



**President**  
Vacant

**Vice President**  
Mr. Dave Warren  
City of Placerville

**Treasurer**  
Mr. Tim Sailsbery  
City of Willows

**Secretary**  
Ms. Corey Shaver  
City of Nevada City

## NCCSIF BOARD OF DIRECTORS MEETING AGENDA

**Date:** Thursday, April 28, 2016  
**Time:** 12:00 noon  
*Lunch available at 11:30 a.m.*

**Location:** Rocklin Event Center - Garden Room  
2650 Sunset Blvd.  
Rocklin, CA 95677  
(916) 625-5200

**A – Action**  
**I – Information**

**1 – Attached**  
**2 – Hand Out**  
**3 – Separate Cover**  
**4 – Verbal**  
**5 – Previously Mailed**

### 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.*

- |             |   |                   |
|-------------|---|-------------------|
| <u>Page</u> | <p><b>A. CALL TO ORDER - 12 noon</b></p> <p><b>B. INTRODUCTIONS</b></p> <p><b>C. APPROVAL OF AGENDA AS POSTED</b></p> <p><b>D. PUBLIC COMMENTS</b><br/><i>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.</i></p> | <p><b>A 1</b></p> |
| pg. 5       | <p><b>E. CONSENT CALENDAR</b><br/><i>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.</i></p>   | <p><b>A 1</b></p> |
| pg. 6       | <p>1. Board Meeting Minutes - November 19, 2015</p>   |                   |
| pg. 15      | <p>2. Check Register from November 1, 2015 to February 29, 2016</p>   |                   |
| pg. 17      | <p>3. Investment Reports</p>  |                   |
| pg. 57      | <p>a. Chandler Asset Management Short/Long Term - November 2015 to March 2016</p>   |                   |
| pg. 58      | <p>b. Local Agency Investment Fund (LAIF) Report as of December 31, 2015</p>  |                   |
| pg. 59      | <p>c. Treasurer’s Report as of December 31, 2015</p>  |                   |
| pg. 61      | <p>4. Chandler Asset Management Contract Amendment #1</p>   |                   |
| pg. 64      | <p>5. Intacct Engagement Letter - James Marta &amp; Company Accounting Software</p>   |                   |
|             | <p>6. Liability Claims Audit as of November 2015</p>  |                   |



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pg. 81	<b>F. Election of NCCSIF Officers</b>	<b>A</b>	<b>1</b>
	<i>The Board may receive nominations from the floor and vote separately for each open position or accept the nominating committee's slate of nominees.</i>		
	<b>G. ADMINISTRATION REPORTS</b>	<b>I</b>	
	1. <b>Interim President's Report</b>		<b>4</b>
	<i>Dave Warren will address the Board on items pertaining to NCCSIF.</i>		
	2. <b>Program Administrator's Report</b>		<b>4</b>
	<i>Alliant will address the Board on items pertaining to NCCSIF.</i>		
pg. 82	3. <b>Summary of the March 31, 2016 Executive Committee Meeting</b>		<b>1</b>
	<i>The Board will receive an update of the actions taken at the March 31, 2016 Executive Committee meeting.</i>		
	<b>H. FINANCIAL REPORTS</b>		
pg. 84	1. <b>Quarterly Financial Report for Period Ending December 31, 2015</b>	<b>A</b>	<b>1</b>
	<i>James Marta &amp; Company will present the quarterly financial report ending December 31, 2015 for the Board to Accept and File.</i>		
pg. 113	2. <b>Budget to Actual as of December 31, 2015</b>	<b>I</b>	<b>1</b>
	<i>The Board will receive an update on the Budget to Actual as of December 31, 2015.</i>		
pg. 114	3. <b>Current Financial Position &amp; Target Funding Benchmarks</b>	<b>I</b>	<b>2</b>
	<i>Marcus Beverly will present an update on NCCSIF's current financial position and Target Funding Benchmarks.</i>		
	<b>I. JPA BUSINESS</b>		
pg. 115	1. <b>Actuarial Studies of the Self Insured Programs - Mike Harrington, Bickmore</b>	<b>A</b>	<b>1</b>
	a. <b>FY 16/17 Workers' Compensation Program</b>		
	<i>The Board will review and may approve the Actuarial Study for the Workers' Compensation Program.</i>		
pg. 154	b. <b>FY 16/17 Liability Program</b>		
	<i>The Board will review and may approve the Actuarial Study for the Liability Program.</i>		
pg. 191	2. <b>Workers' Compensation Program</b>	<b>A</b>	<b>1</b>
	a. <b>Annual Banking Plan Adjustments</b>		
	<i>The Board will review and may approve adjustments to the Banking Layer for the Workers' Compensation program.</i>		



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pg. 193	b. <b>Annual Shared Risk Plan Adjustments</b> <i>The Board will review and may approve adjustments to the Shared Risk Layer for the Workers' Compensation program.</i>		
pg. 195	c. <b>Preliminary FY 16/17 Deposit Premium Calculations</b> <i>The Board will review and may approve the Preliminary FY 16/17 Deposit Premium Calculations for the Workers' Compensation Program.</i>		
	<b>3. Liability Program</b>		<b>A 1</b>
pg. 198	a. <b>Annual Banking Plan Adjustments</b> <i>The Board will review and may approve adjustments to the Banking Layer for the Liability program.</i>		
pg. 200	b. <b>Annual Shared Risk Plan Adjustments</b> <i>The Board will review and may approve adjustments to the Shared Risk Layer for the Liability program including applying the CJPRMA refund to the recommended assessment.</i>		
pg. 202	c. <b>Preliminary FY 16/17 Deposit Premium Calculations</b> <i>The Board will review and may approve the Preliminary FY 16/17 Deposit Premium Calculations for the Liability Program.</i>		
pg. 205	<b>4. FY 16/17 Property Renewal Update</b> <i>The Board will receive an update on the FY 16/17 Property Premiums.</i>		<b>I 1</b>
pg. 206	<b>5. FY 16/17 Crime Policy Renewal Update</b> <i>The Board will receive an update on FY 16/17 Crime Program Renewal.</i>		<b>I 1</b>
pg. 207	<b>6. Preliminary FY 16/17 NCCSIF Budget</b> <i>The Board will review and may provide direction to the preliminary FY 16/17 NCCSIF Budget.</i>		<b>I 1</b>
pg.210	<b>7. NCCSIF Service Providers Survey Results</b> <i>The Board will receive an update on the results of the NCCSIF Service Providers Survey for discussion and to Accept and File.</i>		<b>A 1</b>
pg. 222	<b>J. CLOSED SESSION TO DISCUSS PENDING CLAIMS</b> (Per Governmental Code Section 54956.95) *REQUESTING AUTHORITY		<b>A 3</b>
	<b>Liability</b>		
	1. Thomas vs Town of Paradise*		
	2. Arp vs City of Rockin*		
	<b>K. REPORT FROM CLOSED SESSION</b>		<b>I 4</b>



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pg. 223	<b>L. ROUND TABLE DISCUSSION</b>	<b>I 4</b>
	<i>The floor will be open to Board members for any topics or ideas that members would like to address.</i>	
pg. 224	<b>M. INFORMATION ITEMS</b>	<b>I 1</b>
pg.225	1. NCCSIF Organizational Chart	
pg.226	2. NCCSIF 2016 Meeting Calendar	
pg.227	3. NCCSIF Travel Reimbursement Form	
pg.228	4. NCCSIF Resource Contact Guide	

**N. ADJOURNMENT**

**UPCOMING MEETINGS**

- Police Risk Management Committee - May 5, 2016 (Community Center)
- Claims Committee Meeting - May 19, 2016 (Community Center)
- Executive Committee Meeting - May 19, 2016 (Community Center)
- Risk Management Committee Meeting - June 9, 2016 (Event Center)
- Board of Directors Meeting - June 9, 2016 (Event Center)

*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 Raychelle Maranan at Alliant Insurance Services at (916) 643-2712.*

*The Agenda packet will be posted on the NCCSIF website at [www.nccsif.org](http://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*



**Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016**

**Agenda Item E.**

**CONSENT CALENDAR**

**ACTION ITEM**

**ISSUE:** Items on the Consent Calendar should be reviewed by the Board and, if there is any item requiring clarification or amendment, such item(s) should be pulled from the agenda for separate discussion.

**RECOMMENDATION:** The Program Administrator recommends adoption of the Consent Calendar after review by the Board. *Items pulled from the Consent Calendar by a member will be placed back on the agenda in an order determined by the President.*

**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 - November 19, 2015
2. Check Register from November 1, 2015 to February 29, 2016
3. Investment Reports
  - a. Chandler Asset Management Short/Long Term - November 2015 to March 2016
  - b. Local Agency Investment Fund (LAIF) Report as of December 31, 2015
  - c. Treasurer's Report as of December 31, 2015
4. Chandler Asset Management Contract Amendment #1
5. Intacct Engagement Letter - James Marta & Company Accounting Software
6. Liability Claims Audit as of November 2015



**MINUTES OF THE  
NCCSIF BOARD OF DIRECTORS MEETING  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
NOVEMBER 19, 2015**

**BOARD MEMBERS PRESENT**

Dylan Feik, City of Auburn  
Brad Koehn, City of Elk Grove  
Bruce Cline, City of Folsom  
Jon Hanken, City of Ione  
Michael Daly, City of Jackson  
John Lee, City of Lincoln

Corey Shaver, City of Nevada City  
Liz Ehrenstrom, City of Oroville  
Dave Warren, City of Placerville  
Sandy Ryan, City of Red Bluff  
Tim Chapa, City of Rio Vista  
Tim Sailsbery, City of Willows

**ALTERNATE MEMBERS PRESENT**

Liz Cottrell, City of Anderson

**BOARD MEMBERS ABSENT**

Jeff Kiser, City of Anderson  
Toni Benson, City of Colusa  
John Brewer, City of Corning  
Michelle Pellegrino, City of Dixon  
Paula Islas, City of Galt

Matt Michaelis, City of Gridley  
Satwant Takhar, City of Marysville  
Gina Will, Town of Paradise  
Russell Hildebrand, City of Rocklin  
Natalie Springer, City of Yuba City

**OTHER MEMBERS PRESENT**

Donna Lee, City of Rio Vista

**GUESTS & CONSULTANTS**

Marcus Beverly, Alliant Insurance Services  
Michael Simmons, Alliant Insurance Services  
Raychelle Maranan, Alliant Insurance Services  
Henri Castro, Bickmore  
Tom Kline, Bickmore

Dori Zumwalt, York Risk Services  
Cameron Dewey, York Risk Services  
Lela Casey, York Risk Services  
James Marta, James Marta & Company

**A. CALL TO ORDER**

Mr. Bruce Cline called the meeting to order at 10:05 a.m. Mr. Cline noted that Mr. Russell Hildebrand was called in for jury duty and therefore, was not able to attend the meeting.

**B. INTRODUCTIONS**

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



**C. APPROVAL OF AGENDA AS POSTED**

**A motion was made to approve the Agenda as posted.**

**Motion:** Tim Sailsbery                      **Second:** Michael Daly                      **Motion Carried**  
**Ayes:** Feik, Koehn, Cline, Hanken, Lee, Shaver, Ehrenstrom, Warren, Ryan, Chapa, Cottrell  
**Nays:** None

**D. PUBLIC COMMENTS**

There were no public comments.

