment is allocated to members based on their pro-rata share of the total Shared contributions over a rolling ten-year period.

Based on the most recent actuary report, the Fund is estimated to have available assets of \$9,904,000 as of June 30, 2021. This is \$2,831,000 above Outstanding Liabilities at the Expected Confidence Level (CL) and \$43,000 over Liabilities at the 90% CL, compared to \$798,000 last year. Even with this year's decrease, this remains a significant improvement over 2017, when the Fund was (\$1,525,000) *below* the 90% CL. The Fund has also maintained assets of \$581,000 above its other target benchmark of Net Position at least 5 times the *current* SIR of \$450,000 but is below the benchmark (-\$669,000) if a \$700,000 SIR is used. It is likely NorCal Cities will have to increase the SIR to \$700,000 in FY 22/23.

RECOMMENDATION: Given that the current condition of the Fund and anticipated increase in the SIR in another year the Program Managers do not recommend a refund or assessment.

FISCAL IMPACT: None.

BACKGROUND: On an annual basis in accordance with Policy and Procedure A-12, Shared Risk Layer Plan Fund Adjustments, the NCCSIF Board of Directors reviews and determines whether to approve distributions of Shared Risk Layer Funds to the members or declare assessments. In accordance with the Target Equity Policy it is NCCSIF's *goal to maintain a contingency fund equivalent to the 90% confidence level and to maintain an Equity-to-SIR ratio of 3 to 5 times the SIR.*

ATTACHMENT(S): Liability Shared Risk Layer Plan Adjustments

NCCSIF Shared Risk Layer Plan Fund Adjustments - LIABILITY for 2021 Distribution

Estimated Available Assets as of June 30, 2021		Outstanding Liabilities @ Expected 6/30/21	Outstanding Liabilities @ 70%	Outstanding Liabilities @ 80%	Outstanding Liabilities @ 90%	Benchmark Comparison Net Position to 5x SIR	Refund Available
A	B	C	D	E	F	G	Lesser of (A-F) or (C-G)
\$9,904,000		\$7,073,000	\$7,844,000	\$8,625,000	\$9,835,000	Assets > 90% CL	\$69,000
	Surplus/Deficit	\$2,831,000	\$2,060,000	\$1,279,000	\$69,000	Net Position minus 5X SIR	\$581,000
						\$2,250,000	
		-\$					No refund recommended
Members	Historical Shared Layer Contributions FY 05/06 to FY 15/16	Total %	Available Refund	Assessment	Less CJPRMA Refund	Total	No assessment needed
			\$ -	\$ -	\$ -		
Anderson	\$448,753	2.61%		\$0	0	\$0	
Auburn	\$945,212	5.50%		\$0	0	\$0	
Colusa	\$284,690	1.66%		\$0	0	\$0	
Corning	\$426,439	2.48%		\$0	0	\$0	
Dixon	\$892,109	5.19%		\$0	0	\$0	
Elk Grove	N/A						
Folsom	\$2,846,711	16.58%		\$0	0	\$0	
Galt	\$1,140,979	6.64%		\$0	0	\$0	
Gridley	\$458,569	2.67%		\$0	0	\$0	
Ione	\$71,389	0.42%		\$0	0	\$0	
Jackson	\$325,473	1.90%		\$0	0	\$0	
Lincoln	\$1,396,708	8.13%		\$0	0	\$0	
Marysville	\$679,694	3.96%		\$0	0	\$0	
Nevada City	N/A						
Oroville	\$1,059,847	6.17%		\$0	0	\$0	
Paradise	\$760,768	4.43%		\$0	0	\$0	
Placerville	N/A						
Red Bluff	\$973,379	5.67%		\$0	0	\$0	
Rio Vista	\$380,549	2.22%		\$0	0	\$0	
Rocklin	\$1,786,838	10.41%		\$0	0	\$0	
Willows	\$218,492	1.27%		\$0	0	\$0	
Yuba City	\$2,076,093	12.09%		\$0	0	\$0	
Total	\$17,172,692	100.00%		\$0	0	\$0	

* Missing data from 2001/02 and 2004/05

Any refund should be in excess of the liabilities at the 90% confidence level and excess of the liabilities at expected plus 5 times SIR.



LIABILITY PROGRAM
FY 20/21 DEPOSIT PREMIUM CALCULATIONS
ACTION ITEM

ISSUE: Each year the Executive Committee reviews the actuary's recommended funding levels for the upcoming fiscal year and recommends a Deposit Premium to the Board. This year the Program Administrators have prepared deposits based on the current \$500,000 Self-Insured Retention (SIR). There are several issues to consider:

1. The rates offered by CJPRMA this year for excess coverage at higher SIRs are significantly higher than the rates NorCal Cities' own actuary has calculated and so are not presented this year.
2. The increase in the CJPRMA rates is impacting the NorCal funding in that we are anticipating an excess premium increase of almost 60% due to their change in the current funding formula to the traditional actuary method as well as an *estimated* 50% increase in the reinsurance above \$5M. This helped to create increases of over 30% for 11 of the 19 liability program members. *(The Program Administrators have prepared an exhibit with a 50% cap for consideration, reducing the number of capped members to eight, and the amount redistributed from \$667,551 to \$132,381).*
3. Total funding at an 80% Confidence Level (CL) and \$500,000 SIR is estimated at \$9,065,150, an increase of 16% over FY 20/21 funding. A payroll increase of 2%, excess coverage increase of 63%, and 3% increase in the Shared Layer rate are the factors driving the funding.

Based on direction from the Executive Committee the Program Administrators have looked at other capping methods, specifically applying the cap to the net increase(s) after deducting payroll increases and/or the average increase for the group. Several methods have been analyzed but none so far have produced a result with less reallocation of funding by fewer members than the 50% cap proposed. One method of targeting three of the outliers reduced the total reallocation by a few thousand dollars.

RECOMMENDATION: Review and approve funding at an 80% CL with an SIR of \$500,000 and capping of premium increases as appropriate.

FISCAL IMPACT: TBD, *based on final excess coverage pricing.*

BACKGROUND: Members have steadily increased the Confidence Level of annual funding from 65% to 70%, 75%, to the current 80% CL. Over the same period the Discount Factor has decreased from 3% to 1.5%. Both of these changes have contributed to an increase in total funding, in addition to increases in payroll in prior years.

ATTACHMENT(S): Preliminary FY 21/22 Liability Deposit Calculations, 80% CL, \$500,000 SIR.

FY 21/22 NCCSIF General Liability Funding Allocation DRAFT

80% Confidence Level			Total Admin Expense = \$449,497					
A	B	C	D	E	F	G	H	I
Formula/Allocation	Payroll (P)	Member Weighted Share Last 5 Years 25% Payroll, 75% Losses	Member Share of EX MOD Adjusted Payroll X Total Funding	Member Weighted Share Last 5 Years 75% Payroll, 25% Losses	(Admin/2) X Member % of Total Payroll	(Admin/2) ÷ 19 Equal Shares	C+D+E+F+G	
Member	2020 Calendar Year Payroll (DE 9)	BANKING LAYER \$0 to \$50K (*Folsom \$0 to \$100K)	SHARED LAYER \$50K to \$500K at 80% CL	CJPRMA EXCESS LAYER \$500k to \$40M	ADMIN EXPENSE 50%	ADMIN EXPENSE 50%	FY 21/22 TOTAL DEPOSIT	FY 20/21 TOTAL DEPOSIT
Rate/Amount	Exposure Base	\$2,234,000	\$3,000,000	\$3,375,239	\$224,749	\$224,749	80% CL	80% CL
Anderson	\$ 4,654,184	\$30,281	\$79,254	\$35,150	\$5,699	\$11,829	\$162,212	\$155,973
Auburn	\$ 6,948,048	\$136,598	\$169,381	\$232,352	\$8,507	\$11,829	\$558,667	\$499,738
Colusa	\$ 2,527,589	\$38,949	\$55,914	\$63,708	\$3,095	\$11,829	\$173,495	\$185,895
Corning	\$ 3,631,789	\$66,994	\$63,423	\$114,106	\$4,447	\$11,829	\$260,798	\$126,468
Dixon	\$ 9,695,118	\$50,619	\$132,329	\$44,730	\$11,871	\$11,829	\$251,377	\$161,585
Elk Grove								
Folsom	\$ 43,894,742	\$610,568	\$524,531	\$956,679	\$53,746	\$11,829	\$2,157,354	\$2,314,457
Galt	\$ 11,027,133	\$90,972	\$186,964	\$109,832	\$13,502	\$11,829	\$413,099	\$388,823
Gridley	\$ 4,275,659	\$50,000	\$85,668	\$72,659	\$5,235	\$11,829	\$225,391	\$178,487
Ione	\$ 1,563,176	\$29,408	\$29,999	\$50,472	\$1,914	\$11,829	\$123,622	\$96,274
Jackson	\$ 2,875,922	\$10,944	\$53,226	\$6,059	\$3,521	\$11,829	\$85,580	\$174,342
Lincoln	\$ 15,614,334	\$295,376	\$248,580	\$505,338	\$19,118	\$11,829	\$1,080,241	\$596,924
Marysville	\$ 4,529,402	\$110,332	\$89,728	\$199,668	\$5,546	\$11,829	\$417,102	\$278,890
Nevada City								
Oroville	\$ 6,629,871	\$96,685	\$120,480	\$153,406	\$8,118	\$11,829	\$390,518	\$246,894
Paradise	\$ 4,839,826	\$44,236	\$104,483	\$61,050	\$5,926	\$11,829	\$227,524	\$230,743
Placerville								
Red Bluff	\$ 6,369,163	\$91,040	\$126,582	\$142,914	\$7,799	\$11,829	\$380,163	\$233,352
Rio Vista	\$ 3,964,129	\$51,657	\$127,574	\$76,121	\$4,854	\$11,829	\$272,034	\$189,031
Rocklin	\$ 22,914,454	\$148,432	\$375,016	\$146,312	\$28,057	\$11,829	\$709,645	\$846,318
Willows	\$ 979,430	\$38,086	\$37,220	\$66,580	\$1,199	\$11,829	\$154,914	\$115,289
Yuba City	\$ 26,621,274	\$249,238	\$389,650	\$338,102	\$32,596	\$11,829	\$1,021,414	\$784,515
Total:	\$183,555,242	\$2,240,414	\$3,000,000	\$3,375,239	\$224,749	\$224,749	\$9,065,150	\$7,804,000

FY 21/22 NCCSIF Liability Funding Draft for BOD 4/22/21

A	J	K	L	M	N	P	Q	R
Formula/Allocation	H-I	J/I	H + Member % of Total Uncapped Payroll X Capped Amount	(L-I)/I	H-L	H + Member % of Total Uncapped Payroll X Capped Amount	(P-I)/I	H-P
Member	\$ Change Overall	% Change Overall	Total FY 21/22 Deposit With Cap of 30%	% Change After Cap	Amount Redistributed	Total FY 21/22 Deposit With Cap of 50%	% Change After Cap	Amount Redistributed
Rate/Amount			\$667,551		11 Capped	\$ 132,381		8 Capped
Anderson	\$6,239	4.0%	\$193,380	24%		\$167,258	7%	
Auburn	\$58,929	11.8%	\$605,197	21%		\$566,201	13%	
Colusa	-\$12,401	-6.7%	\$190,421	2%		\$176,235	-7%	
Corning	\$134,330	106.2%	\$164,409	30%	\$96,389	\$189,702	50%	\$71,096
Dixon	\$89,792	55.6%	\$210,061	30%	\$41,316	\$242,378	50%	\$8,999
Elk Grove								
Folsom	-\$157,104	-6.8%	\$2,451,308	6%		\$2,204,947	-5%	
Galt	\$24,276	6.2%	\$486,946	25%		\$583,234	50%	-\$170,135
Gridley	\$46,904	26.3%	\$232,033	30%	-\$6,642	\$230,027	29%	
Ione	\$27,347	28.4%	\$125,157	30%	-\$1,535	\$125,317	30%	
Jackson	-\$88,762	-50.9%	\$104,839	-40%		\$88,698	-49%	
Lincoln	\$483,317	81.0%	\$776,002	30%	\$304,240	\$895,387	50%	\$184,855
Marysville	\$138,212	49.6%	\$362,558	30%	\$54,545	\$418,336	50%	-\$1,233
Nevada City								
Oroville	\$143,623	58.2%	\$320,963	30%	\$69,555	\$370,342	50%	\$20,176
Paradise	-\$3,219	-1.4%	\$259,935	13%		\$232,771	1%	
Placerville								
Red Bluff	\$146,811	62.9%	\$303,357	30%	\$76,806	\$350,027	50%	\$30,135
Rio Vista	\$83,003	43.9%	\$245,741	30%	\$26,294	\$283,547	50%	-\$11,512
Rocklin	-\$136,673	-16.1%	\$863,099	2%		\$734,490	-13%	
Willows	\$39,625	34.4%	\$149,875	30%	\$5,039	\$155,976	35%	
Yuba City	\$236,899	30.2%	\$1,019,869	30%	\$1,545	\$1,050,278	34%	
Total:	\$1,261,150	16.2%	\$9,065,150	16%	\$ 667,551	\$9,065,150	0%	\$ 132,381

