



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
BOARD OF DIRECTORS MEETING MINUTES
ROCKLIN EVENT CENTER
APRIL 21, 2022**

COMMITTEE MEMBERS PRESENT

Liz Cottrell, City of Anderson
Ishrat Aziz- Khan, City of Colusa
Jim Ramsey, City of Elk Grove
Stephanie Van Steyn, City of Galt
Michael Rock, City of Ione
Jennifer Styczynski, City of Marysville
Ross Gilb, Town of Paradise
City of Rocklin, Andrew Schiltz
Natalie Springer, City of Yuba City

Nathan Bagwill, City of Auburn
Kristina Miller, City of Corning
Allison Garcia, City of Folsom
Elisa Arteaga, City of Gridley
Dalacie Blankenship, City of Jackson
Elizabeth Ehrenstrom, City of Oroville
Dave Warren, City of Placerville
Marti Brown, City of Willows

OTHER MEMBERS PRESENT

Amanda Tonks, City of Rocklin

COMMITTEE MEMBERS ABSENT

Rachel Ancheta, City of Dixon
Veronica Rodriguez, City of Lincoln
Sandra Ryan, City of Red Bluff

Yvonne Kimball, City of Jackson
Sean Grayson, City of Nevada City
Spencer Morrison, City of Yuba City

CONSULTANTS & GUESTS

Marcus Beverly, Alliant Insurance Services
Conor Boughey, Alliant Insurance Services
Eric Lucero, Sedgwick
Mike Harrington, Bickmore

Jenna Wirkner, Alliant Insurance Services
Erik Baumle, Sedgwick
Summer Simpson, Sedgwick
Ritesh Sharma, James Marta and Company

A. CALL TO ORDER

Chair Dave Warren called the meeting to order at 12:03p.m.

B. ROLL CALL

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

C. PUBLIC COMMENTS

There were no public comments.

D. CONSENT CALENDAR

1. Board Meeting Minutes – December 16, 2021
2. Check Register from December 2022 to March 21, 2022
3. Investment Reports



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- a. Chandler Asset Management Short/Long Term - December 2021 to March 2022
- b. Local Agency Investment Fund (LAIF) Report as of December 31, 2021
- c. Treasurer's Report as of December 31, 2021
4. Sedgwick Workers' Compensation Quarterly Claims Report
5. 21/22 Alliant-Commission Opt-Out Letter dated November 15, 2022
6. FY 21/22 NorCal Cities Liability Program Claims Audit and Sedgwick response
7. Lintelio, LLC Master Subscription Agreement
8. Alliant PE Pool Database Agreement and Flyer

A motion was made to approve the consent calendar.

MOTION: Liz Ehrenstrom

SECOND: Andy Schiltz

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

E. General Risk Management Issues

Members discussed General Risk Management Issues.

F.1. President Report

Mr. Dave Warren disused that Jose Jasso our current Vice President will be leaving and going to the City of Manteca.

F.2. CJPRMA Update

No update was provided.

F.3. Program Administrator's Report

Members were reminded about the member training funds and Police Risk Management Committee Meeting.



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F.4. SUMMARY OF THE EXECUTIVE COMMITTEE MEETING ON MARCH 24, 2022

Mr. Beverly gave an overview of the Executive Committee meeting on March 24, 2022.

F.5. FY 21/22 PRISM Member Annual Report

Mr. Beverly gave an overview of the 21/22 PRISM Annual Report.

G. FY 22/23 Officers and Executive Committee

Mr. Beverly discussed the FY 22/23 Officer and Executive Committee Rotation. The FY 22/23 Officers are President – Liz Cottrell (City of Anderson), Vice President – Rachel Ancheta (City of Dixon), Treasurer – Jen Lee (Rio Vista) and Secretary Jennifer Styczynski (City of Marysville).

H.1. Quarterly Financial Report for Period Ending December 31, 2021

Ritesh Sharma from James Marta and Company gave an overview of the quarterly financial report for period ending December 31, 2021. The financials don't include the actuarial reports. The total asset for all layers is \$28,853,536. Overall the Liability Programs are seeing an increase in the Net Position. The workers compensation program is in a good place. The change in net position (pg 197). The hope is by the end of the year we will see positive outcome with the investment portfolio. Mr. Sharma discussed the usage reports for Risk Management Reserves and the Police Risk Management Reserves Funds.

A motion was made to receive and file the December 31, 2021, Quarterly Financial Report.

MOTION: Liz Ehrenstrom **SECOND:** Jennifer Styczynski **MOTION CARRIED UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

H.2. Budget to Actual as of December 31, 2021

Mr. Beverly discussed the remaining funds in the Risk Reserve Funds and Police Risk Management Grant Funds.

I. JPA Business

I.1. FY 22/23 NCCSIF Administration Budget

Mr. Beverly discussed the changes to the FY 22/23 NCCSIF Administration Budget.