**E. CLOSED SESSION**

Pursuant to Government Code Section 54956.95, the Board recessed to closed session at 10:08 a.m. to discuss the following claim for the payment of liability incurred by the joint powers authority:

Liability - Jimenez v. City of Colusa

**F. REPORT FROM CLOSED SESSION**

The Board reconvened to open session at 10:13 a.m.

Mr. Bruce Cline announced that the Board provided direction to the Program and Claims Administrators for the claim referenced above.

**G. CONSENT CALENDAR**

1. Board of Directors Meeting Minutes - October 15, 2015
2. Check Register at October 31, 2015
3. Investment Reports
  - a. Chandler Asset Management Short/Long Term - October 2015
  - b. Treasurer's Report as of September 30, 2015
  - c. Local Agency Investment Fund (LAIF) Report as of September 30, 2015

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

**Motion:** Michael Daly                      **Second:** Liz Ehrenstrom                      **Motion Carried**  
**Ayes:** Feik, Koehn, Cline, Hanken, Lee, Shaver, Warren, Ryan, Chapa, Sailsbery, Cottrell  
**Nays:** None



## **H. ADMINISTRATION REPORTS**

### **H1. President's Report**

Mr. Bruce Cline had no items to report.

### **H2. Program Administrator's Report**

Mr. Marcus Beverly had no items to report.

### **H3. CAJPA Conference Feedback**

Ms. Sandy Ryan, City of Red Bluff, and Mr. Tim Chapa, City of Rio Vista, attended the 2015 CAJPA Conference and shared their experiences and some highlights of the conference.

## **I. FINANCIAL REPORTS**

### **I1. Quarterly Financial Report for Period Ending September 30, 2015**

Mr. James Marta reviewed the quarterly financial report for period ending September 30, 2015. Mr. Marta presented the highlights of the report to the Board. The Liability Shared layer is in deficit.

Mr. Marta reviewed the Budget-to-Actual report. No questions from the Board.

**A motion was made to receive and file the Quarterly Financial Report for the period ending September 30, 2015.**

**Motion:** Liz Ehrenstrom                      **Second:** Michael Daly                      **Motion Carried**  
**Ayes:** Feik, Koehn, Cline, Hanken, Lee, Shaver, Warren, Ryan, Chapa, Sailsbery, Cottrell  
**Nays:** None

### **H2. Budget-to-Actual as of September 30, 2015**

The Budget-to-Actual was reviewed under item I1.

## **J. JPA BUSINESS**

### **J1. Risk Management Planning Session Follow Up**

#### **J1.a. Policy and Procedure Reviews**

Mr. Marcus Beverly indicated based on the current risk management assessments and feedback from members regarding the most critical areas to be addressed, the Risk Management Committee (RMC) identified four policies that needs to be updated and an implementation of two new policies:



## Revisions of Current Policies

### **J1.a. i. RM-3 Sidewalk Inspection and Maintenance**

Mr. Beverly noted this policy applies to both General Liability and Workers' Compensation Programs. Each city ordinances vary from city-to-city. Ms. Henri Castro noted based on the members' risk assessment, majority do not have a policy in place with sidewalk inspection and maintenance. Mr. Bruce Cline stated regardless of the risk assessment priority list, NCCSIF should have the appropriate policy and the need to enforce it. At some point, the pool must set a deadline for members to comply for accountability measure. The requirement for annual budget is not feasible to some city due to budget constraint.

After further discussion, it was noted to add "when feasible" under 3-6 of Operational Best Practices due to budget constraint.

**A motion was made to approve RM-3 Sidewalk Inspection and Maintenance with one noted revision under 3-6.**

**Motion:** Bruce Cline

**Second:** Sandy Ryan

**Motion Carried**

**Ayes:** Feik, Koehn, Hanken, Daly, Lee, Shaver, Ehrenstrom, Warren, Chapa, Sailsbery, Cottrell

**Nays:** None

### **J1.a. ii. RM-7 Aquatics Programs**

The Board reviewed the proposed update to this policy and the standard of care or duty to confer was discussed in length. Ms. Henri Castro pointed out the Aquatics Programs is categorized under Parks and Recreation of the Risk Assessment, and it will be re-classified in its own category. Mr. Bruce Cline suggested to review this policy with Chad Miller, City of Folsom Aquatics Manager, to get his input on those industry standard requirement such as lifeguard rotation time, starting platform requirements, diving depth and supervision of lifeguards. Additionally, Alliant was directed to verify with Byrne Conley, Board Counsel, as to the definition of "facility" for contractual exposure to ensure appropriate language is incorporated in the policy

This item was tabled to next Risk Management Committee meeting to refine this policy as noted.

### **J1.a. iii. RM-9 Sewer Overflow and Backup Response**

Mr. Marcus Beverly indicated NCCSIF deferred the funding of sewer risk management services earlier in the year. Sewer claims is third in severity exposure to the group.

The Board reviewed and discussed the proposed updates to this policy. It was noted some city member have city ordinance and therefore, differs in terms of who owns the lower unilateral. Mr. Beverly indicated the City of Nevada City shared its City Resolution which is another mechanism in place that identify property owner responsibility to obtain backflow inspection as part of permit



New Policies based on the current Risk Management Assessment criteria

**J1.a. i. RM-13 ADA Compliance and Transition Plans**

Mr. Beverly indicated the ADA Compliance was discussed extensively at the Risk Management Committee Planning session. This is part of the risk assessment that Bickmore conducted and remains a hot topic across the board. Ms. Castro noted a self-evaluation is required for City with less than 50 employees.

After further discussion, the Board approved the proposed RM-13 ADA Compliance and Transition Plans policy with the following modification:

- Under 1.0 Policy: strikeout the second sentence entirely and replace it with “We will achieve this by recommending to utilize best practices.”
- Under 13-1 of Operational Best Practices: to finish the sentence “as defined by law.”
- Under 13-3 of Operational Best Practices: to add a distinction between transition plan and self-evaluation for those with less than 50 employees.

**A motion was made to approve the proposed RM-13 ADA Compliance and Transition Plans as modified.**

**Motion:** Bruce Cline

**Second:** Liz Ehrenstrom

**Motion Carried**

**Ayes:** Feik, Koehn, Hanken, Daly, Lee, Shaver, Warren, Ryan, Chapa, Sailsbery, Cottrell

**Nays:** None

**J1.a. ii. RM-14 Urban Forest Management**

Mr. Beverly indicated the City must have a written plan to maintain trees: trimming maintenance and inspection by degree of hazard specifically trees planted on the street planting strip and cracks on sidewalks caused by tree roots hence, a tripping hazard. Discussion ensued as to who is liable for trees that was planted by property owners. Ownership and liability remains debatable as responsibility shifts when encroachment is in play. City ordinances varies and member must exercise control relating to public property. Due to budget constraint, add “when feasible” under 14-5 of Operational Best Practices.

After discussion, the Board suggested to have an Arborist from City of Folsom and City of Oroville to review and provide their input to ensure there is a clear definition of what private property covers that affects the public.

This item was tabled to next Risk Management Committee meeting to refine this policy with feedback from an Arborist.



### **J1.b. Employment Practices Liability (EPL) Hotline**

Mr. Beverly indicated members were surveyed to determine the need for an Employment Practices Liability (EPL) hotline service through NCCSIF. It was noted thirteen members responded to the survey and the result is split in half. The majority of the members have EPL in place on their own through the Liebert Cassidy Consortium. Proposals received from providers ranging from \$26,000 to \$53,900 per year if all members participate.

After further discussion, the Board determined there is no need to fund this service at this time.

*The Board recessed for lunch at 11:37 a.m.*

Mr. Michael Simmons provided a presentation of the State of the Insurance Market during lunch.

*The meeting reconvened at 12:18 p.m.*

### **J.2. NCCSIF Bylaws Amendment - Principal Office of the Authority**

Mr. Beverly indicated the Alliant Insurance Services moved office and the Program Administrator's office is listed as the Principle Office of the Authority in the NCCSIF Bylaws. Pursuant to the 30-Day Notice of Intent to amend the Bylaws, Section 24 - Amendments, an e-mail was sent to all Board members on October 16, 2015.

**A motion was made to approve the amendment to NCCSIF Bylaws as presented.**

**Motion:** Liz Ehrenstrom                      **Second:** Michael Daly                      **Motion Carried**  
**Ayes:** Feik, Koehn, Cline, Hanken, Lee, Shaver, Warren, Ryan, Chapa, Sailsbery, Cottrell  
**Nays:** None

### **J.3. Executive Committee Rotation Schedule and 2016 Slate of Officers**

Mr. Bruce Cline noted he is stepping down as the Vice President for the 2016 term and nominated Mr. Dave Warren for the Vice President position.

**A motion was made to approve Mr. Dave Warren from City of Placerville as the Vice President.**

**Motion:** Tim Sailsbery                      **Second:** Michael Daly                      **Motion Carried**  
**Ayes:** Feik, Koehn, Cline, Hanken, Lee, Shaver, Ehrenstrom, Warren, Ryan, Chapa, Cottrell  
**Nays:** None

Mr. Beverly indicated Ms. Michelle Pellegrino decided to not serve as Secretary for another term as City of Dixon is rotating off the Executive Committee. Ms. Corey Shaver from City of Nevada City volunteered for the role of Secretary.



**A motion was made to approve Ms. Corey Shaver from City of Nevada City as the Secretary.**

**Motion:** Liz Ehrenstrom                      **Second:** Bruce Cline                      **Motion Carried**  
**Ayes:** Feik, Koehn, Hanken, Daly, Lee, Shaver, Warren, Ryan, Chapa, Sailsbery, Cottrell  
**Nays:** None

**J.4. 2016 NCCSIF Service Calendar**

Mr. Beverly reviewed the Service Calendar to the Board that outlines the timeline of the annual activities to be completed on behalf of NCCSIF.

There was no discussion on this item.

**J.5. Financial Transaction Resolutions**

**J.5.a. Resolution 16-01 Authorizing Signers for the Investment of Monies in the Local Agency Investment Fund (LAIF)**

Mr. Beverly indicated the Resolution 16-01 gives authority to certain officers to order deposits or withdrawals of monies in the LAIF account.

After review and discussion, the Board approved the following officers as authorized signers: NCCSIF President, NCCSIF Treasurer and NCCSIF Financial Consultants - James Marta and Alana Theiss.

**A motion was made to approve the NCCSIF Resolution 16-01 with the recommended revisions to the officers per the discussion above.**

**Motion:** Brad Koehn                      **Second:** Liz Ehrenstrom                      **Motion Carried**  
**Ayes:** Feik, Cline, Hanken, Daly, Lee, Shaver, Warren, Ryan, Chapa, Sailsbery, Cottrell  
**Nays:** None

**J.5.a. Resolution 16-02 Authorizing the Treasurer to Invest and Re-invest Funds**

Mr. Beverly indicated annually the Board must approve a resolution authorizing the NCCSIF Treasurer to invest and reinvest funds, including the sale or exchange of securities.

**A motion was made to approve the NCCSIF Resolution 16-02 as presented.**

**Motion:** Corey Shaver                      **Second:** Dave Warren                      **Motion Carried**  
**Ayes:** Feik, Koehn, Cline, Hanken, Daly, Lee, Ehrenstrom, Ryan, Chapa, Sailsbery, Cottrell  
**Nays:** None



**J.6. 2016/17 Insurance Market Update and Renewal Marketing Plan**

Mr. Beverly provided an update on the expected changes to the insurance market for FY 2016/17 and the marketing plan for the various coverages.

Information only and no action were taken.

**J.7. Round Table Discussion**

None.