\$449,497

A	H	J	K	P	Q	R	T	U	V	W
Formula/Allocation	C+D+E+F+G	H-I	J/I	H + Member % of Total Uncapped Payroll X Capped Amount	(P-I)/I	H-P		K-T	M-K	Q-K
Member	FY 21/22 TOTAL DEPOSIT	\$ Change Overall	% Change Overall	Total FY 21/22 Deposit With Variable Cap	% Change After Cap	Amount Redistributed	2020 Payroll Increase from 2019	% Uncapped Premium Change Net of Payroll Change	% Change From Uncapped to 30% Capped	% Change From Uncapped to 50% Capped
Rate/Amount	80% CL			\$ 128,770		8 Capped				
Anderson	\$162,212	\$6,239	4.0%	\$167,121	7%		5%	-1%	20%	3%
Auburn	\$558,667	\$58,929	11.8%	\$565,995	13%		2%	9%	9%	1%
Colusa	\$173,495	-\$12,401	-6.7%	\$176,160	-7%		17%	-23%	9%	-1%
Corning	\$260,798	\$134,330	106.2%	\$202,349	60%	\$58,449	7%	99%	-76%	-46%
Dixon	\$251,377	\$89,792	55.6%	\$242,378	50%	\$8,999	9%	47%	-26%	-6%
Elk Grove										
Folsom	\$2,157,354	-\$157,104	-6.8%	\$2,203,648	-5%		0%	-6%	13%	2%
Galt	\$413,099	\$24,276	6.2%	\$544,352	40%	-\$131,253	-6%	12%	19%	34%
Gridley	\$225,391	\$46,904	26.3%	\$229,900	29%		2%	24%	4%	3%
Ione	\$123,622	\$27,347	28.4%	\$125,270	30%		14%	14%	2%	2%
Jackson	\$85,580	-\$88,762	-50.9%	\$88,613	-49%		-3%	-48%	11%	2%
Lincoln	\$1,080,241	\$483,317	81.0%	\$925,233	55%	\$155,009	4%	77%	-51%	-26%
Marysville	\$417,102	\$138,212	49.6%	\$418,336	50%	-\$1,233	26%	23%	-20%	0%
Nevada City										
Oroville	\$390,518	\$143,623	58.2%	\$370,342	50%	\$20,176	11%	47%	-28%	-8%
Paradise	\$227,524	-\$3,219	-1.4%	\$232,628	1%		10%	-12%	14%	2%
Placerville										
Red Bluff	\$380,163	\$146,811	62.9%	\$350,027	50%	\$30,135	1%	62%	-33%	-13%
Rio Vista	\$272,034	\$83,003	43.9%	\$283,547	50%	-\$11,512	-10%	54%	-14%	6%
Rocklin	\$709,645	-\$136,673	-16.1%	\$733,813	-13%		0%	-17%	18%	3%
Willows	\$154,914	\$39,625	34.4%	\$155,947	35%		-20%	54%	-4%	1%
Yuba City	\$1,021,414	\$236,899	30.2%	\$1,049,491	34%		0%	31%	0%	4%
Total:	\$9,065,150	\$1,261,150	16.2%	\$9,065,150	0%	\$ 128,770	2%	14%	0%	

NCCSIF Liability Program Funding Changes 20/21 to 21/22 DRAFT for BOD 4/22/21

	FY 21/22	FY 20/21	Difference
Base Rate*	\$ 2.851	\$ 2.922	-2%
*\$500K SIR and Confidence Level Remains at 80%			

	FY 21/22	FY 20/21	Difference
Excess Insurance	\$ 3,375,239	\$ 2,065,379	63%
% of total increase =	104%		\$1,309,860

Member Entity	Deposit Premium Change		
	Current Year FY 21/22 \$500K SIR 80% CL; 50% Cap	Prior Year FY 20/21 \$750K SIR 80% CL	% Change
City of Anderson	\$167,258	\$155,973	7%
City of Auburn	\$566,201	\$499,738	13%
City of Colusa	\$176,235	\$185,895	-5%
City of Corning	\$189,702	\$126,468	50%
City of Dixon	\$242,378	\$161,585	50%
Elk Grove			
City of Folsom	\$2,204,947	\$2,314,457	-5%
City of Galt	\$583,234	\$388,823	50%
City of Gridley	\$230,027	\$178,487	29%
City of Ione	\$125,317	\$96,274	30%
City of Jackson	\$88,698	\$174,342	-49%
City of Lincoln	\$895,387	\$596,924	50%
City of Marysville	\$418,336	\$278,890	50%
Nevada City			
City of Oroville	\$370,342	\$246,894	50%
Town of Paradise	\$232,771	\$230,743	1%
Placerville			
City of Red Bluff	\$350,027	\$233,352	50%
City of Rio Vista	\$283,547	\$189,031	50%
City of Rocklin	\$734,490	\$846,318	-13%
City of Willows	\$155,976	\$115,289	35%
City of Yuba City	\$1,050,278	\$784,515	34%
Grand Total	\$9,065,150	\$7,804,000	16%

Payroll		
2020 Calendar Year Payroll	2019 Calendar Year Payroll	% Change
\$4,654,184	\$4,439,068	5%
\$6,948,048	\$6,787,664	2%
\$2,527,589	\$2,169,132	17%
\$3,631,789	\$3,396,902	7%
\$9,695,118	\$8,894,945	9%
\$43,894,742	\$44,026,880	0%
\$11,027,133	\$11,673,862	-6%
\$4,275,659	\$4,192,976	2%
\$1,563,176	\$1,371,177	14%
\$2,875,922	\$2,966,158	-3%
\$15,614,334	\$14,946,573	4%
\$4,529,402	\$3,591,310	26%
\$6,629,871	\$5,973,585	11%
\$4,839,826	\$4,387,916	10%
\$6,369,163	\$6,292,852	1%
\$3,964,129	\$4,420,757	-10%
\$22,914,454	\$22,808,769	0%
\$979,430	\$1,226,079	-20%
\$26,621,274	\$26,733,800	0%
\$183,555,242	\$180,300,406	2%

Banking Layer Losses \$0-\$50K		
5-Year Avg FYE 2015-19	5-Year Avg FYE 2014-18	% Change
\$6,408	\$23,966	-73%
\$42,362	\$135,738	-69%
\$11,615	\$62,886	-82%
\$20,804	\$15,764	32%
\$8,155	\$4,160	96%
\$174,420	\$465,376	-63%
\$20,024	\$77,116	-74%
\$13,247	\$26,546	-50%
\$9,202	\$19,550	-53%
\$1,105	\$41,265	-97%
\$92,132	\$112,661	-18%
\$36,403	\$79,313	-54%
\$27,969	\$38,470	-27%
\$11,131	\$57,173	-81%
\$26,056	\$48,227	-46%
\$13,878	\$68,915	-80%
\$26,675	\$156,794	-83%
\$12,139	\$28,118	-57%
\$61,642	\$106,509	-42%
\$615,366	\$1,568,548	-61%

Shared Layer Losses \$75k XS \$5K		
Shared Layer Totals FYE 2015-19	Shared Layer Totals FYE 2014-18	% Change
\$110,656	\$57,930	91%
\$618,079	\$285,184	117%
\$270,178	\$229,678	18%
\$61,822	\$56,820	9%
\$20,001	\$0	0%
\$928,605	\$1,825,591	-49%
\$234,668	\$115,421	103%
\$123,381	\$77,499	59%
\$89,545	\$109,545	-18%
\$122,740	\$127,588	-4%
\$464,903	\$389,293	19%
\$414,204	\$151,157	174%
\$172,082	\$122,147	41%
\$377,171	\$52,173	623%
\$253,298	\$36,671	591%
\$694,535	\$100,360	592%
\$700,157	\$470,772	49%
\$184,524	\$31,715	482%
\$714,235	\$497,820	43%
\$6,554,784	\$4,737,365	38%

Experience Mod		
FY 21/22	FY 20/21	% Change
1.38	0.91	51%
1.78	1.27	40%
1.71	1.58	8%
1.37	0.95	44%
1.04	0.57	83%
0.86	1.49	-42%
1.15	0.70	65%
1.37	0.91	52%
1.54	1.31	18%
1.50	1.24	21%
1.25	1.04	20%
1.79	1.22	46%
1.31	0.90	46%
1.68	0.87	93%
1.41	0.73	92%
2.05	1.02	102%
1.11	0.84	32%
1.65	1.00	65%
1.07	0.80	33%



Agenda Item I.5.

SEDGWICK LIABILITY CLAIMS ADMINISTRATION SERVICES RENEWAL AGREEMENT

INFORMATION ITEM

ISSUE: The Board is provided the attached renewal proposal for liability claims administration to amend the current agreement expiring as of 6/30/21.

Sedgwick has offered to continue their services for a three-year period for a flat fee plus time and expense for field adjusting, as indicated below.

Coverage line	Year 1	Year 2	Year 3
Annual Flat Fee for Desk Adjusting	\$261,756.00	\$269,609.00	\$277,697.00
Annual Time and Expense Rate for Field Adjusting	\$89.50 per hour	\$90.00 per hour	\$90.50 per hour

The fee for Year 1 is a 2.8% increase from the current fee of \$254,132, with no change in the hourly rate. Fees increase 3% in each of the subsequent two years. The fees for field adjusting were averaging approximately \$2,500 per month pre-COVID, with minimal expenses since the quarantine, and the proposal has caps of \$370,000, \$375,000 and \$380,000 in each of the three years, respectively.

RECOMMENDATION: Review approve as presented or amended per discussion.

FISCAL IMPACT: Increase of 2.8% in current budget, from \$254,132 to \$261,756, plus field work.

BACKGROUND: Sedgwick and its predecessors York and Bragg & Associates have been providing claims administration services to NCCSIF since the inception of the Workers' Compensation and Liability Programs. The Board reviewed the service and latest performance surveys at their December 10, 2020, and provided direction to negotiate a new agreement with Sedgwick for liability claims administration.

ATTACHMENT(S): Sedgwick Amendment Four to the Liability Self-Insurance Claims Administration Agreement

**AMENDMENT FOUR TO THE LIABILITY SELF-INSURANCE CLAIMS
ADMINISTRATION AGREEMENT**

This Amendment Four to the Liability Self-Insurance Claims Administration Agreement dated April 14, 2021 (the "Amendment"), shall be attached to and made a part of the Agreement for Liability Self-Insurance Claims Administration Agreement dated June 13, 2013 (as amended, the "Agreement"), by and between Northern California Cities Self Insurance Fund ("NCCSIF"), and Sedgwick Claims Management Services, Inc. ("Sedgwick"), successor-in-interest to York Risk Services Group, Inc. (NCCSIF and Sedgwick together the "Parties").

In consideration of the Agreement recitals and the mutual covenants and conditions contained herein, the Parties acknowledge that the Agreement is hereby modified and amended as follows:

1. Section 1 of the Agreement is hereby modified and amended to delete the first sentence thereof in its entirety and substitute the following therefore:

"This Agreement is effective July 1, 2021 through June 30, 2024."

2. Effective July 1, 2021, Exhibit A to the Agreement is hereby deleted in its entirety and the attached Exhibit A-1 shall be substituted therefore.

All terms and conditions of the Agreement shall otherwise remain the same, except those terms and conditions which have been added, deleted, or modified by the Parties in writing.

IN WITNESS WHEREOF, the Parties have caused this Addendum to be executed on the dates shown below.

Northern California Cities Self Insurance
Fund

Sedgwick Claims Management Services, Inc.

By _____

By J. Edward Peel

Title _____

Title Vice President

Date _____

Date April 14, 2021

EXHIBIT A-1

Annual flat fee pricing – General Liability

Sedgwick’s annual flat fee pricing is based on the annual estimated claim volumes and the estimated required staffing to service those claims. If acquisitions, divestitures, changes in program requirements, or an increase in claim volume impacts the staffing requirements of the unit, Sedgwick reserves the right to modify the annual flat fee. Claims open at contract termination will either be transferred to the new administrator or handled by Sedgwick for an additional annual fee.

Coverage line	Year 1	Year 2	Year 3
Annual Flat Fee for Desk Adjusting	\$261,756.00	\$269,609.00	\$277,697.00
Annual Time and Expense Rate for Field Adjusting	\$89.50 per hour	\$90.00 per hour	\$90.50 per hour

The total annual fee is not to exceed \$370,000 for term 07/01/2021 -06/30/2022, \$375,000 for term 07/01/2022-06/30/2023 and not to exceed \$380,000 for term 07/01/2023-06/30/2024. Any additional administration beyond the contract term will be subject to an additional negotiated flat annual fee or other mutually agreed upon rate structure. If there is a significant increase in claims volume, Sedgwick may propose additional charges. If Client agrees to such additional charges, the fees will be adjusted accordingly. If Client does not agree to such charges, Sedgwick will have the right to terminate services on 90 days’ notice.

Items included in the fees include:

- Services of Client service director
- Telephonic claim reviews (semi-annual)
- RMIS access: viaOne for up to two users, which provides a platform-independent, web-based tool for viewing and analyzing claims data. Access provides secure, near real-time information from Sedgwick’s proprietary claims information systems. Additional user access is available at an additional cost.

Additional bundled services and fees:

- Subrogation services will be charged 25% of recoveries



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021**

Agenda Item I.6.

FY 21/22 RENEWAL UPDATES

INFORMATION ITEM

ISSUE: The Program Administrators provide an overview of the upcoming insurance renewals.

Property Program: the property market, particularly for wildfire exposures, continues to be extremely challenging, and recent freezes across much of Texas have diminished hope that the market was starting to stabilize. NorCal Cities remains on the loss leader list in the APIP program, with an estimated increase in rates of up to 65%. As a result, the Program Administrators have reached out to obtain coverage options, with the most likely option, if any, being a primary layer of coverage to as much as \$20-\$25M, with APIP still providing the Auto and Excess coverage as well as Cyber and Pollution.

Cyber Insurance: this market is also experiencing extreme rate increases, from 60% to 600%, due to the frequency and severity of insured losses over the last couple of years. We have been asked to provide applications for the excess coverage for the first time, and members can expect increases in that \$3M xs \$2M limit. The Cyber coverage that comes with APIP will also increase but the impact will not be as noticeable as with the excess or stand-alone coverages.