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I.2.a. Actuarial Study for Workers' Compensation Program

Mike Harrington from Bickmore Actuarial gave an update on the Actuarial Study for the Workers' Compensation Program. The Actuarial Study is the Outstanding Liabilities for June 30, 2022, and the 22-23 Funding Guidelines. The program is well funded and moving in the right direction. All actuarial estimates for WC exclude 4850 SC and 4850 TD payments. The estimated payment for period ending 6/30/22 is \$138,911,300. To be 90% certain we have enough to cover the claims we should have \$47,072,000. We project at the 80% confidence level. The shared layer is down. ultimate's, Liabilities, and rates are down.

I.2.b. Actuarial Study for Liability Program

Mr. Harrington gave an overview of the Actuarial Study for the Liability Program. The rate at the 80% confidence level for the current \$500,000 SIR is \$2.923 per \$100 of payroll, compared to \$2.851 last year. The SIR will be moving from \$500,000 to \$750,000 for FY 22/23, with total funding at the 80% confidence level estimated at \$6,390,000, or \$3.24 per \$100 of member payroll. We are paying more in the pool but should be paying less for Excess Liability. It is estimated that the Liability program will have total assets of approximately \$19,088,000 on June 30, 2022, compared to \$17,915,000 last year. The NCCSIF rate is increasing from \$2.851 to \$3.243, or 13.7%, with a 50% SIR increase.

A motion was made to receive and file the Liability and Workers Compensation Actuarial reports.

MOTION: Liz Ehrenstrom

SECOND: Andy Schiltz

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

I.3. Workers Compensation Program

I.3.a. Annual Banking Plan Adjustments – James Marta & Company

Ritesh Sharma from James Marta and Company discussed the Annual Banking Plan Adjustments as of 12/30/21.

Members had no discussion.

A motion was made to approve the Annual Banking Plan Adjustments.

MOTION: Liz Ehrenstrom

SECOND: Dalacie Blankenship.

MOTION CARRIED



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UNANIMOUSLY

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

I.3.b. Annual Shared Risk Plan Adjustments – Alliant Insurance Services

Mr. Beverly discussed the Annual Shared Risk Plan Adjustments. We recommend a 25% refund or more of the available amount.

A motion was made to approve a 25% refund.

MOTION: Jim Ramsey

SECOND: Liz ehrenstrom

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

I.3.c. FY 22/23 Deposit Premium Calculation

Mr. Beverly gave an overview of the FY 22/23 Deposit Premium Calculations. The underlying rate is going down this year. The shared layer has a 35% increase. Use the relative loss rate to determine where you stand. The PRISM estimate for 22/23 is \$2,269,000.

A motion was made to approve the FY 22/23 WC Deposit Premium Calculations.

MOTION: Liz Ehrenstrom

SECOND: Jennifer Styczynski

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

I.4. Liability Program

I.4.a. Annual Banking Plan Adjustments – James Marta & Company

Mr. Sharma gave an overview of the adjusted numbers after the actuarial study. The recommended dividend is 35% of the available Net Position. The assessment at 20% of the amount below the target is per the NCCSF Policy and Procedure A-1.

A motion was made to recommend the board at 35% dividend of the available net position.



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MOTION: Liz Ehrenstrom

SECOND: Kristina Millar

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

I.4.b. Annual Shared Risk Plan Adjustments – Alliant Insurance Services

Mr. Beverly discussed the Workers’ Compensation Annual Shared Risk Plan Adjustments. Based on the most recent actuary report, the Fund is estimated to have available assets of \$11,457,000 as of June 30, 2022. This \$4,144,000 above Outstanding Liabilities at the Expected Confidence Level (CL) and \$1,870,000 over Liabilities at the 90% CL, compared to \$26,000 last year. The recommendation is to not make any refunds or assessments.

A motion was made for no refund or assessment.

MOTION: Liz Ehrenstrom

SECOND: Andy Schiltz

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

I.4.c. FY 22/23 Deposit Premium Calculations

Mr. Beverly discussed the FY 22/23 Deposit Premium Calculations. We will be moving to a \$750,000 SIR for FY 22/23. This is accounting for 14% increase in the base rate. Total funding at an 80% Confidence Level (CL) and \$750,000 SIR is estimated at \$11,918,293 and increase of 25% over FY 21/22 funding. A payroll increase of 7%, excess coverage increases of 31%, and 14% increase in the base rate (with \$25,000 SIR increase) are driving the funding. Recommending approve funding at an 80% CL with an SIR of \$750,000. Approve variable 40% net cap on funding.

A motion was made to approve the preliminary deposit premium calculations at 80% confidence level and a 40% cap.

MOTION: Dalacie
Blankenship

SECOND: Kristina Millar

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.