**K. INFORMATION ITEMS**

1. PARMA Conference (February 23-26, 2016) in Indian Wells, CA
2. NCCSIF Organizational Chart
3. NCCSIF 2016 Meeting Calendar
4. NCCSIF Travel Reimbursement Form
5. NCCSIF Resource Contact Guide

These items were provided as information only.

**L. ADJOURNMENT**

The meeting was adjourned at 12:49 p.m.

**Next Meeting Date:** April 28, 2016 in Rocklin, CA

Respectfully Submitted,

\_\_\_\_\_  
Corey Shaver, Secretary

\_\_\_\_\_  
Date

Northern California Cities Self Insurance Fund

Check Register

From 11/01/2015 to 02/29/16

Check No.	Vendor Name	Account title	Account	Payment Date	Payment Amount
8709	York	Claims Admin - Monthly WC Only	52300	11/12/2015	45,447.27
8710	York Risk Services Group, Inc.	Claims Admin - Liability	51135	11/12/2015	36,090.21
8711	James Marta	Accounting Services	52403	11/12/2015	5,470.75
8712	Gibbons & Conley	Legal Services	52103	11/12/2015	430.50
8713	Alliant Insurance Services	Program Admin Fee	52401	11/12/2015	24,310.00
8714	Occu-Med Inc.	OCCUMED	52214	11/12/2015	1,500.00
8715	City of Oroville	Seminars and PARMA	52207	11/12/2015	1,790.20
8716	Bickmore Risk Services Inc.	On Site	52204	11/12/2015	13,351.66
8717	DKF Solutions Group, LLC	Online Risk Management Services	52215	11/12/2015	1,050.00
8718	Cole Pro Media, LLC	Police Risk Mgmt Comm Svcs	52203	11/12/2015	900.00
8719	The Bank of New York Mellon	Portfolio Management Fee	44040	11/12/2015	712.50
8720	Chandler Asset Management, Inc.	Portfolio Management Fee	44040	12/15/2015	4,833.00
8721	York	Claims Admin - Monthly WC Only	52300	12/15/2015	45,447.27
8722	York Risk Services Group, Inc.	Claims Admin - Liability	51135	12/15/2015	33,655.78
8723	James Marta	Accounting Services	52403	12/15/2015	5,470.75
8724	Alliant Insurance Services	Program Admin Fee	52401	12/15/2015	24,310.00
8725	Occu-Med Inc.	OCCUMED	52214	12/15/2015	1,500.00
8726	Bickmore Risk Services Inc.	On Site	52204	12/15/2015	13,351.67
8727	City of Placerville	Member Travel	52502	12/15/2015	44.04
8728	DKF Solutions Group, LLC	Online Risk Management Services	52215	12/15/2015	1,050.00
8729	Department of Industrial Relations	State Funding/Fraud Assessment	52304	12/15/2015	191,383.16
8730	Aubergine Catering	Board Meetings	52503	12/15/2015	375.00
8730	Aubergine Catering	Police Risk Mgmt Comm Svcs	52203	12/15/2015	280.00
8731	Liz Cottrell	Member Travel	52502	12/15/2015	162.15
8732	Liz Ehrenstrom	Member Travel	52502	12/15/2015	69.00
8733	Sandy Ryan	Member Travel	52502	12/15/2015	159.85
8734	Corey Shaver	Member Travel	52502	12/15/2015	39.56
8735	Chandler Asset Management, Inc.	Portfolio Management Fee	44040	12/30/2015	4,825.00
8736	AGRIP	Associations Memberships	52504	12/30/2015	1,803.76
8737	City of Galt	Seminars and PARMA	52207	12/30/2015	1,835.71
8738	Champion Awards Enterprises	Board Meetings	52503	12/30/2015	65.20
8748	Alliant Insurance Services	Program Admin Fee	52401	1/19/2016	24,310.00
8750	Chandler Asset Management, Inc.	Portfolio Management Fee	44040	1/19/2016	4,817.00
8751	City of Elk Grove	Police Risk Mgmt Comm Svcs	52203	1/19/2016	3,030.00
8752	DKF Solutions Group, LLC	Online Risk Management Services	52215	1/19/2016	1,050.00
8753	Gibbons & Conley	Legal Services	52103	1/19/2016	1,686.13
8754	James Marta	Accounting Services	52403	1/19/2016	5,470.75
8755	Occu-Med Inc.	OCCUMED	52214	1/19/2016	1,500.00
8756	York Risk Services Group, Inc.	Claims Admin - Liability	51135	1/19/2016	28,580.92
8757	Bickmore Risk Services Inc.	On Site	52204	1/19/2016	13,351.67
8758	City of Folsom	Safety Grant Funds	54200	1/28/2016	21,560.00
8759	Gibbons & Conley	Legal Services	52103	1/28/2016	430.50
8760	York	Claims Admin - Monthly WC Only	52300	1/28/2016	45,447.27
8761	Alliant Insurance Services	Program Admin Fee	52401	2/17/2016	24,310.00
8762	Aubergine Catering	Police Risk Mgmt Comm Svcs	52203	2/17/2016	300.00
8763	Bickmore Risk Services Inc.	On Site	52204	2/17/2016	13,351.66
8764	Chandler Asset Management, Inc.	Portfolio Management Fee	44040	2/17/2016	4,840.00
8765	City of Jackson	Risk Mgmt Comm Services	52201	2/17/2016	259.20
8766	City of Red Bluff	Risk Mgmt Comm Services	52201	2/17/2016	184.02

Northern California Cities Self Insurance Fund  
 Check Register  
 From 11/01/2015 to 02/29/16

Check No.	Vendor Name	Account title	Account	Payment Date	Payment Amount
8767	DKF Solutions Group, LLC	Online Risk Management Services	52215	2/17/2016	1,050.00
8768	Gibbons & Conley	Legal Services	52103	2/17/2016	2,529.19
8769	James Marta	Administrative Expense	52000	2/17/2016	103.40
8769	James Marta	Accounting Services	52403	2/17/2016	5,470.75
8770	Liz Ehrenstrom	Risk Mgmt Comm Mtg Exp	52202	2/17/2016	64.80
8771	Occu-Med Inc.	OCCUMED	52214	2/17/2016	1,500.00
8772	York	Claims Admin - Monthly WC Only	52300	2/17/2016	45,447.27
8773	York Risk Services Group, Inc.	Claims Admin - Liability	51135	2/17/2016	34,154.47
8774	Alliant Insurance Services	Crime Premium (passthrough)	44070	2/25/2016	1,284.00
8775	City of Dixon	Wellness Optional	52217	2/25/2016	276.21
					748,073.20

Voided Checks - Intacct Setup Alignment Error  
 Ck #8739-8747 & 8749

# Monthly Account Statement

## Northern CA Cities Self Ins. Fund Short Term

November 1, 2015 through November 30, 2015

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Bank of New York Mellon Trust  
Company  
Gaby Rodriguez  
(213)630-6461

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.***



PORTFOLIO CHARACTERISTICS

Average Duration	2.58
Average Coupon	1.30 %
Average Purchase YTM	1.35 %
Average Market YTM	1.29 %
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	2.78 yrs
Average Life	2.65 yrs

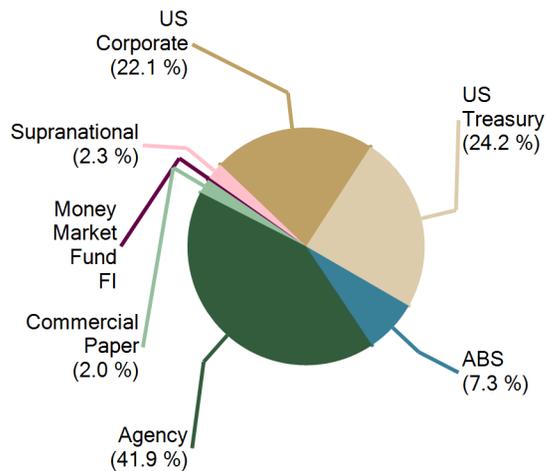
ACCOUNT SUMMARY

	Beg. Values as of 10/31/15	End Values as of 11/30/15
<b>Market Value</b>	23,468,189	23,414,223
<b>Accrued Interest</b>	68,187	62,990
<b>Total Market Value</b>	<b>23,536,376</b>	<b>23,477,214</b>
<b>Income Earned</b>	25,759	26,019
<b>Cont/WD</b>		0
<b>Par</b>	23,417,158	23,453,965
<b>Book Value</b>	23,357,551	23,390,977
<b>Cost Value</b>	23,364,874	23,398,863

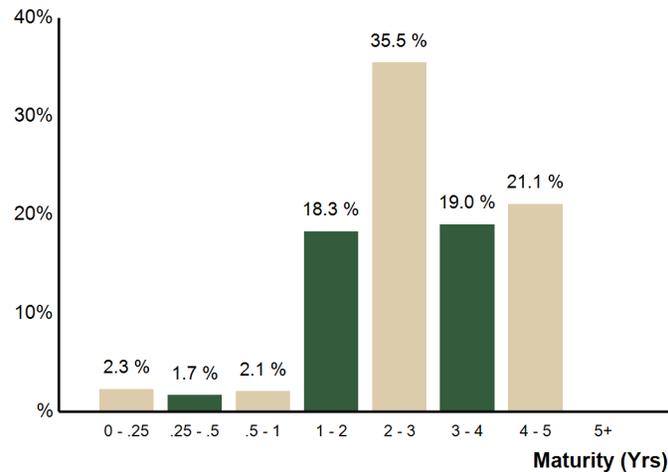
TOP ISSUERS

Issuer	% Portfolio
Government of United States	24.2 %
Federal National Mortgage Assoc	15.2 %
Federal Home Loan Mortgage Corp	13.5 %
Federal Home Loan Bank	10.6 %
Intl Bank Recon and Development	2.3 %
Honda ABS	2.3 %
John Deere ABS	2.1 %
Toyota ABS	2.1 %
	<b>72.3 %</b>

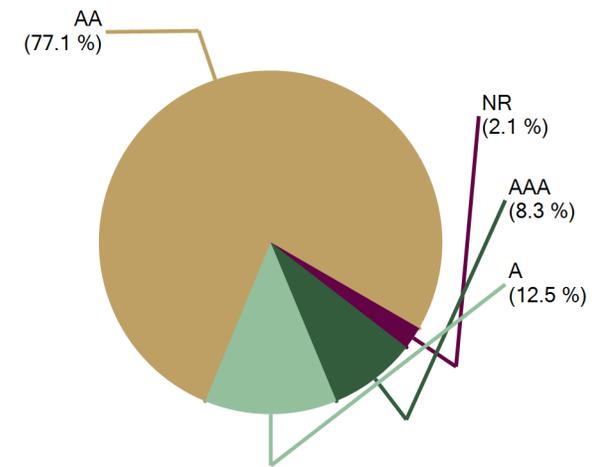
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 11/30/2015	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 12/31/1997	
					3 Yrs	5 Yrs	10 Yrs		
Northern CA Cities Self Ins. Fund Short Term	-0.25 %	0.16 %	1.24 %	1.04 %	0.92 %	1.41 %	3.41 %	4.24 %	110.58 %
BAML 1-5 Yr US Treasury/Agency Index	-0.29 %	0.01 %	1.12 %	0.80 %	0.72 %	1.15 %	3.11 %	3.91 %	98.90 %
BAML 1-5 Yr US Issuers Corp/Govt Rated AAA-A Index	-0.25 %	0.11 %	1.22 %	0.90 %	0.85 %	1.32 %	3.17 %	4.02 %	102.65 %