Crime: we are expecting a 10% to 15% increase overall for the coverage in the ACIP program. Losses overall have also trended up though not as dramatically as in property and cyber.

Individual Purchase Coverage: other lines of coverage, including airport and auto physical damage programs, are expected to be stable for renewal, with increases of 5-10% based on exposure increases.

RECOMMENDATION: None – information only.

FISCAL IMPACT: TBD, based on coverage and exposure.

BACKGROUND: None

ATTACHMENT(S): None



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021**

Agenda Item I.7.

FY 21/22 MEETING CALENDAR

ACTION ITEM

ISSUE: The proposed NCCSIF FY 21/22 Meeting Calendar is presented for review to determine if any dates should be modified due to conflicts.

RECOMMENDATION: Review the proposed dates and approve the Meeting Calendar as presented or revised after review.

FISCAL IMPACT: None.

BACKGROUND: Annually, the Executive Committee reviews and recommends the meeting calendar for NCCSIF Board, Executive, Risk Management, Claims, Police Risk Management and Finance Committees.

ATTACHMENT(S): Preliminary FY 21/22 Meeting Calendar



PROGRAM YEAR 21/22 MEETING CALENDAR

Thursday, August 5, 2021 **Police Risk Management Committee** at 10:00 a.m.

Thursday, September 23, 2021 **Claims Committee** at 10:00 a.m.
Executive Committee at 11:30 a.m.

Thursday, October 28, 2021 **Risk Management Committee** at 10:00 a.m.
Board of Directors at 12 noon

Thursday, November 4, 2021 **Police Risk Management Committee** at 10:00 a.m.

Thursday, December 16, 2021* **Board of Directors** at 10:00 a.m.

Thursday, February 10, 2022 **Police Risk Management Committee** at 10:00 a.m.

Thursday, March 24, 2022 **Claims Committee** at 10:00 a.m.
Executive Committee at 11:30 a.m.

Thursday, April 21, 2022 **Risk Management Committee** at 10:00 a.m.
Board of Directors at 12 noon

Thursday, May 5, 2022 **Police Risk Management Committee** at 10:00 a.m.

Thursday, May 19, 2022 **Claims Committee** at 10:00 a.m.
Executive Committee at 11:30 a.m.

Thursday, June 23, 2022* **Board of Directors** at 10:00 a.m.

Meeting Location: Rocklin Event Center - Garden Room
2650 Sunset Blvd., Rocklin, CA 95677

Rocklin Event Center – Ballroom *

Note: Additional Claims Committee Meetings may be scheduled as needed for Claims Authority approval which will be held via teleconference.



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021**

Agenda Item I.8.

**BOARD OFFICER HANDBOOK
ACTION ITEM**

ISSUE: Suggested revisions to the draft Board Officer Handbook made at the last meeting have been incorporated into the attached. The purpose of the Handbook is to provide members an overview of the group's governance and Board member responsibilities.

Based on previous discussion the Program Managers continue to seek input and direction to make this a useful tool for new members especially.

RECOMMENDATION: Review and approve as presented and/or provide direction on content and desired topics.

FISCAL IMPACT: None.

BACKGROUND: The guide was recommended by David Warren, City of Placerville, based on a similar guide used in that city and the need to provide new Board members, especially, an overview of the group and a Board Member's responsibilities. The Guide also refers to other helpful resources, including the Annual Report, Resource Contact Guide, and the Service Calendar outlining the timing of various activities throughout the fiscal year.

ATTACHMENT(S): NCCSIF Board Officer Handbook



NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND BOARD OFFICER HANDBOOK

December 2020





Northern California Cities Self Board Officer Handbook

Welcome and Introduction

Congratulations on your appointment to the Northern California Cities Self Insurance Fund Board of Directors or one of its Committees. The Program Administrators look forward to working with you.

This Board Member Guide is a general overview of the governance of the JPA and the basic protocols that apply to all Board and Committee members. We prepared this Guide to provide information to assist you in the performance of your new duties and help make this experience educational and rewarding.

New members are also encouraged to review the Appendices containing the Annual Report, Resource Contact Guide, and Service Calendar outlining the group's activities throughout the year. Information Items provided in each Board agenda also contain more useful information about the group's operations. All of this and more is located on the NorCal Cities website – www.nccsif.org.

Mission Statement

The Northern California Cities Self Insurance Fund, or NCCSIF, is an association of municipalities joined to protect member resources by stabilizing risk costs in a reliable, economical and beneficial manner while providing members with broad coverage and quality services in risk management and claims management.

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- Board of Directors
- Executive Committee
- Claims Committee
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Section 2: Operating Procedures

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- Regular Meetings
- Adjourned Meetings
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Appendices

- A. Annual Report
- B. Resource Contact Guide
- C. Service Calendar

SECTION 1: ROLES AND RESPONSIBILITIES

As a Committee or Board Member, you are essential to NorCal Cities' commitment to developing policies and procedures which reflect the needs of our members. In carrying out your responsibilities you will work closely with your fellow Board or Committee Members and the Administration.

THE BOARD OF DIRECTORS

Each Member of NorCal Cities names a Director and alternate representative to the Board of Directors and each Member has one vote. Alternates may vote in the Director's absence.

The Board of Directors elects four Officers including a President, Vice President, Secretary and Treasurer. The Board also elects Members of the Executive Committee based on a rotating schedule.

A majority of the membership of the Board of Directors shall constitute a quorum for the transaction of business. Action of the Board shall require the affirmative vote of a majority of the members present and voting.

The Board normally schedules one meeting every quarter and one additional meeting for long-range planning or training purposes. The regular meetings are generally held on the third Thursday of April, June, and October, with the planning or training meeting in the first part of December.

All meetings of the Board shall be called, noticed, held and conducted in accordance with the provisions of Ralph M. Brown Act (Government Code Section 54950 et seq.).

The Board delegates many responsibilities to the Executive Committee but retains the authority to:

- Approve the annual budget
- Approve any changes to the Bylaws or Policies
- Select Officers and the members of the Executive Committee

COMMITTEES

Committees may be formed as necessary by either the Board of Directors or the Executive Committee for the purposes of overseeing any functions they have authority to control, such as, but not limited to, administration and policy direction, claims administration, investments, and safety/loss control services.

Executive Committee

The Executive Committee consists of a President, Vice President, Secretary and Treasurer as well as a rotating schedule of 7 to 11 voting members and two non-voting members, as determined by the Board.

The President, Vice President and Secretary serve as voting members on the Executive Committee. The remaining voting members are elected by the Board of Directors on a member rotation basis, as

established by the Board of Directors. The two (2) non-voting members are the Treasurer and the CJPRMA Board Representative. The President acts as Chairman.

The terms of all members of the Executive Committee are two (2) years, except for those of the President, Vice President, and Secretary, who shall all serve for two (2) years irrespective of the member rotation. A member may be reappointed to serve on the Executive Committee, except for the immediate Past President.

Powers, Duties and Responsibilities.

1. The Executive Committee conducts, directs and supervises the day-to-day business of the Authority and in doing so exercises the powers expressly granted to it and as delegated by the Board of Directors.
2. The following duties and responsibilities are assumed and carried out by the Executive Committee:
 - a. Provide general supervision and direction to the Program Director;
 - b. Authorize payment of claims against the Authority in accordance with the policies and procedures governing the particular program;
 - c. Enter into contracts, within budget limits;
 - d. Make payments pursuant to previously authorized contracts, within budget limits;
 - e. Review and recommend a budget to the Board no later than seventy-two (72) hours prior to the spring meeting of the Board;
 - f. Act as Program Director in the absence of the Program Director;
 - g. Recommend policies and procedures to the Board for implementation of the Agreement, the Bylaws and the operation of specific coverage programs;
 - h. Appoint a nominating committee for each election of officers and members of the Executive Committee; and
 - i. Amend annual budget in an amount not to exceed the contingency account.

Removal from Executive Committee. A member may be removed from the Executive Committee in the following ways:

- a. Death of a Committee member;
- b. Voluntary resignation;
- c. Absence from three (3) consecutive meetings without a valid reason, in which case the Chair may recommend to the Executive Committee that member be terminated from Executive Committee membership, subject to a Board of Directors vote at its next regularly scheduled meeting.

- d. When a vacancy occurs under the above provisions, a replacement shall be made from among the Board of Directors.

Claims Committee

The Vice President of the Board serves as the Chair of the Claims Committee with four other members.

Often the Committee is made up of Executive Committee members as they regularly meet prior to Executive Committee meetings. Their duties include:

- Reviewing and recommending claim procedures
- Recommending claim auditors and reviewing audits
- Updating the approved list of qualified legal counsel and investigators
- Approving claim settlements within the Shared Layer up to \$250,000
 - Banking Layer ~~(\$50,000 or \$100,000)~~ settlements (up to \$50,000 or \$100,000) are approved by the Member and paid from their Banking Layer funds collected as part of their annual premium.
 - Shared Layer settlements over \$250,000 are approved by the Executive Committee and paid by all Member's as part of their annual premium.
 - Settlements above the Shared Layer are paid by the group's excess coverage providers, California Joint Powers Risk Management Authority (CJPRMA) for Liability and Public Risk Innovation, Solutions, and Management (PRISM) for Workers' Compensation.

Risk Management Committee

The Risk Management Committee is comprised of at least one representative from each Member. The Chair is elected from among the Board members and meets twice a year, prior to the Board meetings in April and October. Their duties include:

- Recommend, review and revise Risk Management Policies and Procedures
- Recommend training topics and resources
- Oversight of Risk Management Budget
- Exchange of Safety and Risk Management Techniques
- Oversight of Safety and Risk Control Services

Police Risk Management Committee

The Police Risk Management Committee was formed to recognize and respond to the unique risks faced by law enforcement. Police departments are NCCSIF's largest loss exposure. Each Member with police has a representative on the Committee and they elect a Chair and Vice Chair.

- Continually reviews policies, procedures and claims to improve results

- Provides quarterly training sessions to improve control of loss costs
- Recommends grant fund amounts and uses
- Lexipol Policy and Procedure updates included in liability funding
- Daily training bulletins made available to all members

Program Director and Other Staff

1. The Board of Directors appoints a Program Director who is responsible for the general administration of the JPA as directed by the Executive Committee.
2. Subject to the direction of the Board of Directors, the Executive Committee shall provide for the appointment of such other staff of the Authority as may be necessary for the administration of the Authority. Supervision of staff is delegated to the Executive Committee.
3. The Program Director and other staff of the JPA have such powers, duties and obligations as are established by the governing documents, policies, procedures and any contractual arrangements.
4. Subject to any applicable contractual arrangement which may take precedence, the Program Director shall serve at the will and pleasure of the Board of Directors.

BOARD AND COMMITTEE MEMBER ELIGIBILITY

APPOINTMENT PROCESS

Board Members and Alternates are appointed by their respective municipalities by resolution. Some are standing appointments based on the person's job title and some are specific to the individual. Some Members have delegated the appointment to their City Manager.

Board members are appointed to the Executive Committee based on a rotating schedule designed to provide a mix of larger and smaller members from throughout the JPA's territory.

SECTION 2: OPERATING PROCEDURES

NorCal Cities is a Joint Powers Authority (JPA) and operates under a set of Governing Documents including the JPA Agreement, Bylaws, and Policies and Procedures for finance, claim, and risk management activities. The JPA Agreement is adopted and may only be modified by each Member's governing body, while the Bylaws and Policies and Procedures may be modified by the Board of Directors. Resolutions are also passed by the Board as needed, including delegating authority to the Treasurer on an annual basis.

SECTION 3: OPEN MEETING REQUIREMENTS

The Ralph M. Brown Act, Government Code Section 54950 et seq., sets forth strict requirements for meetings, noticing of meetings, agendas and related subjects. It applies to the Board and all standing Committees when a quorum of that body is present at the meeting.

A meeting is defined as the coming together of a quorum or more of a particular body where public business is discussed and action is taken or an agreement is reached as to a course of action. Purely social events are not meetings.

POSTING OF NOTICES FOR REGULAR MEETINGS

The agenda for a regular meeting must be posted at least 72 hours prior to the commencement of the meeting, and the legislative body may discuss, but is prohibited from taking action on, any items not appearing on the agenda, including items brought up by the public, unless the body finds by a 2/3 vote that an item needing prompt action arose after the 72-hour deadline.

SPECIAL MEETINGS

A legislative body (Committee or Board) may need to call a meeting for a particular purpose so that action can be taken on items that cannot wait until the next regular meeting. State law requires that the meeting must be called by the chair with a minimum of 24-hour advance notification of all members. The agenda for the meeting must be posted within 24 hours of the meeting.

EXCEPTIONS

There are very limited exceptions to the requirement for properly noticed, advance agenda, open meetings that the public is entitled to attend. The exceptions include matters relating to labor relations or personnel, pending or threatened litigation, and acquisition of real property. The Claims Committee regularly conducts Closed Session meetings to review and provide authority or direction on pending claims.

MEETING LOCATION

One additional provision of the Brown Act is a prohibition on conducting any meeting, conference or other function in any facility that prohibits admittance of any person or persons on the basis of race, religious creed, color, or national origin, ancestry or sex. While there are not many of such facilities today, care should be taken to schedule events in facilities that are open to all. All meetings must be held within the jurisdiction of the NorCal Cities members.

VIOLATIONS

The penalties for Brown Act violation can be significant. In addition to being a misdemeanor, the validity of actions taken can be challenged in court. The prevailing party will be entitled to set aside the action under some circumstances, and will receive, in addition, attorney's fees, which can be very costly.

SECTION 4: MEETING CLASSIFICATIONS

REGULAR MEETINGS

Committees and Boards accomplish work in regularly scheduled meetings. Board and Committee meetings are open to the public. If it is not possible to obtain a quorum on a regular meeting date, consideration may be given to rescheduling the meeting. Care should be taken to notify all parties with business on the agenda of the meeting

change. A quorum at any regular meeting may, by formal action, substitute another day or time for a regular meeting.