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I.5. Consideration of Board E&O Coverage

Mr. Beverly discussed the consideration of Board E&O Coverage. This coverage for Board members if they were to get sued. This would protect the pool from paying out of the Liability Layer.

A motion was made to request a formal quote.

MOTION: Liz Ehrenstrom

SECOND: Kristina Millar

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

I.6. FY 22/23 Renewal Updates

Mr. Beverly gave an overview of the FY 22/23 Renewal Updates.

Property Program – The estimated increase for FY 22/23 is 15%-25%. This is in addition to the inflation trend factors increasing the total insured values an average of 6% this year. Combined we are expecting 30%-35% increases in total premium.

Cyber Insurance- The market is experiencing extreme rate increases, from 60% to 600%.

Crime- Expecting 10%-15% increase overall for the coverage in the ACIP program.
Individual Purchase Coverage-

I.7. Appointment of CJPRMA Board Alternate and Nomination of NCCSIF Board Officers

Members discussed nominations.

A motion was made to appoint Stephanie Van Steyn as the CJPRMA Board Alternate, elect FY 22-23 Officers Liz Cottrell President, Rachel Ancheta Vice President, Secretary Jennifer Styczynski, Treasurer Jen Lee, and Liz Ehrenstrom as the Vice President for the remainder for 21-22.

MOTIN: Dave Warren

SECOND: Liz Ehrenstrom

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.



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I.8. FY 22/23 Meeting Calendar

Mr. Beverly discussed the proposed FY 22/23 Meeting Calendar.

A motion was made to approve the proposed FY 22/23 Meeting Calendar.

MOTION: Liz Ehrenstrom **SECOND:** Kristina Millar **MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

I.9. Policy and Procedure Review

L-4. Formula for Determining Liability Annual Deposit –

The P&P has been revised to clean up the language describing the formulas for the Banking Layer and Excess Insurance allocations and the allocation of administrative expenses, with no changes to the formulas themselves.

A-2. Service provider performance evaluation-

This P&P has been updated to remove reference to the specific timing of the evaluation and use of the NorCal Cities website. The latest survey questions are also added to update the Policy.

A-10. Annual Calendar of Reports, Audits and fillings

No updates are required for this Policy, and it will be noted as reviewed 9/16/21.

A motion was made to approve the updates to the Policy and Procedures.

MOTION: Jim Ramsey **SECOND:** Elizabeth Ehrenstrom **MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

I.10. Sedgwick Workers' Compensation Claims Administration Services Renewal Agreement

Mr. Beverly discussed the Sedgwick Workers' Compensation Claims Administration Services Renewal Agreement. The fee for 7/1/22-6/30/23 \$626, 645. The PRISM and NCCSIF



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performance standards are included in the renewal contract. Members do have access to Company Nurse if they complete the enrollment form.

The recommendation from the EC is to renew the contract for 1 year with two optional terms.

Members discussed approving the contract for first year and two optional years. We can do a survey in the fall to determine if we need to do and rfp in the fall. Member discussed that Sedgwick hasn't been flexible with member requests.

Members discussed the PRISM performance reviews and how they have gone down over the years. Members discussed issues with the adjusters and having to contact physical therapists.

Members discussed doing and RFP. It will take at least 9 months to complete the RFP. We will need to have panel review.

Members discussed frustrations with not receiving updates when they get a new adjuster. Adjusters are asking employees to make employees and find Drs.

Members discussed doing the RFP now.

Mr. Boughey recommended an AD HOC Committee.
Amanda Tonks left the meeting at 2:17p.m.

A motion was made to do a 1-year agreement with 2-year extension. We will go ahead with the RFP process and do a survey.

MOTION: Jim Ramsey **SECOND:** Michael Rock **MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Aziz-Khan, Miller, Ramsey, Garcia, Van Steyn, Arteaga, Rock, Blankenship, Styczynski, Ehrenstrom, Gilb, Warren, Schiltz, Brown, Springer

Nays: None.

Sedgwick returned to the meeting.

J. Information Items

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J. INFORMATION ITEMS

1. Glossary of Terms
2. NCCSIF Organizational Chart
3. NCCSIF 2021-2022 Meeting Calendar



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4. NCCSIF Resource Contact Guide
5. Sedgwick Who's Who in Claims - WC and Liability Contacts
6. James Marta & Company Accounting team bio
7. ACI Training Flyer – Supporting Employees Mental Health – April 26th, 2022
8. Police Risk Management Training with Ed Obayashi – May 5th, 2022
9. ACI Training Flyer – Developing Team Relationships – May 24th, 2022
10. Travel Mileage Reimbursement Form

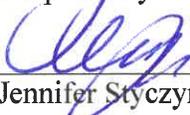
These items were provided as information only.

M. ADJOURNMENT

The meeting was adjourned at 22:30 p.m.

Next Meeting Date: April 21, 2022

Respectfully Submitted,



Jennifer Styczynski, Secretary

7-12-22
Date