## Northern California Cities Self-Insurance Fund - Short Term

November 30, 2015

### COMPLIANCE WITH INVESTMENT POLICY

*The portfolio complies with State law and with the investment policy.*

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Agencies	No limitation	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or better by S&P or Moody; 30% maximum; 5 years max maturity	Complies
Municipal Securities	5 years max maturity	Complies
Asset-backed/MBS/CMOs	20% maximum; AA by S&P or Moody; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A1/P1 by S&P or Moody ; 25% maximum; 270 days max maturity	Complies
Medium Term Notes	30% maximum; A rated by S&P or Moody; 5 years max maturity	Complies
Money Market Acct	20% maximum; AAA by S&P and Moody	Complies
Mutual Funds	20% maximum; AAA	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit	5 years max maturity	Complies
LAIF	\$50 million	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
CMOs with collateral not specifically GNMA, FHLMC, FNMA	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Futures and Options	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies
Max Per Issuer	5% (except US Treasury and US Agency issuers)	Complies
Maximum Maturity	10 years	Complies



## Reconciliation Summary

As of 11/30/2015

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$23,357,551.18</b>
<b>Acquisition</b>	
+ Security Purchases	\$587,465.16
+ Money Market Fund Purchases	\$348,213.84
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$935,679.00</b>
<b>Dispositions</b>	
- Security Sales	\$373,965.84
- Money Market Fund Sales	\$331,189.40
- MMF Withdrawals	\$0.00
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$185,000.00
- Calls	\$0.00
- Principal Paydowns	\$15,217.66
<b>Total Dispositions</b>	<b>\$905,372.90</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	\$910.10
	\$910.10
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	\$2,209.54
	\$2,209.54
<b>Ending Book Value</b>	<b>\$23,390,976.92</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$55,688.07</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$373,965.84
Accrued Interest Received	\$1,154.04
Interest Received	\$29,582.69
Dividend Received	\$0.00
Principal on Maturities	\$185,000.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$15,217.66
<b>Total Acquisitions</b>	<b>\$604,920.23</b>
<b>Disposition</b>	
Withdrawals	\$0.00
Security Purchase	\$587,465.16
Accrued Interest Paid	\$430.63
<b>Total Dispositions</b>	<b>\$587,895.79</b>
<b>Ending Book Value</b>	<b>\$72,712.51</b>

# Monthly Account Statement

## Northern Cal. Cities Self Ins. Fund Long Term

November 1, 2015 through November 30, 2015

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Bank of New York Mellon Trust  
Company  
Gaby Rodriguez  
(213)630-6461

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PORTFOLIO CHARACTERISTICS

Average Duration	3.66
Average Coupon	2.12 %
Average Purchase YTM	1.92 %
Average Market YTM	1.61 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	4.02 yrs
Average Life	3.88 yrs

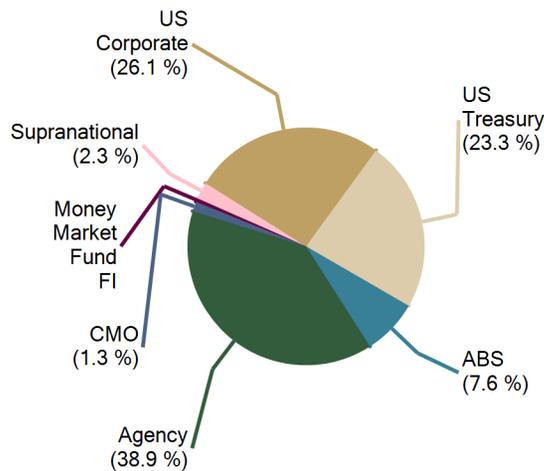
ACCOUNT SUMMARY

	Beg. Values as of 10/31/15	End Values as of 11/30/15
Market Value	24,293,268	24,245,162
Accrued Interest	136,302	116,501
<b>Total Market Value</b>	<b>24,429,570</b>	<b>24,361,662</b>
Income Earned	37,870	38,450
Cont/WD		0
Par	23,885,696	23,945,148
Book Value	23,942,119	24,002,227
Cost Value	24,151,688	24,218,685

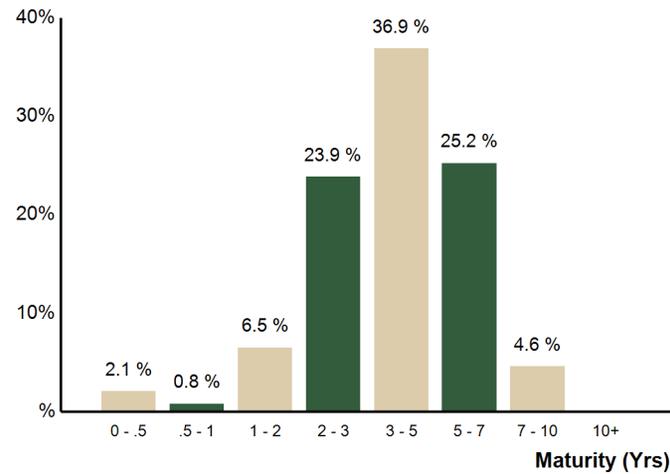
TOP ISSUERS

Issuer	% Portfolio
Government of United States	23.3 %
Federal National Mortgage Assoc	12.0 %
Federal Home Loan Mortgage Corp	10.8 %
Tennessee Valley Authority	8.6 %
Federal Home Loan Bank	8.2 %
Honda ABS	2.8 %
Intl Bank Recon and Development	2.3 %
John Deere ABS	2.2 %
<b>Total</b>	<b>70.2 %</b>

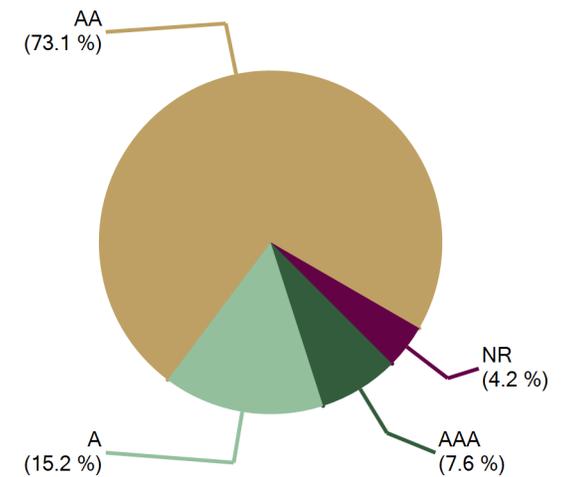
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 11/30/2015	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 5/31/2006	
					3 Yrs	5 Yrs	10 Yrs		
Northern Cal. Cities Self Ins. Fund Long Term	-0.28 %	0.34 %	1.74 %	1.59 %	1.08 %	2.19 %	N/A	4.35 %	49.85 %
BAML 1-10 Yr US Treasury/Agency Index	-0.33 %	0.10 %	1.43 %	1.17 %	0.79 %	1.86 %	N/A	3.97 %	44.80 %
BAML 1-10 Yr US Corporate/Govt Rated AAA-A Index	-0.25 %	0.30 %	1.58 %	1.32 %	1.07 %	2.22 %	N/A	4.08 %	46.18 %



## Northern California Cities Self-Insurance Fund - Long Term

November 30, 2015

### COMPLIANCE WITH INVESTMENT POLICY

*The portfolio complies with State law and with the investment policy.*

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Agencies	No limitation	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or better by S&P or Moody; 30% maximum; 5 years max maturity	Complies
Municipal Securities	5 years max maturity	Complies
Asset-backed/MBS/CMOs	20% maximum; AA by S&P or Moody; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A1/P1 by S&P or Moody ; 25% maximum; 270 days max maturity	Complies
Medium Term Notes	30% maximum; A rated by S&P or Moody; 5 years max maturity	Complies
Money Market Acct	20% maximum; AAA by S&P and Moody	Complies
Mutual Funds	20% maximum; AAA	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit	5 years max maturity	Complies
LAIF	\$50 million	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
CMOs with collateral not specifically GNMA, FHLMC, FNMA	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Futures and Options	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies
Max Per Issuer	5% (except US Treasury and US Agency issuers)	Complies
Maximum Maturity	10 years	Complies



## Reconciliation Summary

As of 11/30/2015

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$23,942,118.54</b>
<b>Acquisition</b>	
+ Security Purchases	\$429,961.30
+ Money Market Fund Purchases	\$80,154.57
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$510,115.87</b>
<b>Dispositions</b>	
- Security Sales	\$347,760.35
- Money Market Fund Sales	\$97,585.99
- MMF Withdrawals	\$0.00
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$0.00
- Calls	\$0.00
- Principal Paydowns	\$3,116.83
<b>Total Dispositions</b>	<b>\$448,463.17</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	(\$3,401.40)
	(\$3,401.40)
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	\$1,857.50
	\$1,857.50
<b>Ending Book Value</b>	<b>\$24,002,227.34</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$139,494.56</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$347,760.35
Accrued Interest Received	\$1,488.71
Interest Received	\$60,163.99
Dividend Received	\$0.00
Principal on Maturities	\$0.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$3,116.83
<b>Total Acquisitions</b>	<b>\$412,529.88</b>
<b>Disposition</b>	
Withdrawals	\$0.00
Security Purchase	\$429,961.30
Accrued Interest Paid	\$0.00
<b>Total Dispositions</b>	<b>\$429,961.30</b>
<b>Ending Book Value</b>	<b>\$122,063.14</b>

# Monthly Account Statement

## Northern CA Cities Self Ins. Fund Short Term

December 1, 2015 through December 31, 2015

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Bank of New York Mellon Trust  
Company  
Gaby Rodriguez  
(213)630-6461

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.***



PORTFOLIO CHARACTERISTICS

Average Duration	2.53
Average Coupon	1.31 %
Average Purchase YTM	1.36 %
Average Market YTM	1.39 %
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	2.73 yrs
Average Life	2.61 yrs

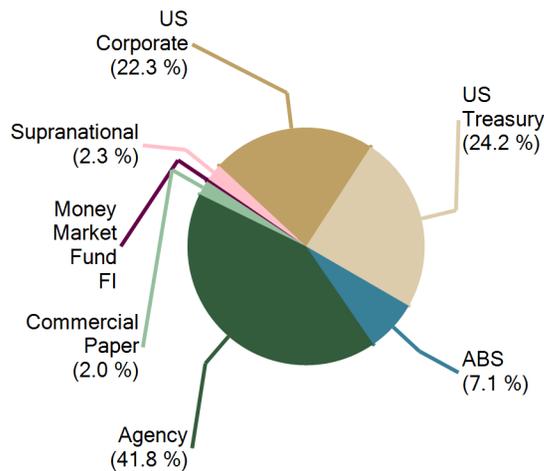
ACCOUNT SUMMARY

	Beg. Values as of 11/30/15	End Values as of 12/31/15
<b>Market Value</b>	23,414,223	23,380,492
<b>Accrued Interest</b>	62,990	72,043
<b>Total Market Value</b>	<b>23,477,214</b>	<b>23,452,535</b>
<b>Income Earned</b>	26,019	26,566
<b>Cont/WD</b>		0
<b>Par</b>	23,453,965	23,474,329
<b>Book Value</b>	23,390,977	23,410,250
<b>Cost Value</b>	23,398,863	23,421,004