ADJOURNED MEETINGS

If, for any reason, the agenda for a regular meeting cannot be completed, the Committee or Board may designate a time and place for an adjourned meeting to consider any unfinished business. This action will serve as notice to the members present; members not present shall be notified of the adjourned meeting by the Chair or staff liaison. In addition, a notice of the adjourned meeting must be posted and if requested the press must be notified pursuant to Brown Act regulations. (GC 54955)

SPECIAL MEETINGS

A presiding officer or a majority of the body or Administrator may call a special meeting for items that cannot wait until the next regular meeting, pursuant to Brown Act regulations. (GC 54956)

CLOSED SESSIONS

There are three types of “notice” obligations that accompany the conduct of a closed-session as a part of a duly noticed meeting. First, each item to be transacted or discussed in a closed session must be briefly described on an agenda for the meeting. (§ 54954.2(a).)

Second, prior to adjourning into closed session, a representative of the legislative body must orally announce the items to be discussed in closed session. (§ 54957.7(a).) This requirement may be satisfied by merely referring to the relevant portion of the written agenda for the meeting. However, the Act contains specific additional requirements for closed sessions regarding pending litigation where the body believes it is subject to a significant exposure to potential litigation. (§54956.9(b)(3).) Third, once the closed session has been completed, the agency must reconvene in open session, where it may be required to report votes and actions taken in closed session. (§ 54957.1.) These requirements are discussed in detail below.

SECTION 5: MEETING PROCEDURES AND CONFLICT OF INTEREST

RULES OF ORDER

Robert’s Rules of Order govern the conduct of meetings though Members typically do not strictly adhere to ~~these~~ certain aspects regarding communication to/from the Chair and among themselves.

VOTING

- **Quorum**: A majority of the members of the Board/Committee constitutes a quorum for the conduct of routine business. Official action requires a majority vote of the quorum.
- **Conflict of Interest**: No Board or Committee may enter into a contract of any type with private persons or businesses if any member of said body has any type of financial interest in it, whether disclosed or not, and whether or not the member disqualifies him/herself.

SECTION 6: MEETING MINUTES

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Minutes are a record of all actions and proceedings, but not a record of discussions. Written Minutes of all regular and special meetings of Committees/Boards must be kept as the official record of business transacted and are taken by NorCal Cities Program Administrators and signed by the Secretary.

The minutes should include a brief summary of the discussion, actions taken and record of motions made and members voting.

The motions should include who made the motion, who seconded the motion, what was moved and seconded.

Minutes are approved at the next regular meeting of the board or committee and become the official record of its activities. Any corrections to the Minutes may be made in public meetings with approval of a majority of the body. Copies of the Minutes are posted on Alliant Connect and the NCCSIF website.

In summary the Minutes should contain:

- ♦ Name of the Committee or Board
- ♦ Name of any other members or guests present
- ♦ Meeting time, date and place
- ♦ The name of the presiding officer
- ♦ The names of those members present and those absent
- ♦ A description of each item of business highlights of discussion resulting in the action, and the exact disposition of each item[
- ♦ All main motions whether passed or lost
- ♦ Signature of the secretary

SECTION 7: MEETING AGENDAS

The agenda is an outline of topics or items of business to be introduced, discussed and acted upon at the meeting. Agendas for meetings of regularly scheduled Committees and Boards shall be posted pursuant to the requirements of the Ralph M. Brown Act, requiring posting on the NCCSIF Website and Alliant Connect not less than 72 hours prior to the meeting day and time.

SECTION 8: STATEMENTS OF ECONOMIC INTEREST & ETHICS TRAINING

Board members are required to file public, personal financial disclosure reports with the Fair Political Practices Commission (FPPC), Form 700, "Statement of Economic Interest" (SEI). Each required filer must file a Form 700, under penalty of perjury (Political Reform Act Section 81004). Once filed, the form is a public document and must be made available to the public upon request. Public officials are not required to list their home addresses or home telephone numbers on the form.

Members must file a form 700 when assuming or leaving their position on the Board and must file the form annually by April 1.

NorCal Cities' Conflict of Interest Code specifies the categories of disclosure and who must file. The agency must review its Conflict of Interest Code biennially by October of even-numbered years. The Code revision must

include a list of “Designated Employees” who are officers, employees, members of advisory Committees, Commissions and Boards and consultants who, by their position, may “make or participate in the making of a governmental decision.”

The Form 700 alerts public officials about their own economic interests and potential areas of conflict in relation to their duties, and provides information to members of the public who may monitor official actions for any conflicts. The FPPC and individual agencies have the authority to levy penalties when a Statement of Economic Interest is not filed on time. The FPPC also has the authority to levy administrative fines up to \$5,000 per violation of the Political Reform Act or seek civil penalties in the courts.

The filing deadline is April 1 of each year.

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APPENDICES

Annual Report

Resource Contact Guide

Service Calendar

Definitions

Executive Committee Rotating Schedule

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BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 22, 2021**

Agenda Item J.

INFORMATION ITEMS

ISSUE: The following items are being presented as information for NCCSIF members.

RECOMMENDATION: None. This item is offered as information only.

FISCAL IMPACT: None.

BACKGROUND: None

ATTACHMENT(S):

1. Glossary of Terms
2. NCCSIF Organizational Chart
3. NCCSIF 2020-2021 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
7. Claims Reporting Documents

Term	Definition
4850	Labor Code Section 4850 provide a special benefit for certain public employees who are essentially in safety and law enforcement positions.
AB 1234	Ethics Education for Local Officials
AB 1825	Harassment Prevention Training for Supervisors
Active Negligence	The party that was negligent took an active part in doing whatever caused the damage. For example, a city digging a hole and someone falls in
ACV (Actual Cash Value)	The amount equal to the replacement cost minus depreciation of a damaged or stolen property at the time of the loss. It is the actual value for which the property could be sold, which is always less than what it would cost to replace it.
Adhesion	When one party has greater power over the other party in drafting the contract (i.e. the provisions of the contract are prepared by one party --the insurer. The other party the insured does not take part in the preparation of the contract).
ATD (Aerosol Transmissible Diseases)	An epidemiologically significant disease that is transmitted via droplet or airborne route.
Aggregate	The term used to describe the cumulative amount of all losses for a period of time.
Aggregate Stop Loss	A financial arrangement with a JPA's excess carrier that caps the aggregate to a predetermined limit at which point the excess carrier would "drop down" and pay losses within the JPIA's SIR, or pooled layer.
AME (Agreed Upon Medical Examiner)	A medical provider who has been certified by the Division of Workers' Compensation by passing an administrative exam. An AME is selected (or agreed upon) by two parties in order to help resolve a dispute about a WC claim.
Aleatory	An insurance contract is aleatory meaning it is contingent on an uncertain event (a loss) that provides for unequal transfer of value between the parties.
ACIP (Alliant Crime Insurance Program)	Program offered by Alliant that created to bring the advantages of group purchase to public entities seeking very broad coverage for illegal acts committed by their employees while on the job.
APIP (Alliant Property Insurance Program)	The largest single property insurance placement in the world. Formed by Alliant Insurance Services in 1993 to meet the unique property insurance needs faced by public entities.
ADA (American Disability Act)	A federal law that prohibits discrimination against people with disabilities in employment, transportation, public accommodation, communications, and governmental activities. The ADA also establishes requirements for telecommunications relay services. For the U.S. Equal Employment Opportunity Commission office (EEOC office) in your area, call 1-800-669- 4000 or 1-800-669-6820 (TTY).
Assessment company	Providing primarily fire and windstorm insurance for small towns and farmers (charge members a pro rata share of losses at the end of each policy period)
AIS (Associate in Insurance Services)	Professional designation awarded by the Insurance Institute of America (IIA) upon successful completion of four national exams, one specifically designed for this program and the three examinations in the IIA Program in General Insurance.
AGRIP (Association of Governmental Risk Pools)	A national organization of JPA's and public agency insurance pools. Formed for educational, information gathering and political lobbying purposes. Affiliated with PRIMA

ALCM (Associate in Loss Control Management)	A professional designation earned after the successful completion of five national examinations given by the Insurance Institute of America (IIA).
ARM (Associate in Risk Management)	A nationally recognized educational program for dedicated risk management professionals, developed by the Insurance Institute of America.
Attachment Point	The dollar amount of a loss where the next layer of insurance begins to pay for the loss.
Automobile Liability	Designed to afford bodily injury and property damage liability coverage associated with owned, non-owned and hired vehicles. May include medical payments, uninsured/underinsured motorists' liability coverages.
Automobile Physical Damage	Usually a first party coverage; however, some entities have "Bailment" or "care, custody and control" liability exposures such as garages, maintenance facilities that service vehicles of others, and parking lots
Best's Rating	A rating system that indicates the operating and financial condition of insurance companies. Information is developed and published annually by the A. M. Best company. Generally one looks for a company with a rating of A VII or better.
BOD/BD (Board of Directors)	Body of elected or appointed members who jointly oversee the activities of a company or organization.
BI (Business Interruption)	A form of insurance coverage that replaces business income lost as a result of an event that interrupts the operations of the business, such as fire or a natural disaster.
CAJPA (California Association of Joint Powers Authorities)	Performs regulatory and legislative lobbying as well as accreditation of Joint Powers Authorities to promote the financial stability of JPAs.
CIPRA (California Institute for Public Risk Analysis)	Organized to develop, analyze and disseminate information on risk management in California's public sector, especially self-insured entities and Joint Powers Authorities
CJPRMA (California Joint Powers Risk Management Authority)	CJPRMA provides the excess coverage to NCCSIF's Liability Program
CSAC (California State Association of Governments)	CSAC is a lobbying, advocacy and service organization representing the state's 58 counties at the state and federal level. Areas of focus include the state budget, health-care reform, corrections reform, transportation funding, water and climate change
CSAC-EIA (California State Association of Governments - Excess Insurance Authority)	CSAC-EIA is a member directed insurance risk sharing pool. The EIA has developed effective risk management solutions to help California public entities proactively control losses and prepare for different exposures. CSAC-EIA provides excess coverage to NCCSIF's workers' compensation pool.
CalTIP (California Transit Insurance Pool)	In 1986 the California Transit Association formed an insurance committee and authorized the preparation of a study of alternative methods of providing liability insurance coverage and began providing liability coverage in 1987.
Catastrophic Loss Reserve	A separate JPIA reserve account designated to pay losses without additional premium assessments to members.
CIC (Certified Insurance Counselor)	An insurance agent professional certification designation

CIH (Certified Industrial Hygienist)	CIH is a professional whose job it is to protect the health of workers and the general public. A CIH is educated, trained and certified to recognize health hazards, test the environment for those hazards and determine when they pose a risk to those who might be exposed to them.
CPCU (Chartered Property Casualty Underwriter)	CPCU is a professional designation in property-casualty insurance and risk management
Claim	A demand of a right. In general a demand for compensatory damages, resulting from the actions of another.
Claims Made	A provision of an insurance policy that requires it to pay only for claims presented during the policy period with no regard for when the action causing the claim took place. Typically, a claims-made form also includes a retroactive date setting the earliest date for which a covered occurrence can happen. (Also see "Occurrence")
C&R (Compromise and Release)	A type of settlement in which you receive a lump sum payment and become responsible for paying for your future medical care. A settlement like this must be approved by a workers' compensation judge.
Conditional	An insurance policy includes a number of conditions that both the insured and the insurer must comply with. (i.e. a covered loss occurs, the insured must notify the insurer about the loss and the insurer must use the valuation methods specified in the policy to settle the loss- thus the contract is conditional)
Conditions	Describe the responsibilities and the obligations of both the insured and the insurance company.
CL (Confidence Level)	An estimated probability that a given level of funding will be sufficient to pay actual claim costs. The higher a CL the greater the certainty the actuary has that losses will not exceed the dollar value used to attain the CL.
Contract	A legal agreement between two competent parties that promises a certain performance in exchange for a certain consideration.
Contract of Utmost Good Faith	As the insurance company relies on the truthfulness and integrity of the applicant when issuing a policy. In return, the insured relies on the company's promise and ability to provide coverage and pay claims.
CSP (Certified Safety Professional)	CSP's are qualified persons that are competent and trained to detect and appraise hazardous materials, procedures and activities of workers, materials and work environments. They are highly educated, trained and experienced in the field of safety.
Cumis Counsel	Cumis refers to a lawsuit against the Cumis Insurance Society in which they were found to have controlled the defense attorney to the detriment of their insured. The court determined that the Society should have assigned separate counsel to represent the exclusive interests of the insured. The need for <i>cumis counsel</i> arises in situations where there are significant coverage issues and defense counsel is conflicted between his duty to his client and the obligations to the insurance carrier.
DE9	Quarterly Contribution Return and Report of Wages
Declarations	Contain information such as the name of the insured, the address, the amount of coverage provided, a description of property, and the cost of the policy
Deductible	It is that portion of each claim that is paid by the member at the time of loss. It is in addition to any premium already paid
Defense	A defendant's denial to a complaint or cause of action

Definitions	Clarify the meaning of certain terms used in the policy
Deposit Premium	Premium required at the beginning of a policy period based on estimated costs
DIC (Difference In Conditions)	A specialized property insurance policy written to provide coverage for perils not covered in a standard property policy or in the JPIA's Memorandum of Property Coverage. In particular, it is most often used to provide coverage for earthquake and/or flood losses.
D&O (Directors and Officers)	Liability insurance payable to the directors and officers of a company, or to the organization(s) itself, as indemnification (reimbursement) for losses or advancement of defense costs in the event an insured suffers such a loss as a result of a legal action brought for alleged wrongful acts in their capacity as directors and officers.
Directors, Officers and Trustees Liability	Intended to protect nonprofit board members, officers, and directors for faulty decisions, which imperil the entity. Usually written to include entity reimbursement for legal actions and personal liability of specific wrongdoers
DOL (Date of Loss)	Regarding property claims this is usually the date of occurrence of physical damage to property. In WC claims this is usually the date a physical injury occurred to an employee.
Doctrine of reasonable expectations	a policy includes coverages that an average person would reasonably expect it to include regardless of what the policy actually provides
EQ (Earthquake)	a sudden and violent shaking of the ground, sometimes causing great destruction, as a result of movements within the earth's crust or volcanic action
Employers' Liability	Included as part of a worker's compensation insurance policy. Covers liability for losses arising out of injuries to employees that are not covered by statutory workers' compensation benefits
EPL (Employment Practices Liability)	Written to protect an entity from liabilities arising from allegations of discrimination, failure to promote or hire, harassment, ADA responsibilities, wrongful termination, etc.
Endorsement	Any change to the original policy (attached to the policy itself)
Environmental Impairment Liability	Also referred to as "Pollution" and "Pollution Legal" Liability; can be written to protect an entity from actions resulting from contamination of air, water, property. First party (damage to owned property) and third party (liability for damage to others) protections are often provided on the same policy
E&O (Errors and Omissions Insurance)	Professional liability insurance that protects companies and individuals against claims made by clients for inadequate work or negligent actions, usually includes both court costs and any settlements up to the amount specified on the insurance contract.
Errors and Omissions Liability	Excludes bodily injury and property damage; intended to afford protection for the "misfeasance, malfeasance or non-feasance" of public officials, employees and volunteers. May also include incidental medical personnel (paramedics), police and fire personnel, architects and plan checkers, engineers, and on-staff attorneys
Excess Insurance	Insurance that is purchased to provide higher limits than the primary policy or coverage provides
Excess Loss	The portion of a loss that is allocated to, or paid by, excess coverage
Exclusions	Describe the losses for which the insured is not covered
EC (Executive Committee)	Committee within that organization which has the authority to make decisions and ensures that these decisions are carried out.

Expected liabilities	Outstanding reserves plus Incurred But Not Reported (IBNR) and Loss Adjustment Expense, discounted at the "Expected" Confidence Level (CL).
Exposure	A condition or situation that presents a possibility of loss (i.e. home built on flood plain is exposed to the possibility of flood damage).
FASB (Financial Accounting Standards Board)	FASB standards, known as generally accepted accounting principles (GAAP), govern the preparation of corporate financial reports and are recognized as authoritative by the Securities and Exchange Commission.
Fidelity Bonds	Written as financial guarantees of employees' honesty. Personnel with money-handling responsibilities are considered exposures to loss.
Fiduciary Liability	Covers board members, executives and other decision-making personnel with responsibilities for pension funds, retirement plans and employee benefit monies for negligent decisions that result in losses to such funds.
GAAP (Generally Accepted Accounting Principles)	GAAP refers to the standard framework of guidelines for financial accounting used in any given jurisdiction; generally known as accounting standards or standard accounting practice
GASB (Governmental Accounting Standards Board)	GASB is the source of generally accepted accounting principles (GAAP) used by State and Local governments in the United States. As with most of the entities involved in creating GAAP in the United States, it is a private, non- governmental organization.
General Liability	Written to protect the member's assets against liability for property damage of or bodily injury to third parties (see definition of parties).
Hazard	Anything that increases the chance of loss (also see Physical Hazard, Morale Hazard and Moral Hazard).
HIPAA (Health Insurance Portability and Accountability Act)	A federal law enacted in 1996 that protects continuity of health coverage when a person changes or loses a job, that limits health-plan exclusions for preexisting medical conditions, that requires that patient medical information be kept private and
IBNR (Incurred But Not Reported)	It is that part of the total claims that is unknown at any point in time. At any time, NCCSIF has claims that have not been reported or recognized by NCCSIF or has claims recognized by NCCSIF but without knowledge of the cost when such claim is finally closed. NCCSIF uses an actuary to project the costs of these unknown liabilities to NCCSIF - the estimate of funds needed to pay for covered losses that have occurred but have not been reported to the member and/or NCCSIF and expected future development on claims already reported
Incurred Loss	This is the ultimate expected total value of any claim. It includes the amount already paid, plus the estimated amount yet to be paid (reserves)
IIPP (Injury Illness Prevention Program)	Proactive process of assessing workplace hazards prior to an injury being reported
Insurable Interest	Before you can benefit from insurance; you must have a chance of financial loss or a financial interest in the property
Insurance	A contract or device for transferring risk from a person, business, or organization to an insurance company that agrees, in exchange for a premium, to pay for losses through an accumulation of premiums
IRIC (Insurance Requirements in Contracts)	In insurance, the insurance policy is a contract (generally a standard form contract) between the insurer and the insured, known as the policyholder, which determines the claims which the insurer is legally required to pay.

ISO (Insurance Services Office, Inc.)	An insurance industry association that collects statistical data for rate making and develops standard insurance policy forms. ISO is the organization that drafted the standard commercial general liability (CGL) commonly used by insurers
Insuring agreements	State in general what is to be covered, also includes a description of what type of property is covered and the perils against which it is insured (i.e. the losses for which the insured will be indemnified)
Inverse Condemnation	Both the United States Constitution and the California Constitution require that a private citizen be compensated if property is "taken" by a public entity. When the property is taken proactively it is called eminent domain. When the property is taken "accidentally," without due course, it is called inverse condemnation. Negligence need not be proven. The claimant's legal expenses are payable in addition to actual damages.
Limit	The most that will be paid in a loss
LRP (Long Range Planning)	Exercise aimed at formulating a long-term plan, to meet future needs estimated usually by extrapolation of present or known needs. It begins with the current status and charts out a path to the projected status, and generally includes short- term (operational or tactical plans) for achieving interim goals.
LAE (Loss Adjustment Expense)	Administrative expense to manage a claim to conclusion - Allocated LAE (ALEA) are expenses attributable to a specific claim such as attorney fees - Unallocated LAE (ULAE) are overhead expenses not attributable to a specific claim such as salaries or office rental.
Loss Ratio	The amount of loss divided by the amount of premium, contributions, payroll or property values.
Master Plan Documents	A document issued by a JPA defining the structure, rights and obligations of the participants and procedures of an insurance or self- funded program
MMI (Maximum Medical Improvement)	When an injured employee's condition is well stabilized and unlikely to change substantially in the next year, with or without medical treatment. Once an employee reaches MMI, a doctor can assess how much, if any, permanent disability resulted from the work injury. See also P&S
MOC (Memorandum of Coverage)	A document issued by a JPA defining the coverage provided to the members
Moral Hazard	A person might create a loss situation on purpose just to collect from the insurance company (i.e. a pre-arranged faked theft of an older vehicle so the owner could collect insurance money and buy something new).
Morale Hazard	An individual, through carelessness or by irresponsible actions, can increase the possibility for a loss (i.e. a person who drives a car carelessly because he knows a loss will be insured if an accident occurs).
Mutual interest company	The insureds are also owners of the company and so they can vote to elect the management of the company (profits are returned to the insureds in the form of dividends or reductions in future premiums)
Named Insured	Any person, firm, or corporation, or any of its members specifically designated by name as insured(s) in the policy as distinguished from others who, although unnamed, are protected by the policy definition. A named insured under the policy has rights and responsibilities not attributed to additional insureds, such as premium payment, premium return, notice of cancellation, and dividend participation

Net Assets	(Equity, surplus or Net Position) Total assets less Expected liabilities- the amount of funds remaining after subtracting liabilities at the actuarially determined "Expected" Confidence Level (approx. 50% CL)
Net Contribution	A total contribution for losses less excess insurance costs
Non Vacant land	Refers to land that is occupied and used, and/or has structures on it (i.e. shack, building, park with benches).
Obligee	Is an individual, partnership, corporation, or a government entity which requires the guarantee that an action or service will be performed. If not properly performed, the surety pays the obligee for any damages or fulfills the obligation.
Occurrence	A) In order for NCCSIF to pay a liability claim, it must arise out of an occurrence. This is an accident, event, act or omission to act which results in "damages," "bodily injury," or "property damage" neither expected nor intended from the covered parties' conduct. B) A provision of an insurance policy that requires it to pay for a claim caused during the policy period regardless of when it is presented.
Passive Negligence	The party that was negligent did not take part in the action that caused the damage, but was responsible for somehow allowing it to take place. For example, a city allowed a contractor to dig a hole on city property and someone fell in.
Peril	Cause of a loss
P&S (Permanent and Stationary)	When an employee's medical condition has reached maximum medical improvement. Once an employee is declared P&S, a doctor can assess how much, if any, permanent disability resulted from the work injury. If the disability is rated under the 2005 schedule you will see the term maximal medical improvement (MMI) used in place of P&S. See also MMI
PD (Permanent Disability)	Any lasting disability that results in a reduced earning capacity after maximum medical improvement is reached.
PPE (Personal Protective Equipment)	PPE refers to protective clothing, helmets, goggles, or other garments or equipment designed to protect the wearer's body from injury.
Physical Hazard	A hazard that arises from the condition, occupancy, or use of the property itself (i.e. skateboard left on the porch steps).
Plaintiff	The party who complains or sues in a personal action. A claimant becomes a plaintiff by filing suit.
Pooled Loss	The portion of a loss that is allocated to, or paid by, the self-insured pool. NCCSIF's Liability Program pools, or self-insures, the first \$500,000 of each occurrence. Loss costs exceeding this amount are paid by excess insurance.
Principal	Is an individual, partnership, or corporation who offers an action or service and is required to post a bond. Once bonded, the surety guarantees that he will perform as promised.
Principle of Indemnity	When a loss occurs an individual should be restored to the approximate financial condition he was in before the loss no more and no less.
Property Insurance	This covers the member for damage to its own property, sometimes called first- party coverage.
PARMA (Public Agency Risk Managers Association)	A statewide association for risk managers in the public sector. Educational and lobbying activities.

PRIMA (Public Risk Management Association)	A national association for risk managers in the public sector. Formed for educational, information gathering and political lobbying purposes.
Pure Risk	Involves only the possibility of loss
QME (Qualified Medical Examiner)	A medical provider who has been certified by the Division of Workers' Compensation by passing an administrative exam.
Reciprocal company	(to give/take), a member of a reciprocal agrees to share the insurance responsibilities with all other members of the unincorporated group (all members insure each other and share the losses with each other) NOTE: managed by an attorney-in-fact who is empowered to handle all of the business of the reciprocal.
RC (Replacement Cost)	The cost to replace damaged property with like kind and quality, with no deduction for depreciation, but still subject to a "limit"
Reserve	In order to budget for its expected costs and to know when a claim must be reported to the excess coverage, NCCSIF estimates the ultimate expected total value of each claim and "reserves" part of the not paid. As moneys are paid out for a claim, the reserve amount is decreased
Retrospective Premium Adjustment	At the beginning of each policy period, NCCSIF collects a deposit premium representing the estimated costs for that year. Each year a calculation of expenses associated with the policy period are subtracted from the deposit premium. At some point the excess funds will be returned, or shortage of funds will be charged. This process is repeated annually for each coverage year until all claims for that year are closed out and there is no IBNR allocated to that policy year.
Risk	The chance or uncertainty of loss (also see Speculative Risks and Pure Risks)
RIMS (Risk and Insurance Management Society)	National professional organization to promote principles of risk management and assist risk managers in their daily activities
Risk Control	Those risk management techniques designed to minimize the frequency and/or severity of claims. Risk control techniques include exposure avoidance, loss prevention, loss reduction, segregation of loss exposures, and contractual transfer to shift losses to others
Risk Financing	Techniques for generating funds to pay for losses that risk control methods do not entirely eliminate. There are two types of risk financing techniques -- retention and transfer. Retention involves paying for losses using an organization's own assets; transfer involves covering losses by an unrelated entity for a consideration (such as a payment of a premium)
Risk Management	One of the specialties within the general field of management, the process of managing an organization's activities to minimize the adverse effects of accidental losses on a cost-effective basis. Risk management has two components -- risk control and risk financing.
Self-Insured	Coverage of losses from the insured's own funds, rather than an insurance policy. Generally refers to a planned program for financing or otherwise recognizing losses
SIR (Self-Insured Retention)	The maximum amount of exposure to a single loss retained by NCCSIF

Severability of Interests Clause	An insurance policy provision clarifying that the word “insured,” as it appears within various parts of a policy, applies severally and not collectively. When there is more than one insured, the effect is as though a separate policy is issued to each insured. Thus, a policy containing such a clause will cover a cross liability claim – a claim made by one insured against another insured. The one exception to the separate application to each insured of a policy containing a severability of interest clause is that the limits are not cumulative; that is, one set of limits applies to all insureds collectively
Special Events	Designed to cover your sponsorship of events, such as fireworks shows, festivals, community/entity celebrations; often written to protect other policies’ loss integrity. Another type of special event coverage, known as a “tenants and permittees” policy, can be issued for third parties who rent or use your owned facilities.
Speculative Risk	Risks in which there exists both the possibility of gain and the possibility of loss (i.e. poker game)
Spread of Risk	The greater the spread of risk the less likely that there will be a catastrophic loss for the insurance company (i.e. NOT insuring every person in a single town that could be hit by a fire which destroys the town= catastrophic loss for the insurance company vs. insuring several people in MANY towns to spread out the risk of a catastrophic loss)
Stock company	Sells stock to stockholders to raise the money necessary to operate the business (profits attributed to the operation of the company are returned as dividends to the stockholders, not the insureds)
Subrogation	The insurer’s right to proceed against a third person if that third person was responsible for a claim paid by the insurer. Employee dishonesty can be subrogated by the insurance company against a dishonest employee
Surety	Is usually a corporation which determines if an applicant (principal) is qualified to be bonded for the performance of some act or service. If so, the surety issues the bond. If the bonded individual does not perform as promised, the surety performs the obligation or pays for any damages.
TD (Temporary Disability Benefits)	Payments an employee receives if they lose wages because of a work related injury which prevents them from doing their usual job while recovering.
TPA (Third Party Administrator)	TPA is a person or organization that processes claims and performs other administrative services in accordance with a service contract, usually in the field of employee benefits.
TIV (Total Insured Values)	The values shown on a member city’s schedule or appraisal for property coverage. Only those items shown on the schedule are covered for loss.
TRIA (Terrorism Risk Insurance Act)	TRIA is a United States federal law signed into law by President George W. Bush on November 26, 2002. The Act created a federal “backstop” for insurance claims related to acts of terrorism.
Vacant land	Refers to land that is unoccupied and unused, and/or has no structures on it.
VIN (Vehicle Identification Number)	Unique code including a serial number, used by the automotive industry to identify individual motor vehicles, towed vehicles, motorcycles, scooters and mopeds as defined in ISO 3833.