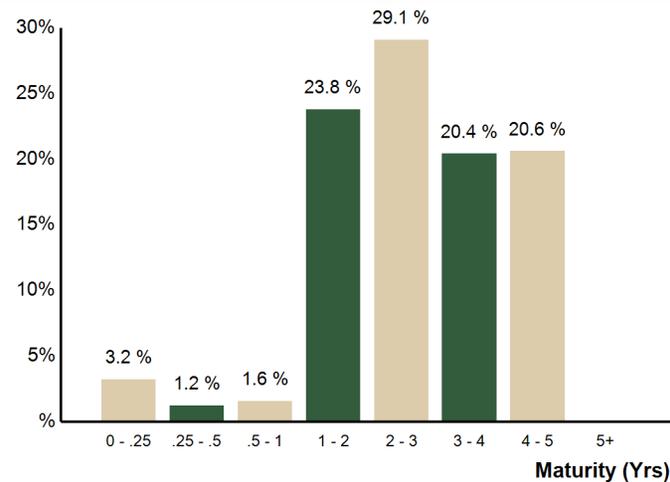
TOP ISSUERS

Issuer	% Portfolio
Government of United States	24.2 %
Federal National Mortgage Assoc	15.2 %
Federal Home Loan Mortgage Corp	13.5 %
Federal Home Loan Bank	10.6 %
Intl Bank Recon and Development	2.3 %
Honda ABS	2.2 %
Toyota ABS	2.0 %
John Deere ABS	2.0 %
	<b>72.0 %</b>

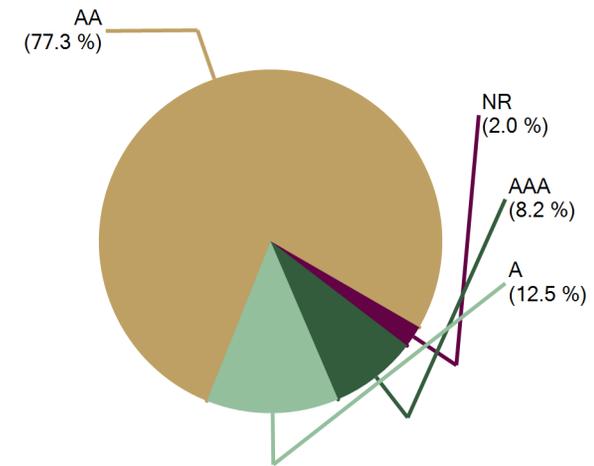
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 12/31/2015	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 12/31/1997	Since 12/31/1997
					3 Yrs	5 Yrs	10 Yrs		
Northern CA Cities Self Ins. Fund Short Term	-0.11 %	-0.45 %	1.14 %	1.14 %	0.90 %	1.48 %	3.36 %	4.22 %	110.36 %
BAML 1-5 Yr US Treasury/Agency Index	-0.15 %	-0.65 %	0.97 %	0.97 %	0.68 %	1.24 %	3.05 %	3.89 %	98.60 %
BAML 1-5 Yr US Issuers Corp/Govt Rated AAA-A Index	-0.17 %	-0.59 %	1.05 %	1.05 %	0.80 %	1.41 %	3.10 %	3.99 %	102.31 %



Northern California Cities Self-Insurance Fund - Short Term

December 31, 2015

**COMPLIANCE WITH INVESTMENT POLICY**

*The portfolio complies with State law and with the investment policy.*

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Agencies	No limitation	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or better by S&P or Moody; 30% maximum; 5 years max maturity	Complies
Municipal Securities	5 years max maturity	Complies
Asset-backed/MBS/CMOs	20% maximum; AA by S&P or Moody; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A1/P1 by S&P or Moody ; 25% maximum; 270 days max maturity	Complies
Medium Term Notes	30% maximum; A rated by S&P or Moody; 5 years max maturity	Complies
Money Market Acct	20% maximum; AAA by S&P and Moody	Complies
Mutual Funds	20% maximum; AAA	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit	5 years max maturity	Complies
LAIF	\$50 million	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
CMOs with collateral not specifically GNMA, FHLMC, FNMA	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Futures and Options	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies
Max Per Issuer	5% (except US Treasury and US Agency issuers)	Complies
Maximum Maturity	10 years	Complies



Reconciliation Summary

As of 12/31/2015

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$23,390,976.92</b>
<b>Acquisition</b>	
+ Security Purchases	\$354,344.40
+ Money Market Fund Purchases	\$69,482.02
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$423,826.42</b>
<b>Dispositions</b>	
- Security Sales	\$298,116.90
- Money Market Fund Sales	\$60,364.82
- MMF Withdrawals	\$0.00
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$0.00
- Calls	\$0.00
- Principal Paydowns	\$48,753.06
<b>Total Dispositions</b>	<b>\$407,234.78</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	\$922.18
	\$922.18
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	\$1,759.70
	\$1,759.70
<b>Ending Book Value</b>	<b>\$23,410,250.44</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$72,712.51</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$298,116.90
Accrued Interest Received	\$940.63
Interest Received	\$16,213.93
Dividend Received	\$0.00
Principal on Maturities	\$0.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$48,753.06
<b>Total Acquisitions</b>	<b>\$364,024.52</b>
<b>Disposition</b>	
Withdrawals	\$0.00
Security Purchase	\$354,344.40
Accrued Interest Paid	\$562.92
<b>Total Dispositions</b>	<b>\$354,907.32</b>
<b>Ending Book Value</b>	<b>\$81,829.71</b>

# Monthly Account Statement

## Northern Cal. Cities Self Ins. Fund Long Term

December 1, 2015 through December 31, 2015

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

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Company  
Gaby Rodriguez  
(213)630-6461

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.***



PORTFOLIO CHARACTERISTICS

Average Duration	3.66
Average Coupon	2.14 %
Average Purchase YTM	1.94 %
Average Market YTM	1.73 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	4.02 yrs
Average Life	3.90 yrs

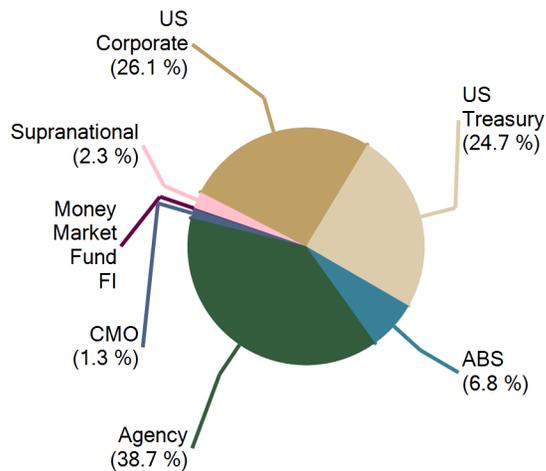
ACCOUNT SUMMARY

	Beg. Values as of 11/30/15	End Values as of 12/31/15
<b>Market Value</b>	24,245,162	24,202,783
<b>Accrued Interest</b>	116,501	120,633
<b>Total Market Value</b>	<b>24,361,662</b>	<b>24,323,416</b>
<b>Income Earned</b>	38,450	38,803
<b>Cont/WD</b>		0
<b>Par</b>	23,945,148	23,969,336
<b>Book Value</b>	24,002,227	24,036,898
<b>Cost Value</b>	24,218,685	24,256,959

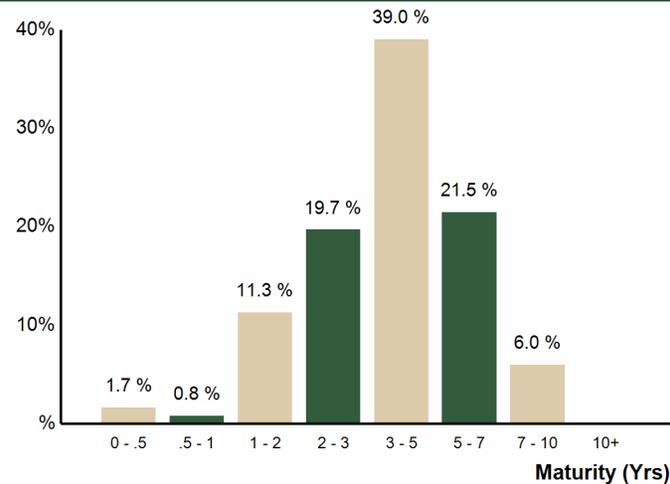
TOP ISSUERS

Issuer	% Portfolio
Government of United States	24.7 %
Federal National Mortgage Assoc	12.0 %
Federal Home Loan Mortgage Corp	10.8 %
Tennessee Valley Authority	8.5 %
Federal Home Loan Bank	8.1 %
Honda ABS	2.8 %
Intl Bank Recon and Development	2.3 %
John Deere ABS	2.1 %
<b>Total</b>	<b>71.3 %</b>

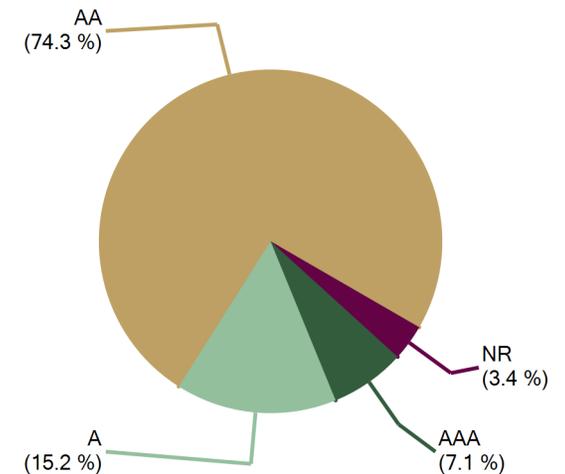
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 12/31/2015	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 5/31/2006	Since 5/31/2006
					3 Yrs	5 Yrs	10 Yrs		
Northern Cal. Cities Self Ins. Fund Long Term	-0.16 %	-0.62 %	1.58 %	1.58 %	1.10 %	2.41 %	N/A	4.29 %	49.62 %
BAML 1-10 Yr US Treasury/Agency Index	-0.19 %	-0.84 %	1.24 %	1.24 %	0.80 %	2.10 %	N/A	3.92 %	44.52 %
BAML 1-10 Yr US Corporate/Govt Rated AAA-A Index	-0.22 %	-0.66 %	1.35 %	1.35 %	1.05 %	2.44 %	N/A	4.02 %	45.86 %



## Northern California Cities Self-Insurance Fund - Long Term

December 31, 2015

### COMPLIANCE WITH INVESTMENT POLICY

*The portfolio complies with State law and with the investment policy.*

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Agencies	No limitation	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or better by S&P or Moody; 30% maximum; 5 years max maturity	Complies
Municipal Securities	5 years max maturity	Complies
Asset-backed/MBS/CMOs	20% maximum; AA by S&P or Moody; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A1/P1 by S&P or Moody ; 25% maximum; 270 days max maturity	Complies
Medium Term Notes	30% maximum; A rated by S&P or Moody; 5 years max maturity	Complies
Money Market Acct	20% maximum; AAA by S&P and Moody	Complies
Mutual Funds	20% maximum; AAA	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit	5 years max maturity	Complies
LAIF	\$50 million	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
CMOs with collateral not specifically GNMA, FHLMC, FNMA	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Futures and Options	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies
Max Per Issuer	5% (except US Treasury and US Agency issuers)	Complies
Maximum Maturity	10 years	Complies