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
2020-2021 Organizational Chart
Updated as of 4/9/2021

MEMBER ENTITY	BOARD OF DIRECTORS		BOARD ALTERNATES	RISK MANAGEMENT COMMITTEE	POLICE RISK MANAGEMENT COMMITTEE
City of ANDERSON		Liz Cottrell	Jeff Kiser	Liz Cottrell	Chief Michael Johnson
City of AUBURN		Cristina Shafer	<i>None Appointed</i>	Shari Harris	Chief Ryan L. Kinnan(Vice-Chair)
City of COLUSA		Ishrat Aziz-Khan	Shelly Kittle	Ishrat Aziz-Khan	Chief Josh Fitch
City of CORNING		Kristina Miller	Tom Watson	Tom Watson	Chief Jeremiah Fears
City of DIXON		Rachel Ancheta	Kate Zawadzki	Rachel Ancheta	Acting Chief Tom Cordova
City of ELK GROVE		Kara Reddig	Jim Ramsey	Jim Ramsey - Alternate Rep. Julie Rucker	Lieutenant Ryan Elmore
City of FOLSOM	*EC	Susan Walter	Steven Wang	Susan Walter	Chief Rick Hillman
City of GALT	EC/CC	Stephanie Van Steyn	Lorenzo Hines	Stephanie Van Steyn	Interim Chief Brian Kalinowski
City of GRIDLEY		<i>Vacant</i>	Elisa Arteaga	Elisa Arteaga	Chief Rodney Harr
City of IONE		<i>Vacant</i>	Lori McGraw	Lori McGraw	Chief Jeff Arnold
City of JACKSON	EC/CC	Yvonne Kimball	Dalacie Blankenship	Yvonne Kimball	Interim Chief Chris Mynderup
City of LINCOLN	EC CJPRMA Board Rep	Veronica Rodriguez	Ruthann Codina	Veronica Rodriguez	Chief Doug Lee
City of MARYSVILLE	S / EC/CC	Jennifer Styczynski	<i>Vacant</i>	Jennifer Styczynski	Chief Chris Sachs
City of NEVADA CITY	EC	<i>Vacant</i>	<i>Vacant</i>	<i>Vacant</i>	Chief Chad Ellis
City of OROVILLE		Liz Ehrenstrom	<i>None Appointed</i>	Liz Ehrenstrom (Chair)	Chief Joe Deal
Town of PARADISE		<i>Vacant</i>	Crystal Peters	Crystal Peters	Chief Eric Reinbold
City of PLACERVILLE	*P / *EC / *CC	**Dave Warren (Chair)	Cleve Morris	Dave Warren	Chief Joseph Wren
City of RED BLUFF		Sandy Ryan	Anita Rice	Sandy Ryan	Chief Kyle Sanders (Chair)
City of RIO VISTA	VP/T/*EC/*CC	**Jose Jasso (Vice-Chair)	**Jen Lee, CPA	Jose Jasso	N/A
City of ROCKLIN		<i>Vacant</i>	Andrew Schiltz, CPA	Andrew Schiltz, CPA	Chief Chad Butler
City of WILLOWS		Wayne Peadbody	<i>None Appointed</i>		N/A
City of YUBA CITY		Spencer Morrison	<i>Vacant</i>	Sheleen Loza	Chief Robert Landon

OFFICERS		
		Term of Office
President (P)	Dave Warren	10/29/2020 - 6/30/2022
Vice President (VP)	Jose Jasso	10/29/2020 - 6/30/2022
Treasurer (T)	Jen lee	10/29/2020 - 6/30/2022
Secretary (S)	Jennifer Styczynski	7/1/2020- 6/30/2022

Executive Committee (EC) - membership on the EC rotates annually based on a rotation schedule and each member serves for a two-year term, with the **President** serving as **Chair of the Committee**.

Claims Committee (CC) - members of the CC are annually selected by the EC. CC is traditionally made up of at least five members of the EC, with the **Vice President** serving as **Chair of the Committee**.

CJPRMA Board Representative
 Veronica Rodriguez appointed 10/24/2019

PROGRAM ADMINISTRATORS (Alliant Insurance Services)	
Michael Simmons	Marcus Beverly
Conor Boughey	Raychelle Maranan
Jenna Wirkner	

CLAIMS ADMINISTRATORS (Sedgwick formerly York)
Dorienne Zumwalt
Steven Scott (Workers' Comp)
Jill Petrarca (Liability)

RISK CONTROL CONSULTANTS (Sedgwick formerly York/Bickmore)
Dave Beal
Tom Kline (Police RM)

ADVISORS
Byrne Conley (Board Counsel)
James Marta, CPA (Accountant)



PROGRAM YEAR 20/21 MEETING CALENDAR

Thursday, August 6, 2020..... **Police Risk Management Committee** at 10:00 a.m.

Thursday, September 24, 2020 **Claims Committee** at 10:00 a.m.
Executive Committee at 11:30 a.m.

Thursday, October 29, 2020..... **Risk Management Committee** at 10:00 a.m.
Board of Directors at 12 noon

Thursday, November 5, 2020..... **Police Risk Management Committee** at 10:00 a.m.

Thursday, December 10, 2020 **Board of Directors** at 10:00 a.m.

Thursday, February 4, 2021 **Police Risk Management Committee** at 10:00 a.m.

Thursday, March 25, 2021 **Claims Committee** at 10:00 a.m.
Executive Committee at 11:30 a.m.

Thursday, April 22, 2021 **Risk Management Committee** at 10:00 a.m.
Board of Directors at 12 noon

Thursday, May 6, 2021 **Police Risk Management Committee** at 10:00 a.m.

Thursday, May 27, 2021 **Claims Committee** at 10:00 a.m.
Executive Committee at 11:30 a.m.

Thursday, June 17, 2021 ***Board of Directors** at 10:00 a.m.

Meeting Location: Rocklin Event Center - Garden Room (August 2020 to December 2020)
2650 Sunset Blvd., Rocklin, CA 95677
Ballroom *

Rocklin Community Center (April 22, 2021 and May 27, 2021)
5480 5th Street, Rocklin, CA 95677

Note: Additional Claims Committee Meetings may be scheduled as needed for Claims Authority approval which will be held via teleconference.



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

TABLE OF CONTENTS

As a member of NCCSIF, your City/Town has many risk management resources available. This Services Matrix is designed to assist you with identifying and locating these resources.

CONTACT INFORMATION										
Pg. 1-2	Program Service Providers									
Pg. 3	Other Coverage Providers									
Pg. 4-6	Contracted Vendor Services (additional member cost)									
RISK MANAGEMENT SERVICE CATEGORY		SEDGWICK	PRISM	TARGET SOLUTIONS	OCCU - MED	APIP	LEXIPOL	ACI EAP	CAL-TIP	DKF SOLUTIONS/ CSRMA
Pg. 7	Telephone Hotline - Questions & Guidance	X								
Pg. 7	Hazard & Safety Assessment	X								X
Pg. 8	Program/Policy Development	X	X				X			X
	Safety Materials/Web-based Courses/Videos	X	X	X						X
Pg. 8	On-Site Training	X	X							X
Pg. 8	Ergonomic Evaluations	X								
Pg. 9	Risk Management Webinars	X	X			X				
Pg. 9	Employer Pull Notice Program		X							
Pg. 10	Pre-Employment Medical Services				X					
Pg. 10	Employee Assistance Program - Health & Wellness							X		
Pg. 11	Transit Resources (available to CalTIP members)								X	

* Services and resources are available at no additional cost, unless specifically noted.



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

PROGRAM SERVICE PROVIDERS

SERVICE PROVIDERS	CONTACT INFORMATION	SERVICES PROVIDED	
<p>PROGRAM ADMINISTRATION</p> <p>Alliant Insurance Services, Inc. 2180 Harvard Street, Suite 460 Sacramento, CA 95815 Main: (916) 643-2700 Fax: (916) 643-2750 www.alliant.com</p>	<p>Marcus Beverly Office: (916) 643-2704 Cell: (916) 660-2725 Marcus.Beverly@alliant.com</p> <p>Michael Simmons Office: (415) 403-1425 Cell: (925) 708-3374 msimmons@alliant.com</p> <p>Conor Boughey Office: (415) 403-1400 Cell: (415) 744-4889 cboughey@alliant.com</p> <p>Jenna Wirkner Office: (916) 643-2741 Jenna.Wirkner@alliant.com</p> <p>Raychelle Maranan Office: (916) 643-2712 Raychelle.Maranan@alliant.com</p>	<p><i>JPA MANAGEMENT ISSUES</i></p> <ul style="list-style-type: none"> ▪ Governance - policies and procedures, program budget/funding, financial analysis, program management, personnel, contracts, consultants. ▪ Coverage - coverage questions, quotations, new members, development of shared risk program coverage agreements, RFPs for services, actuary liaison, excess insurance/additional coverage marketing (Crime coverage, etc.), program development. ▪ Risk Management - Insurance Requirements in Contracts (IRIC), third party contract review, hold harmless and indemnification clauses, risk management program planning, RFPs for JPA payment approval of budgeted funds. 	<p>MAIN CONTACT Marcus Beverly Michael Simmons Jenna Wirkner Conor Boughey Raychelle Maranan</p>
		<p><i>JPA ADMINISTRATIVE ISSUES</i></p> <ul style="list-style-type: none"> ▪ Meetings & Compliance - agendas; minutes; development/maintenance of governing documents, development/interpretation of policies & procedures, JPA state compliance, Form 700, changes in Board members, website updates. ▪ Certificates - certificates of coverage, additions/deletions of coverages, special events liability coverage, automobile identification cards, auto/mobile equipment physical damage programs. 	<p>MAIN CONTACT Jenna Wirkner Raychelle Maranan Marcus Beverly</p>



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

PROGRAM SERVICE PROVIDERS

SERVICE PROVIDERS	CONTACT INFORMATION	SERVICES PROVIDED
<p>ACCOUNTING SERVICES</p> <p>James Marta & Company LLP 701 Howe Avenue, Suite E3 Sacramento, CA 95825 Main: (916) 993-9494 Fax: (916) 993-9489 www.jpmpca.com</p>	<p>Jim Marta, CPA jmarta@jpmpca.com</p> <p>David Becker, CPA</p> <p>Dee C. Leger-Garcia dleger-garcia@jpmpca.com</p> <p>Orysya V. Savchuk osavchuk@jpmpca.com</p>	<ul style="list-style-type: none"> ▪ Billing, accounting and financial managements
<p>SAFETY AND RISK CONTROL SERVICES</p> <p>Sedgwick <i>formerly York/Bickmore</i> 1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833 Main: (800) 541-4591 Fax: (855) 242-8919 www.sedgwick.com</p>	<p>Dave Beal Office: (916) 244-1127 dave.beal@sedgwick.com</p> <p>Tom Kline - Police Risk Management Office: (916) 244-1121 thomas.kline@sedgwick.com</p>	<ul style="list-style-type: none"> ▪ Telephone Hotline - Questions & Guidance ▪ Hazard & Safety Assessment ▪ Program/Policy Development ▪ Ergonomic Evaluations ▪ On-site Training ▪ Safety Materials ▪ On-line Streaming Videos ▪ Webinars - WC and Liability Risk Management Topics
<p>CLAIMS ADMINISTRATION</p> <p>Sedgwick <i>formerly York Risk Services Group, Inc.</i> P.O. Box 619079 Roseville, CA 95661-9058 Main: (916) 783-0100 Fax: (866) 548-2637 www.sedgwick.com</p>	<p>Dorienne Zumwalt Office: (916) 960-1017 dorienne.zumwalt@sedgwick.com</p> <p>Steven Scott - WC Senior Manager Office: (916) 960-0946 steven.scott@sedgwick.com</p> <p>Jill Petrarca - Liability Senior Manager Office: (916) 746-8849 jill.petrarca@sedgwick.com</p>	<p>Third-Party Workers' Compensation (WC) and Liability Claims Administrator --refer to York's <i>Who's Who in Claims</i> for specific Claim Adjuster's contact information.</p> <p>Report New Liability Claims to: 7374NCCSIF@sedgwick.com</p>



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

OTHER COVERAGE PROVIDERS

SERVICE PROVIDERS	CONTACT INFORMATION	SERVICES PROVIDED
<p>PRISM Excess Workers' Compensation Coverage</p>	<p>Travis Clemmer Kristen Calderon (video library) Office: (916) 850-7300 Email: tclemmer@csac-eia.org www.CSAC-eia.org</p>	<ul style="list-style-type: none"> ▪ Program/Policy Development (*additional member cost) ▪ On-site Training ▪ Safety Materials ▪ Video Library ▪ Webinars - WC Risk Management Topics
<p>Target Solutions Web-based Resources available through partnership with CSAC-EIA</p>	<p>http://csac-eia.targetolutions.com/</p>	<ul style="list-style-type: none"> ▪ Web-based Courses* ▪ Records Management <p><i>*EIA members are able to access the standard course library at no cost. However, there is a cost to the member for the premium content listed under "Additional Courses"</i></p>
<p>CJPRMA (California Joint Powers Risk Management Authority) Excess Liability Coverage</p>	<p>Tony Giles - General Manager Office: (925) 290-1316 Email: tony@cjprma.org http://www.cjprma.org/</p>	<ul style="list-style-type: none"> ▪ Regional Training provided on a variety of Liability-related Topics
<p>APIP - Alliant Property Insurance Program</p>	<p>Contact Marcus Beverly, Alliant Insurance Services, for questions.</p>	<ul style="list-style-type: none"> ▪ Webinars - Property Risk Management Topics <p>In addition, Boiler and Machinery coverage is provided through your participation in APIP.</p> <ul style="list-style-type: none"> ➤ For resources with your boiler, electrical, mechanical, and HVAC equipment, visit www.hsb.com/calc/ENG and use the online tools and calculators developed by Hartford Steam Boiler's engineering staff. ➤ Useful information specific to equipment care, operating logs and maintenance fact sheets on the website www.hsb.com which has several resources available under the 'Knowledge Center' tab.