## Reconciliation Summary

As of 12/31/2015

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$24,002,227.34</b>
<b>Acquisition</b>	
+ Security Purchases	\$339,055.01
+ Money Market Fund Purchases	\$241,718.12
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$580,773.13</b>
<b>Dispositions</b>	
- Security Sales	\$0.00
- Money Market Fund Sales	\$342,382.29
- MMF Withdrawals	\$0.00
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$0.00
- Calls	\$165,000.00
- Principal Paydowns	\$35,147.58
<b>Total Dispositions</b>	<b>\$542,529.87</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	(\$3,572.54)
	(\$3,572.54)
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	\$0.00
	\$0.00
<b>Ending Book Value</b>	<b>\$24,036,898.06</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$122,063.14</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$0.00
Accrued Interest Received	\$0.00
Interest Received	\$41,394.54
Dividend Received	\$0.00
Principal on Maturities	\$0.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$165,000.00
Interest from Calls/Redemption	\$176.00
Principal Paydown	\$35,147.58
<b>Total Acquisitions</b>	<b>\$241,718.12</b>
<b>Disposition</b>	
Withdrawals	\$0.00
Security Purchase	\$339,055.01
Accrued Interest Paid	\$3,327.28
<b>Total Dispositions</b>	<b>\$342,382.29</b>
<b>Ending Book Value</b>	<b>\$21,398.97</b>

# Monthly Account Statement

## Northern CA Cities Self Ins. Fund Short Term

January 1, 2016 through January 31, 2016

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Bank of New York Mellon Trust  
Company  
Gaby Rodriguez  
(213)630-6461

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.***



PORTFOLIO CHARACTERISTICS

Average Duration	2.46
Average Coupon	1.31 %
Average Purchase YTM	1.35 %
Average Market YTM	1.09 %
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	2.65 yrs
Average Life	2.53 yrs

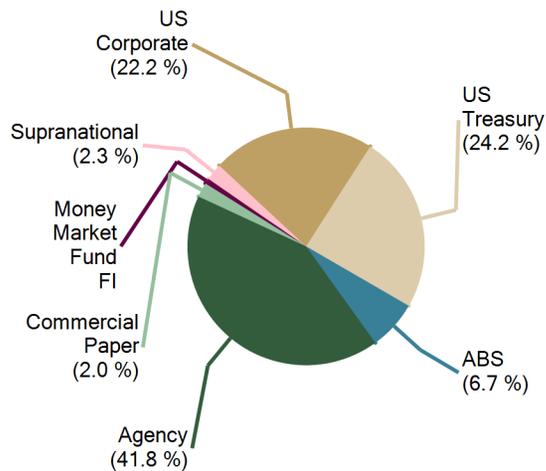
ACCOUNT SUMMARY

	Beg. Values as of 12/31/15	End Values as of 1/31/16
<b>Market Value</b>	23,380,492	23,604,029
<b>Accrued Interest</b>	72,043	74,713
<b>Total Market Value</b>	<b>23,452,535</b>	<b>23,678,742</b>
<b>Income Earned</b>	26,566	26,606
<b>Cont/WD</b>		0
<b>Par</b>	23,474,329	23,497,364
<b>Book Value</b>	23,410,250	23,434,186
<b>Cost Value</b>	23,421,004	23,444,052

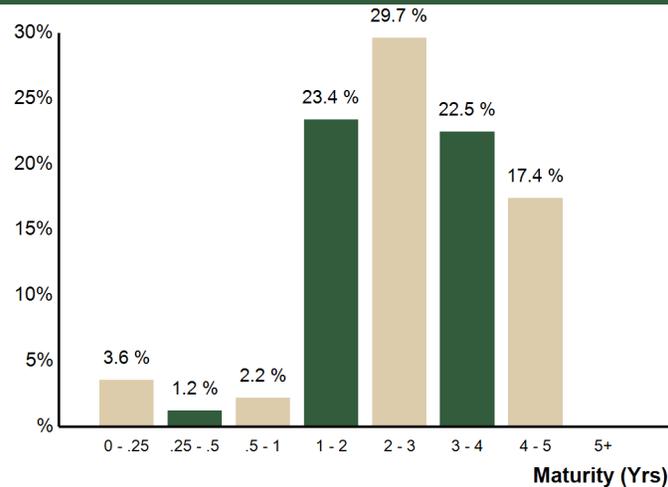
TOP ISSUERS

Issuer	% Portfolio
Government of United States	24.2 %
Federal National Mortgage Assoc	15.2 %
Federal Home Loan Mortgage Corp	13.5 %
Federal Home Loan Bank	10.6 %
Intl Bank Recon and Development	2.3 %
Honda ABS	2.0 %
Bank of Tokyo-Mit UFJ	2.0 %
Toyota ABS	2.0 %
	<b>71.8 %</b>

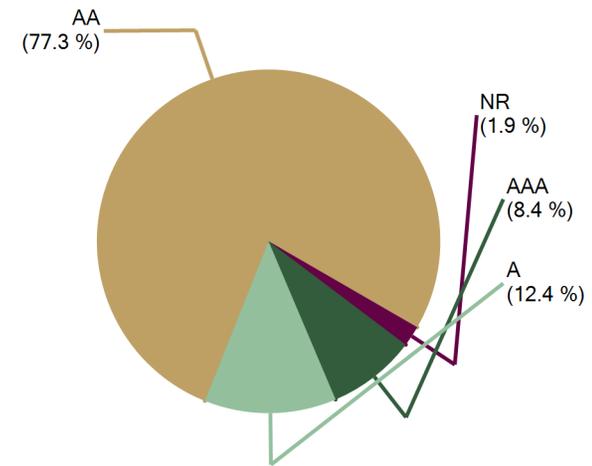
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 1/31/2016	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 12/31/1997	
					3 Yrs	5 Yrs	10 Yrs		
Northern CA Cities Self Ins. Fund Short Term	0.96 %	0.60 %	0.96 %	1.15 %	1.25 %	1.62 %	3.44 %	4.25 %	112.38 %
BAML 1-5 Yr US Treasury/Agency Index	1.06 %	0.62 %	1.06 %	1.05 %	1.08 %	1.39 %	3.15 %	3.93 %	100.72 %
BAML 1-5 Yr US Issuers Corp/Govt Rated AAA-A Index	1.01 %	0.59 %	1.01 %	1.06 %	1.17 %	1.54 %	3.19 %	4.03 %	104.35 %



**Northern California Cities Self-Insurance Fund - Short Term**  
**January 31, 2016**

**COMPLIANCE WITH INVESTMENT POLICY**

*The portfolio complies with State law and with the investment policy.*

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Agencies	No limitation	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or better by S&P or Moody; 30% maximum; 5 years max maturity	Complies
Municipal Securities	5 years max maturity	Complies
Asset-backed/MBS/CMOs	20% maximum; AA by S&P or Moody; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A1/P1 by S&P or Moody ; 25% maximum; 270 days max maturity	Complies
Medium Term Notes	30% maximum; A rated by S&P or Moody's; 5 years max maturity	Complies
Money Market Acct	20% maximum; AAA by S&P and Moody	Complies
Mutual Funds	20% maximum; AAA	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit	5 years max maturity	Complies
LAIF	\$50 million	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
CMOs with collateral not specifically GNMA, FHLMC, FNMA	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Futures and Options	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies
Max Per Issuer	5% (except US Treasury and US Agency issuers)	Complies
Maximum Maturity	10 years	Complies



## Reconciliation Summary

As of 1/31/2016

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$23,410,250.44</b>
<b>Acquisition</b>	
+ Security Purchases	\$0.00
+ Money Market Fund Purchases	\$90,948.53
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$90,948.53</b>
<b>Dispositions</b>	
- Security Sales	\$0.00
- 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	\$67,913.05
<b>Total Dispositions</b>	<b>\$67,913.05</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	\$899.90
	\$899.90
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	\$0.00
	\$0.00
<b>Ending Book Value</b>	<b>\$23,434,185.82</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$81,829.71</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$0.00
Accrued Interest Received	\$0.00
Interest Received	\$23,033.97
Dividend Received	\$1.51
Principal on Maturities	\$0.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$67,913.05
<b>Total Acquisitions</b>	<b>\$90,948.53</b>
<b>Disposition</b>	
Withdrawals	\$0.00
Security Purchase	\$0.00
Accrued Interest Paid	\$0.00
<b>Total Dispositions</b>	<b>\$0.00</b>
<b>Ending Book Value</b>	<b>\$172,778.24</b>

# Monthly Account Statement

## Northern Cal. Cities Self Ins. Fund Long Term

January 1, 2016 through January 31, 2016

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Bank of New York Mellon Trust  
Company  
Gaby Rodriguez  
(213)630-6461

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.***



PORTFOLIO CHARACTERISTICS

Average Duration	3.61
Average Coupon	2.13 %
Average Purchase YTM	1.93 %
Average Market YTM	1.37 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	3.95 yrs
Average Life	3.83 yrs

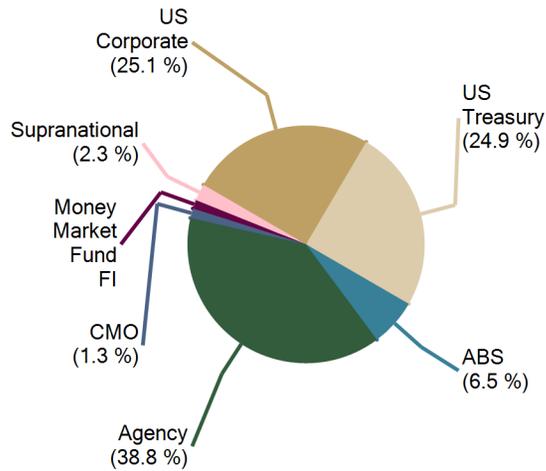
ACCOUNT SUMMARY

	Beg. Values as of 12/31/15	End Values as of 1/31/16
<b>Market Value</b>	24,202,783	24,572,810
<b>Accrued Interest</b>	120,633	126,161
<b>Total Market Value</b>	<b>24,323,416</b>	<b>24,698,971</b>
<b>Income Earned</b>	38,803	39,077
<b>Cont/WD</b>		0
<b>Par</b>	23,969,336	24,006,568
<b>Book Value</b>	24,036,898	24,070,448
<b>Cost Value</b>	24,256,959	24,291,783

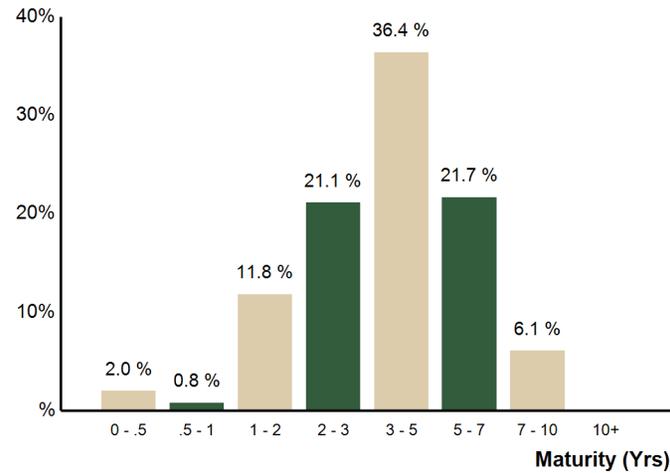
TOP ISSUERS

Issuer	% Portfolio
Government of United States	24.9 %
Federal National Mortgage Assoc	12.0 %
Federal Home Loan Mortgage Corp	10.8 %
Tennessee Valley Authority	8.5 %
Federal Home Loan Bank	8.2 %
Honda ABS	2.7 %
Intl Bank Recon and Development	2.3 %
John Deere ABS	2.0 %
<b>Total</b>	<b>71.3 %</b>

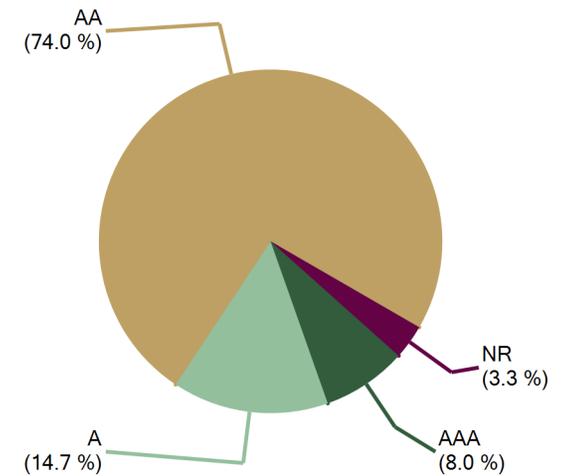
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 1/31/2016	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 5/31/2006	Since 5/31/2006
					3 Yrs	5 Yrs	10 Yrs		
Northern Cal. Cities Self Ins. Fund Long Term	1.54 %	1.10 %	1.54 %	1.48 %	1.74 %	2.66 %	N/A	4.42 %	51.93 %
BAML 1-10 Yr US Treasury/Agency Index	1.57 %	1.04 %	1.57 %	1.14 %	1.48 %	2.36 %	N/A	4.05 %	46.80 %
BAML 1-10 Yr US Corporate/Govt Rated AAA-A Index	1.41 %	0.93 %	1.41 %	1.07 %	1.66 %	2.66 %	N/A	4.13 %	47.91 %



**Northern California Cities Self-Insurance Fund - Long Term**  
**January 31, 2016**

**COMPLIANCE WITH INVESTMENT POLICY**

*The portfolio complies with State law and with the investment policy.*

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Agencies	No limitation	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or better by S&P or Moody; 30% maximum; 5 years max maturity	Complies
Municipal Securities	5 years max maturity	Complies
Asset-backed/MBS/CMOs	20% maximum; AA by S&P or Moody; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A1/P1 by S&P or Moody ; 25% maximum; 270 days max maturity	Complies
Medium Term Notes	30% maximum; A rated by S&P or Moody's; 5 years max maturity	Complies
Money Market Acct	20% maximum; AAA by S&P and Moody	Complies
Mutual Funds	20% maximum; AAA	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit	5 years max maturity	Complies
LAIF	\$50 million	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
CMOs with collateral not specifically GNMA, FHLMC, FNMA	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Futures and Options	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies
Max Per Issuer	5% (except US Treasury and US Agency issuers)	Complies
Maximum Maturity	10 years	Complies



## Reconciliation Summary

As of 1/31/2016

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$24,036,898.06</b>
<b>Acquisition</b>	
+ Security Purchases	\$0.00
+ Money Market Fund Purchases	\$272,767.85
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$272,767.85</b>
<b>Dispositions</b>	
- Security Sales	\$0.00
- Money Market Fund Sales	\$0.00
- MMF Withdrawals	\$0.00
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$180,000.00
- Calls	\$0.00
- Principal Paydowns	\$55,536.34
<b>Total Dispositions</b>	<b>\$235,536.34</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	(\$3,681.86)
	(\$3,681.86)
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	\$0.00
	\$0.00
<b>Ending Book Value</b>	<b>\$24,070,447.71</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$21,398.97</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$0.00
Accrued Interest Received	\$0.00
Interest Received	\$37,229.95
Dividend Received	\$1.56
Principal on Maturities	\$180,000.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$55,536.34
<b>Total Acquisitions</b>	<b>\$272,767.85</b>
<b>Disposition</b>	
Withdrawals	\$0.00
Security Purchase	\$0.00
Accrued Interest Paid	\$0.00
<b>Total Dispositions</b>	<b>\$0.00</b>
<b>Ending Book Value</b>	<b>\$294,166.82</b>

# Monthly Account Statement

## Northern CA Cities Self Ins. Fund Short Term

February 1, 2016 through February 29, 2016

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Bank of New York Mellon Trust  
Company  
Gaby Rodriguez  
(213)630-6461

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.***



PORTFOLIO CHARACTERISTICS

Average Duration	2.47
Average Coupon	1.30 %
Average Purchase YTM	1.36 %
Average Market YTM	1.08 %
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	2.66 yrs
Average Life	2.53 yrs

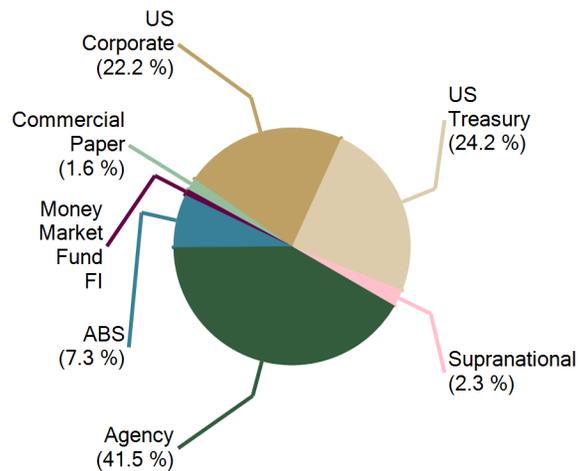
ACCOUNT SUMMARY

	Beg. Values as of 1/31/16	End Values as of 2/29/16
<b>Market Value</b>	23,604,029	23,655,671
<b>Accrued Interest</b>	74,713	74,232
<b>Total Market Value</b>	<b>23,678,742</b>	<b>23,729,903</b>
<b>Income Earned</b>	26,606	26,215
<b>Cont/WD</b>		0
<b>Par</b>	23,497,364	23,528,186
<b>Book Value</b>	23,434,186	23,462,474
<b>Cost Value</b>	23,444,052	23,457,154

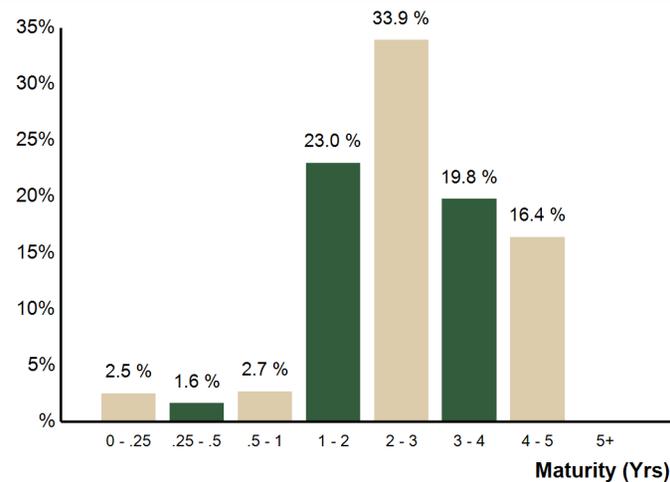
TOP ISSUERS

Issuer	% Portfolio
Government of United States	24.2 %
Federal National Mortgage Assoc	15.2 %
Federal Home Loan Mortgage Corp	12.0 %
Federal Home Loan Bank	11.8 %
Honda ABS	2.8 %
Intl Bank Recon and Development	2.3 %
Toyota ABS	1.9 %
John Deere ABS	1.8 %
<b>Total</b>	<b>72.0 %</b>

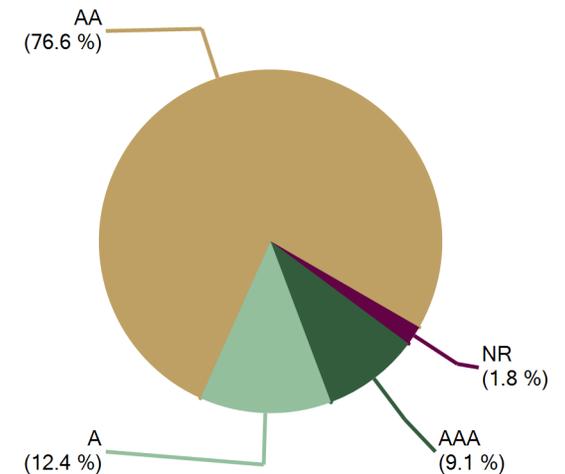
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 2/29/2016	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 12/31/1997	Since 12/31/1997
					3 Yrs	5 Yrs	10 Yrs		
Northern CA Cities Self Ins. Fund Short Term	0.22 %	1.08 %	1.18 %	1.76 %	1.25 %	1.68 %	3.45 %	4.25 %	112.84 %
BAML 1-5 Yr US Treasury/Agency Index	0.24 %	1.16 %	1.31 %	1.79 %	1.08 %	1.49 %	3.17 %	3.92 %	101.20 %
BAML 1-5 Yr US Issuers Corp/Govt Rated AAA-A Index	0.22 %	1.06 %	1.23 %	1.75 %	1.16 %	1.62 %	3.21 %	4.03 %	104.81 %



## Northern California Cities Self-Insurance Fund - Short Term

February 29, 2016

### COMPLIANCE WITH INVESTMENT POLICY

*The portfolio complies with State law and with the investment policy.*

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Agencies	No limitation	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or better by S&P or Moody; 30% maximum; 5 years max maturity	Complies
Municipal Securities	5 years max maturity	Complies
Asset-backed/MBS/CMOs	20% maximum; AA by S&P or Moody; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A1/P1 by S&P or Moody ; 25% maximum; 270 days max maturity	Complies
Medium Term Notes	30% maximum; A rated by S&P or Moody's; 5 years max maturity	Complies
Money Market Acct	20% maximum; AAA by S&P and Moody	Complies
Mutual Funds	20% maximum; AAA	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit	5 years max maturity	Complies
LAIF	\$50 million	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
CMOs with collateral not specifically GNMA, FHLMC, FNMA	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Futures and Options	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies
Max Per Issuer	5% (except US Treasury and US Agency issuers)	Complies
Maximum Maturity	10 years	Complies



## Reconciliation Summary

As of 2/29/2016

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$23,434,185.82</b>
<b>Acquisition</b>	
+ Security Purchases	\$972,463.10
+ Money Market Fund Purchases	\$602,780.96
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$1,575,244.06</b>
<b>Dispositions</b>	
- Security Sales	\$453,155.55
- Money Market Fund Sales	\$574,079.10
- MMF Withdrawals	\$0.00
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$469,389.00
- Calls	\$0.00
- Principal Paydowns	\$52,880.68
<b>Total Dispositions</b>	<b>\$1,549,504.33</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	\$957.00
	\$957.00
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	\$1,591.20
	\$1,591.20
<b>Ending Book Value</b>	<b>\$23,462,473.75</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$172,778.24</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$453,155.55
Accrued Interest Received	\$3,765.28
Interest Received	\$21,362.20
Dividend Received	\$1.25
Principal on Maturities	\$469,389.00
Interest on Maturities	\$611.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$52,880.68
<b>Total Acquisitions</b>	<b>\$1,001,164.96</b>
<b>Disposition</b>	
Withdrawals	\$0.00
Security Purchase	\$972,463.10
Accrued Interest Paid	\$0.00
<b>Total Dispositions</b>	<b>\$972,463.10</b>
<b>Ending Book Value</b>	<b>\$201,480.10</b>

# Monthly Account Statement

## Northern Cal. Cities Self Ins. Fund Long Term

February 1, 2016 through February 29, 2016

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Bank of New York Mellon Trust  
Company  
Gaby Rodriguez  
(213)630-6461