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

<p>Lexipol Law Enforcement and Fire risk management</p> <p>Website: www.lexipol.com</p>	<p>Dale Cephers West Region Market Development Executive Office: (469) 731-4685 Email: dcephers@lexipol.com</p>	<ul style="list-style-type: none"> ▪ Police Risk Management Policies and Procedures ▪ Fire Training (*additional member cost)
<p>CalTIP - California Transit Indemnity Pool Self-insurance program for public transit operators</p>	<p>Terrie Norris, Sedgwick Office: (916) 290-4655 Email: terrie.norris@sedgwick.com Website: http://www.caltiponline.org/</p>	<ul style="list-style-type: none"> ▪ Transit Specific Risk Management Resources for Member Cities (Auburn and Dixon)



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

CONTRACTED VENDOR SERVICES (additional member cost)		
VENDOR SERVICES	CONTACT INFORMATION	SERVICES PROVIDED
<p>EMPLOYEE ASSISTANCE PROGRAM</p> <p>ACI Specialty Benefits Corporation 6480 Weathers Place, Suite 300 San Diego, CA 92121 Main: (800) 932-0034 Fax: (858) 452-7819 www.acieap.com</p>	<p>Kathryn Dobkin, Account Executive Office: (858) 736-0031 Email: kathrynd@acispecialtybenefits.com</p>	<ul style="list-style-type: none"> ▪ Employee Assistance Program
<p>Pre-employment Medical Services</p> <p>Occu-Med</p>	<p>Bill Vogeler Office: (559) 435-2800, ext. 101 Email: bvogeler@occu-med.com Website: www.occu-med.com</p>	<ul style="list-style-type: none"> ▪ Review of Pre-placement Medical Exams ▪ Job Analysis
<p>Sewer Risk Management</p> <p>DKF Solutions Group, LLC</p>	<p>David Patzer Office: 707.373.9709 Email: dpatzer@dkfsolutions.com Website: http://www.dkfsolutions.com</p>	<ul style="list-style-type: none"> ▪ Sewer Risk Management
<p>Aquatics Risk Management</p> <p>Total Aquatic Management www.totalaquaticmanagement.webs.com</p>	<p>Jim Wheeler Office: (510) 523-3155 Email: jim@totalaquaticmanagement.com swimnjim@hotmail.com</p>	<ul style="list-style-type: none"> ▪ Aquatic Safety services ▪ Certified Pool Operator (CPO) Trainings
<p>Sidewalk Repair Services</p> <p>Precision Concrete Cutting Main: (866) 792-8006 Fax: (650) 240-3866 www.dontgrind.com</p>	<p>Katrina Lynch (916) 847-7346 klynch@dontgrind.com</p> <p>Joseph Ortega jortega@DontGrind.com</p>	<ul style="list-style-type: none"> ▪ Sidewalk cutting to repair defects ▪ Will inspect to your specifications ▪ Map defects ▪ Repairs @ \$35 to \$50 per location



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

CONTRACTED VENDOR SERVICES (additional member cost)		
VENDOR SERVICES	VENDOR CONTACT INFORMATION	SERVICES PROVIDED
ADA Compliance	City Consulting Engineer - CEC Inc. Yuba City 1110 Civic Center Blvd. Ste. 404 Yuba City, CA 95993 Email: Swartz@cecusa.net (530) 751-0952	
ADA Compliance	Sally Swanson Architects 220 Sansome Street. STE 800 San Francisco, CA 94104 (415) 445-3045 ext. 118	
ADA Compliance	SZC Consulting Group Sacramento Office 2377 Gold Meadow Way, # 100 Gold River, CA 95670 (916) 669-8750 Silicon Valley Office 228 Hamilton Avenue, 3rd Floor Palo Alto, CA 94301 (866) 694-7637	
Arborist ASCA Registered Consulting Arborist #480 ISA Certified Arborist & Municipal Specialist #WE-0151 AM ISA TRAQ Risk Assessment Qualified	Gordon Mann - Consulting Arborist California Tree and Landscape Consulting, Inc. & Mann Made Resources 10556 Combie Road Auburn, CA 95602 Cell: (650) 740-3461 Email: gordon@mannandtrees.com website: https://mannandtrees.com/	<ul style="list-style-type: none"> ▪ Contract Preparation and Supervision ▪ Diagnosis of Tree and Landscape Problems ▪ Insect and Disease Identification and Management ▪ Municipal Ordinance Development ▪ Training and Education, Tree, Landscape, and Nursery Appraisals ▪ Tree Plant Inventories ▪ Tree Protection for Construction Projects ▪ Tree Risk Assessments and Surveys



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

CONTRACTED VENDOR SERVICES (additional member cost)		
VENDOR SERVICES	VENDOR CONTACT INFORMATION	SERVICES PROVIDED
Arborist	Professional Landscape Solutions 6108 27th Street, Ste. C Sacramento, CA 95822 (916) 424-3815	
Drug & Alcohol Testing	Datco Services Corporation 2280 Grass Valley Highway Suite 232 Auburn, CA 95603 530-268-8101 (800) 95-DATCO (32826)	
Drug & Alcohol Testing	Feather River Hospital 5974 Pentz Road Paradise, CA 95969 (530) 876-7919	
Janitorial Services	City Wide 6108 27th Street STE C Sacramento, CA 95822 (916) 424-3815	
Janitorial Services	Peerless Building Maintenance 4665 Mountain Lakes Blvd. Redding, CA 96003 (530) 222-6369	
Janitorial Services	Ultimate Building Maintenance Inc 598 Garden Hwy Suite 5 Yuba City, CA 95591 (530) 671-1564	



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

RISK MANAGEMENT SERVICE CATEGORY

Telephone Hot Line Questions/Guidance	<p>SEDGWICK (formerly York/Bickmore) Sedgwick is NCCSIF’s risk control services provider. Dave Beal is your point of contact for risk management questions and guidance.</p>																																				
Hazard & Safety Assessment	<p>SEDGWICK (formerly York/Bickmore) A comprehensive Hazard & Safety Assessment is completed for each city to help identify risk management strengths and improvement opportunities. The assessment is used as a tool to help prioritize risk management efforts. It includes best practices in the following areas:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">1. Risk Management Program Overview</td> <td style="width: 33%;">12. Emergency Response & Management</td> <td style="width: 33%;">23. Lockout-Tagout</td> </tr> <tr> <td>2. Aerial Lift Operations</td> <td>13. Employment Practices Liability</td> <td>24. Parks & Recreation Operations</td> </tr> <tr> <td>3. Aerosol Transmissible Diseases (ATD) Control</td> <td>14. Ergonomic Injury Management</td> <td>25. Personal Protection Equipment</td> </tr> <tr> <td>4. ADA Compliance</td> <td>15. Fire Department Operations</td> <td>26. Police Department Operations</td> </tr> <tr> <td>5. Animal Control Services</td> <td>16. Fire Prevention Program</td> <td>27. Respiratory Protection Program</td> </tr> <tr> <td>6. Automobile & Fleet Liability</td> <td>17. Forklifts & Powered Industrial Trucks</td> <td>28. Return-to-Work & Transitional Duty</td> </tr> <tr> <td>7. Blood Borne Pathogens ECP</td> <td>18. Hazard Communication Program</td> <td>29. Sewers Liability Management</td> </tr> <tr> <td>8. Business Continuity Plan</td> <td>19. Hearing Conservation Program</td> <td>30. Sidewalks Liability Management</td> </tr> <tr> <td>9. Confined Space Entry Program</td> <td>20. Heat Illness Prevention Program</td> <td>31. Traffic Engineering</td> </tr> <tr> <td>10. Contractor Selection & Control</td> <td>21. Information Technology</td> <td>32. Trenching & Excavation Operations</td> </tr> <tr> <td>11. Contractual Transfer of Risk</td> <td>22. Injury & Illness Prevention Program</td> <td>33. Urban Forest Management</td> </tr> <tr> <td></td> <td></td> <td>34. Work Zone Safety</td> </tr> </table>	1. Risk Management Program Overview	12. Emergency Response & Management	23. Lockout-Tagout	2. Aerial Lift Operations	13. Employment Practices Liability	24. Parks & Recreation Operations	3. Aerosol Transmissible Diseases (ATD) Control	14. Ergonomic Injury Management	25. Personal Protection Equipment	4. ADA Compliance	15. Fire Department Operations	26. Police Department Operations	5. Animal Control Services	16. Fire Prevention Program	27. Respiratory Protection Program	6. Automobile & Fleet Liability	17. Forklifts & Powered Industrial Trucks	28. Return-to-Work & Transitional Duty	7. Blood Borne Pathogens ECP	18. Hazard Communication Program	29. Sewers Liability Management	8. Business Continuity Plan	19. Hearing Conservation Program	30. Sidewalks Liability Management	9. Confined Space Entry Program	20. Heat Illness Prevention Program	31. Traffic Engineering	10. Contractor Selection & Control	21. Information Technology	32. Trenching & Excavation Operations	11. Contractual Transfer of Risk	22. Injury & Illness Prevention Program	33. Urban Forest Management			34. Work Zone Safety
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4. ADA Compliance	15. Fire Department Operations	26. Police Department Operations																																			
5. Animal Control Services	16. Fire Prevention Program	27. Respiratory Protection Program																																			
6. Automobile & Fleet Liability	17. Forklifts & Powered Industrial Trucks	28. Return-to-Work & Transitional Duty																																			
7. Blood Borne Pathogens ECP	18. Hazard Communication Program	29. Sewers Liability Management																																			
8. Business Continuity Plan	19. Hearing Conservation Program	30. Sidewalks Liability Management																																			
9. Confined Space Entry Program	20. Heat Illness Prevention Program	31. Traffic Engineering																																			
10. Contractor Selection & Control	21. Information Technology	32. Trenching & Excavation Operations																																			
11. Contractual Transfer of Risk	22. Injury & Illness Prevention Program	33. Urban Forest Management																																			
		34. Work Zone Safety																																			



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

Program & Policy Development	<p>SEDGWICK (formerly York/Bickmore) Our risk control service includes assistance with the development and implementation of Cal/OSHA required written programs such as Injury & Illness Prevention Program, Hazard Communication Program, Aerosol Transmissible Diseases Procedures for fire and police, Bloodborne Pathogens Exposure Control Plan, etc. Our website also includes sample programs and guides.</p> <p>PRISM (Additional Cost) PRISM loss prevention specialists are available to provide assistance with program development at an additional cost to NCCSIF members. Contact PRISM directly for assistance.</p> <p>LEXIPOL NCCSIF members have access to the law enforcement and fire risk management policies offered through Lexipol.</p>
On-Site Training	<p>SEDGWICK (formerly York/Bickmore) On-site training is available to members on a variety of workers’ compensation, liability, and EPL exposures. Training topics include, but are not limited to, Cal/OSHA program requirements, hazard inspections, accident investigation, forklift certification, driver training, sexual harassment, CPR certification, various workplace safety topics, and more. Contact Dave to discuss and schedule on-site training.</p> <p>PRISM PRISM is available to conduct a variety of workers’ compensation related safety training at an additional cost to members. Contact Travis Clemmer to discuss available topics and scheduling.</p> <p>CJPRMA Every year CJPRMA conducts up to five regional training workshops throughout California. In the past, topics have included contractual risk transfer, police liability, parks and recreation liability, and sidewalk liability controls. CJPRMA will send the training announcement to Alliant, who will then forward to all NCCSIF members.</p>
Ergonomic Evaluations	<p>SEDGWICK (formerly York/Bickmore) Sedgwick is available to conduct office and industrial ergonomic evaluations for all members. Contact Dave Beal to discuss and schedule ergonomic evaluations.</p>



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

<p>Risk Management Webinars</p>	<p>SEDGWICK (formerly York/Bickmore) Throughout the year, Sedgwick risk control staff conducts webinars on a wide range of safety topics such as heat illness prevention, scaffold safety, disaster management, and new safety regulations. Our goal is to communicate relevant safety information in an all-inclusive and cost-effective way. NCCSIF members will receive webinar announcements via email. The one-hour webinars are recorded and available to view at any time on the Sedgwick Risk Control website.</p> <p>PRISM PRISM conducts several workers’ compensation related webinars throughout the year, which are available to all NCCSIF members. Contact Travis Clemmer to ensure your city is included in the announcement distribution.</p> <p>APIP NCCSIF members have access to all APIP property related webinars. Contact Marcus Beverly to ensure your city is included in the announcement distribution.</p>
<p>Employer Pull Notice Program</p>	<p>PRISM & TARGET SOLUTIONS (Additional cost to members) PRISM and Target Solutions have partnered with A-Check America to automate your Employer Pull Notice (EPN) program. Using this program, you can electronically monitor your employees’ driving records and receive notification within hours of a reportable incident.</p> <p>You can access your driver roster and key data from a dashboard within Target Solutions. This data is accessible only to you and A-Check America and features a summary of the number of drivers added and removed from the system, an overview of the violations and accidents that have occurred, and a breakdown of your employees’ license renewal status. For additional information go to www.CSAC-eia.org, Services/Loss Prevention/Target Solutions Platform.</p>



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

<p>Pre-Employment Medical Services</p>	<p>OCCU-MED Services offered at an additional cost:</p> <ul style="list-style-type: none"> ▪ Review of Pre-Placement Medical Exams ▪ Job Analysis ▪ Maintaining a network of qualified and trained medical providers and medical specialists for necessary exams ▪ Conducting job analyses and preparing job profiles and medical examination profiles ▪ Providing orientation of client staff in the legal/medical/risk management and human resources aspects of our service ▪ Scheduling and harvesting of pre-placement medical exams ▪ Organizing and managing return-to-work and fitness-for-duty exams ▪ Evaluating medical information in relation to the essential duties of jobs in a legally defensible manner (EXAMQA®) ▪ Communicating directly with applicants to obtain the confidential medical information that is needed for clearance for a particular job (RDQA) ▪ Developing “Occu-Panels” with a national laboratory that allows for the selection of only those tests for the blood chemistry panel that are compliant with state law for each job class ▪ Performing bill review for the medical exams performed by clinics ▪ Providing customized services such as OSHA Respirator Questionnaire Evaluations, Bloodborne Pathogen Programs, and clinic trainings
<p>Employee Assistance Program</p>	<p>ACI Services offered at an additional cost:</p> <ul style="list-style-type: none"> ▪ Employee Assistance Program (Additional cost to members) Employees and their family members can receive up to three counseling visits per year. The family members do not need to be within the same residence. The visits are considered short-term resolution. If the person needs additional counseling, ACI will help them transition into their private insurance plan. ▪ Legal and Financial Services (Additional cost to members) Employees and their family members have unlimited access to telephonic legal and financial services.



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

Transit Resources

CalTIP - California Transit Insurance Pool

Self-insurance program for public transit operators. Member cities include Auburn and Dixon.

Programs and Safety Materials

- System Safety Program Plan (SSPP) Development
- SSPP Implementation Assessment & Follow-up Process
- SAMPA Fleet Watch Paperless DMV EPN Program
- Bus Operator Selection Survey (BOSS)
- CalTIP Risk Profile
- APTA Membership
- Bus Stop Location & Design Evaluation Program
- Digital Video Event Recorder System
- Mobility Device Marking & Tethering Program
- APTA Safety Standards
- Best Practices
- Bus Stop Toolkit
- Pedestrian Safety Guide for Transit Agencies
- Safety Posters and Flyers



Who's Who in Claims Liability Contacts

Alex Davis

Property & Casualty Adjuster
(925) 349-3890

alex.davis@sedgwick.com

Handles All Cities as Needed

Shawn Millar

Property & Casualty Adjuster
(530) 210-4910

shawn.millar@sedgwick.com

Anderson, Colusa, Corning, Gridley, Marysville, Oroville
Paradise, Red Bluff, Willows, Yuba City

Brian Davis

Property & Casualty Adjuster
(916) 746-8832

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Handles All Cities as Needed

Jill Petrarca

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To File a New Claim:

7374NCCSIF@sedgwick.com

Office Hours Emergency (916) 960-0980

After Hours Emergency Call-Out (916) 971-2701

Resources

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Dori Zumwalt

Client Service Director
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<http://www.sedgwick.com>



Who's Who in Claims Workers' Compensation Contacts

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Yuba City

Cristal Rhea
Senior Claims Examiner
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Red Bluff, Willows

Alicia Veloz
Senior Claims Examiner
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Auburn, Galt, Gridley, Paradise, Placerville

Jennifer Gorgen
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Oroville

Catherine Clark
Claims Examiner
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Anderson, Colusa, Corning, Dixon,
Folsom (non-4850), Ione, Jackson, Lincoln,
Nevada City, Rio Vista, Rocklin

Kristin Farley
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Medical Only claims

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Claims Examiner
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Future Medical claims

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Resources

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MEET YOUR ACCOUNTING TEAM

James Marta & Company's experienced and knowledgeable Accounting Team can help you accomplish critical accounting procedures and controls without adding permanent staff. Whether you need help with a special project, an acting CFO/Controller, or a team to handle processes, we understand the nuances and obligations of professional accounting. Our team provides services to help you record and manage obligations and debt, reduce risk, support accountability, monitor progress and provide information to inform decision making.

The following listing provides an introduction to the team:

JAMES MARTA, CPA, CGMA, ARPM



Title	Managing Partner
Role	CFO, oversight, strategy, policy, underwriting, budget, claims analysis, payroll, risk financing, special projects, bank authorization, cash management, training, and investment planning and oversight.
Bio	James applies more than 30 years of experience in accounting, audit, tax, consulting and strategic planning. James provides CFO services for several Joint Powers Authorities and is a resource to his clients. James is a recognized expert in GASB, JPA accreditation, executive leadership, refinancing, accounting system design, risk management and board responsibilities. He authored the IEA Pool Manager Course and teaches the IEA ARM Risk Management and Risk Financing course.
Education	B.S. Accounting and Finance Law, Portland State University. Associate in Risk Management (ARM). Associate in Risk Pool Management (ARPM).
Contact	JMarta@JPMCPA.com Tel: 916.993.9494 ext. 111

ORYSYA BEZVERHNIY (SAVCHUK), CPA



Title	Senior Accountant
Role	Accounts payable, general ledger, set up ACH and wires for approval, monitor positive pay, quarterly and year-end adjusting entries and reporting, and financial statement preparation
Bio	Orysy applies three years of full-cycle accounting experience to help Joint Powers Authorities conduct accounting procedures and controls. Her experience includes accounts payables and receivables, transactions, bank reconciliation, invoicing and audit.
Education	B.S. Business Administration, Accountancy, California State University Sacramento. Dean and President's honor rolls.
Contact	OSavchuk@JPMCPA.com Tel: 916.993-9494 ext. 142



Joint Powers Authorities trust our expert financial services to support essential management, accountability and compliance requirements.

Tel: 916.993.9494 | www.JPMCPA.com

GEMMA MARTA



Title Senior Accountant

Role Accounts payable, deposits, billing notices, set up ACH and wires for approval, monitor positive pay, cash management.

Bio Gemma brings 20+ years of experience in complex government and fund accounting. She has been responsible for federal grants up to \$48 million and associated compliance reporting. Marta’s skills include fund accounting, balance monitoring, certifying fund availability, funding sources, funding splits, analyzing transactions, approving expenditures, reporting financial trends, comparing actuals to budget, and projecting expenditures by category, fund ratios and fund type.

JHON MUNOZ



Title Staff Accountant

Role Account reconciliation, billing calculations.

Bio Jhon is a CPA candidate with 2 years of experience in Accounting, Audit and Tax. Prior to joining James Marta & Company, Jhon worked as an auditor and accountant at a CPA firm in the Philippines. He is a licensed CPA in the Philippines.

Education Bachelor of Science in Accountancy, Sacred Heart College, Philippines

ESTHER GALINDO



Title Staff Accountant

Role Account reconciliation, billing calculations.

Bio Esther brings 2 years of experience in conducting accounting procedures including preparing financial statements; closing and adjusting entries, ACH, managing transactions, accounts payable, and reconciliations.

Education Bachelor of Science in Accountancy, Sacramento State University

KNOWLEDGE	SERVICE	TRUST	SOLUTIONS
<ul style="list-style-type: none"> • We know what questions to ask and when answers are “out of range” • Hands-on experience with many government, nonprofit, JPA, insurance pool, and business entities since 1988. • Faced challenges; learned what to avoid; and how to do it right. 	<ul style="list-style-type: none"> • Partner/CPA engagement in every project • Resource to answer your questions and discuss alternatives • Services tailored to your specific needs: <ul style="list-style-type: none"> • Oversight • Review • Control • Full management 	<ul style="list-style-type: none"> • Protect confidential information • Secure, cloud-based systems provide convenient access to accounts, contracts, AP/AR, reports, etc. • Custom points of review • Accountable to you • Licensed professionals • Fiduciary responsibilities 	<ul style="list-style-type: none"> • CFO leadership backed by a proven finance and accounting team • Controller oversight and analysis • Accounting management • Policy and procedure review and firming • System and controls design and implement

LOSS NOTIFICATION REQUIREMENT

ALLIANT PROPERTY INSURANCE PROGRAM (APIP)

Claim notifications need to be sent to Robert Frey, Diana Walizada and Sandra Doig. In the event this is a *Cyber* loss please include item III contact, for a *Pollution* loss please include item IV contact in addition to Alliant Insurance Services contacts.

- I. During regular business hours (between 8:30 AM and 5:00 PM PST), First Notice of Claim should be reported to Alliant Insurance Services via telephone, fax, mail or e-mail to our San Francisco Office:

Robert A. Frey, RPA
Senior Vice President, Regional Claims Director
Voice: (415) 403-1445 Cell: (415) 518-8490
Email: rfrey@alliant.com

Diana L. Walizada, AIC, CPIW, RPA, AINS
Vice President, Claims Unit Manager
Voice: (415) 403-1453
Email: dwalizada@alliant.com

Address:

Alliant Insurance Services, Inc.
100 Pine St, 11th Floor
San Francisco CA 94111
Toll Free Voice: (877) 725-7695 Fax: (415) 403-1466

- II. Please be sure to include APIP's Claim Administrator as a CC on all Claims correspondence:

Sandra Doig
McLaren's Global Claims Services
1301 Dove St., Suite 200
Newport Beach, CA 92660
Voice: (949) 757-1413 Fax: (949) 757-1692
Email: sandra.doig@mcclarens.com

Address:

- III. Cyber Liability Carrier Beazley NY needs to also be provided with Notice of Claim immediately (if purchased):

Beth Diamond
Beazley Group
1270 Avenue of the America's, Suite 1200
New York, NY 10020
Fax: (546) 378-4039
Email: tmbclaims@beazley.com

Address:

Elaine G. Tizon, CISR
Assistant Vice President, Claims Advocate
100 Pine Street, 11th Floor
San Francisco, CA 94111-5101
Voice: (415) 403-1458 Fax: (415) 403-1466
Email: elaine.tizon@alliant.com

Address:

- IV. Pollution Liability Carrier Allianz Global Corporate & Specialty (if purchased):

Allianz Global Corp. & Specialty Att: FNOL Claims Unit
1 Progress Point Parkway, 2nd Floor
O'Fallon, MO 63368
In emergency call: (800) 558-1606
Fax: (800) 323-6450
Email: NewLoss@agcs.allianz.com

Address:

Akbar Sharif
Claims Advocate
1301 Dove St. Ste. 200
Newport Beach, CA 92646
Voice: (949) 260-5088 Fax: (415) 403-1466
Email: Akbar.Sharif@alliant.com

Address:

Please include the Insured /JPA name along with the following information when reporting claims:

- Time, date and specific location of property damaged
- A description of the incident that caused the damage (such as fire, theft or water damage)
- Estimated amount of loss in dollars
- Contact person for claim including name, title, voice & fax numbers
- Complete and return the Property Loss Notice for processing.
- Mortgagee or Loss Payee name, address, and account number

**IN THE EVENT OF A
PROPERTY LOSS:**

- 1) *Follow your organization procedures for reporting and responding to an incident*
- 2) *Alert local emergency authorities, as appropriate*
- 3) *Report the incident to Alliant Insurance Services immediately at:*

877-725-7695

All property losses must be reported as soon as practicable upon knowledge within the risk management or finance division of the insured that a loss has occurred.

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

- 4) *Report the incident to McLarens Global Claims Services AND your Alliant representative*

**IN THE EVENT OF A
CYBER LOSS:**

- 1) *Follow your organizations procedures for reporting and responding to an incident*
- 2) *Alert authorities, as appropriate*
- 3) *Report the incident to Beazley Group immediately at:*

tmbclaims@beazley.com

All Cyber losses must be reported as soon as practicable upon knowledge by the insured that a loss has occurred.

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

- 4) *Report the incident to Alliant Claims Department and your Alliant representative*

SPECIAL NOTE REGARDING PRIVACY NOTIFICATION COSTS:

The policy provides a \$500,000 Aggregate Limit for Privacy Notification Costs. If you utilize a Beazley vendor, the limit is increased to \$1,000,000.

Please contact Beazley for a list of approved vendors.

ALLIANZ GLOBAL CORPORATE & SPECIALTY

IN THE EVENT OF AN

ENVIRONMENTAL EMERGENCY:

- 1) *Follow your organization procedures for reporting and responding to an incident*
- 2) *Alert local emergency authorities, as appropriate*
- 3) *Report the incident immediately at:*

800-558-1606

- 4) *Report the incident to Alliant*

Akbar Sharif
Claims Advocate
949-260-5088
415-403-1466 – fax
Akbar.Sharif@alliant.com

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

DO follow your organization's detailed response plan
DO contact your management as well as appropriate authorities
DO ensure anyone who could come in contact with a spill or release is kept away

DO NOT ignore a potential spill or leak
DO NOT attempt to respond beyond your level of training or certification