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.***



PORTFOLIO CHARACTERISTICS

Average Duration	3.61
Average Coupon	2.10 %
Average Purchase YTM	1.92 %
Average Market YTM	1.32 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	3.93 yrs
Average Life	3.82 yrs

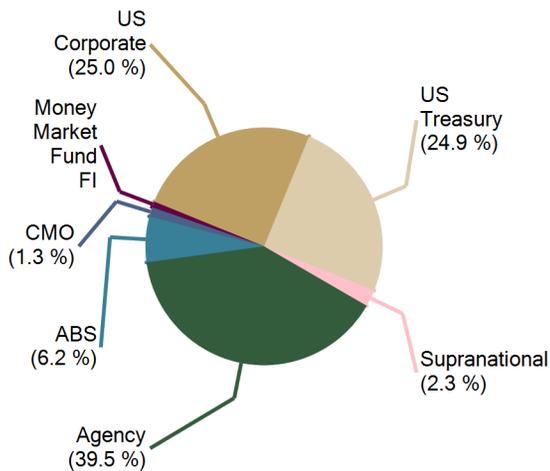
ACCOUNT SUMMARY

	Beg. Values as of 1/31/16	End Values as of 2/29/16
<b>Market Value</b>	24,572,810	24,693,075
<b>Accrued Interest</b>	126,161	110,200
<b>Total Market Value</b>	<b>24,698,971</b>	<b>24,803,276</b>
<b>Income Earned</b>	39,077	38,545
<b>Cont/WD</b>		0
<b>Par</b>	24,006,568	24,077,265
<b>Book Value</b>	24,070,448	24,131,439
<b>Cost Value</b>	24,291,783	24,335,983

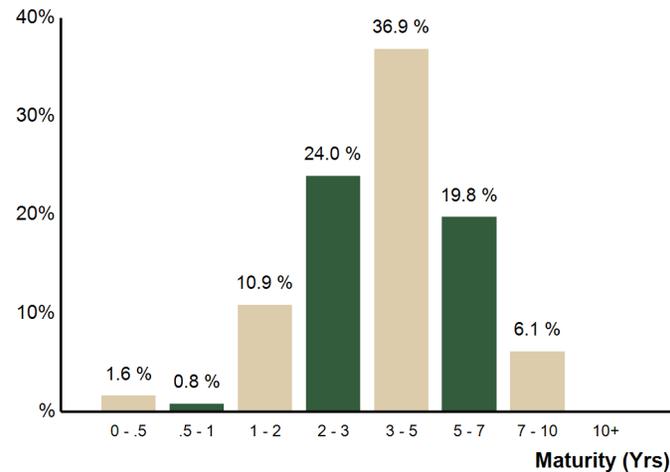
TOP ISSUERS

Issuer	% Portfolio
Government of United States	24.9 %
Federal National Mortgage Assoc	12.0 %
Federal Home Loan Mortgage Corp	10.8 %
Federal Home Loan Bank	9.0 %
Tennessee Valley Authority	8.4 %
Honda ABS	2.6 %
Intl Bank Recon and Development	2.3 %
John Deere ABS	1.8 %
<b>Total</b>	<b>71.8 %</b>

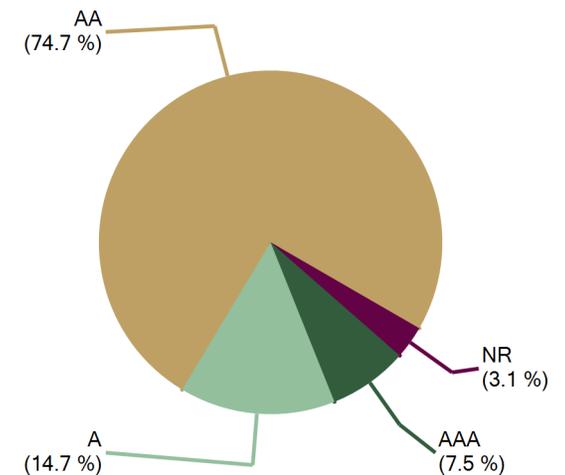
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 2/29/2016	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 5/31/2006	Since 5/31/2006
					3 Yrs	5 Yrs	10 Yrs		
Northern Cal. Cities Self Ins. Fund Long Term	0.42 %	1.81 %	1.97 %	2.71 %	1.74 %	2.76 %	N/A	4.43 %	52.57 %
BAML 1-10 Yr US Treasury/Agency Index	0.49 %	1.87 %	2.07 %	2.55 %	1.49 %	2.51 %	N/A	4.07 %	47.51 %
BAML 1-10 Yr US Corporate/Govt Rated AAA-A Index	0.48 %	1.67 %	1.89 %	2.36 %	1.66 %	2.77 %	N/A	4.15 %	48.61 %



## Northern California Cities Self-Insurance Fund - Long Term

February 29, 2016

### COMPLIANCE WITH INVESTMENT POLICY

*The portfolio complies with State law and with the investment policy.*

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Agencies	No limitation	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or better by S&P or Moody; 30% maximum; 5 years max maturity	Complies
Municipal Securities	5 years max maturity	Complies
Asset-backed/MBS/CMOs	20% maximum; AA by S&P or Moody; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A1/P1 by S&P or Moody ; 25% maximum; 270 days max maturity	Complies
Medium Term Notes	30% maximum; A rated by S&P or Moody's; 5 years max maturity	Complies
Money Market Acct	20% maximum; AAA by S&P and Moody	Complies
Mutual Funds	20% maximum; AAA	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit	5 years max maturity	Complies
LAIF	\$50 million	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
CMOs with collateral not specifically GNMA, FHLMC, FNMA	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Futures and Options	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies
Max Per Issuer	5% (except US Treasury and US Agency issuers)	Complies
Maximum Maturity	10 years	Complies



## Reconciliation Summary

As of 2/29/2016

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$24,070,447.71</b>
<b>Acquisition</b>	
+ Security Purchases	\$418,303.20
+ Money Market Fund Purchases	\$115,767.36
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$534,070.56</b>
<b>Dispositions</b>	
- Security Sales	\$206,185.59
- Money Market Fund Sales	\$210,041.67
- MMF Withdrawals	\$0.00
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$0.00
- Calls	\$0.00
- Principal Paydowns	\$60,028.64
<b>Total Dispositions</b>	<b>\$476,255.90</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	(\$3,309.47)
	(\$3,309.47)
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	\$6,485.73
	\$6,485.73
<b>Ending Book Value</b>	<b>\$24,131,438.63</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$294,166.82</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$206,185.59
Accrued Interest Received	\$2,075.94
Interest Received	\$55,737.42
Dividend Received	\$1.30
Principal on Maturities	\$0.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$60,028.64
<b>Total Acquisitions</b>	<b>\$324,028.89</b>
<b>Disposition</b>	
Withdrawals	\$0.00
Security Purchase	\$418,303.20
Accrued Interest Paid	\$0.00
<b>Total Dispositions</b>	<b>\$418,303.20</b>
<b>Ending Book Value</b>	<b>\$199,892.51</b>

# Monthly Account Statement

## Northern CA Cities Self Ins. Fund Short Term

March 1, 2016 through March 31, 2016

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Bank of New York Mellon Trust  
Company  
Gaby Rodriguez  
(213)630-6461

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.***



PORTFOLIO CHARACTERISTICS

Average Duration	2.53
Average Coupon	1.32 %
Average Purchase YTM	1.39 %
Average Market YTM	1.02 %
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	2.74 yrs
Average Life	2.60 yrs

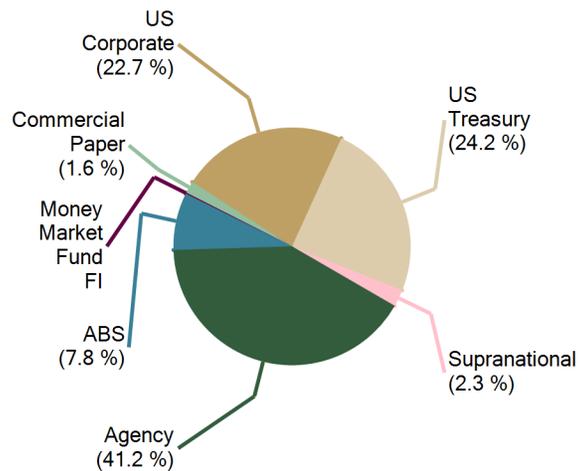
ACCOUNT SUMMARY

	Beg. Values as of 2/29/16	End Values as of 3/31/16
<b>Market Value</b>	23,655,671	23,745,965
<b>Accrued Interest</b>	74,232	72,981
<b>Total Market Value</b>	<b>23,729,903</b>	<b>23,818,946</b>
<b>Income Earned</b>	26,215	27,107
<b>Cont/WD</b>		0
<b>Par</b>	23,528,186	23,554,949
<b>Book Value</b>	23,462,474	23,490,452
<b>Cost Value</b>	23,457,154	23,481,054

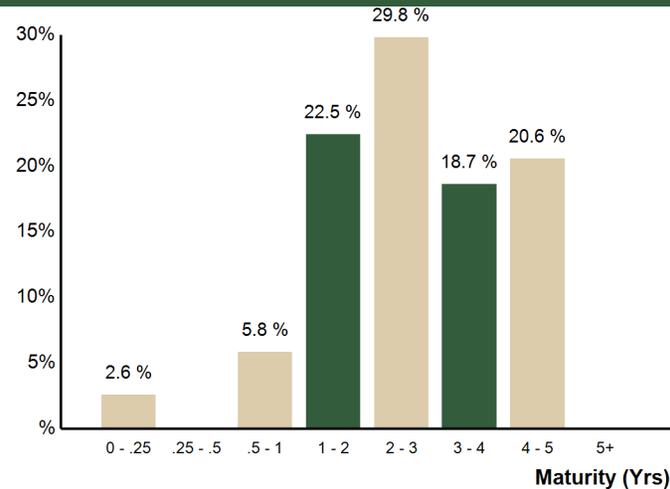
TOP ISSUERS

Issuer	% Portfolio
Government of United States	24.2 %
Federal National Mortgage Assoc	16.2 %
Federal Home Loan Mortgage Corp	11.5 %
Federal Home Loan Bank	10.9 %
Honda ABS	2.7 %
John Deere ABS	2.5 %
Intl Bank Recon and Development	2.3 %
Toyota ABS	1.9 %
<b>Total</b>	<b>72.2 %</b>

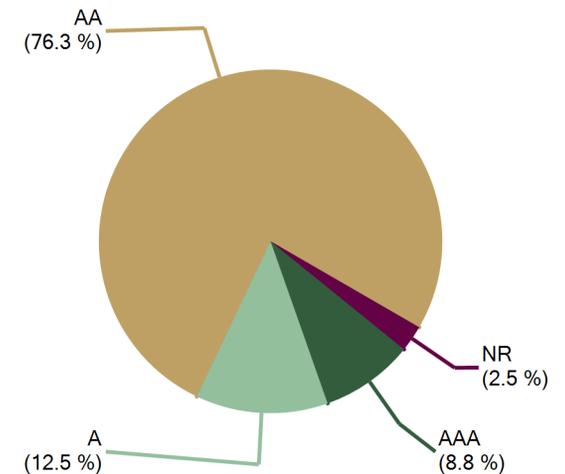
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 3/31/2016	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 12/31/1997	
					3 Yrs	5 Yrs	10 Yrs		
Northern CA Cities Self Ins. Fund Short Term	0.38 %	1.56 %	1.56 %	1.75 %	1.36 %	1.75 %	3.49 %	4.25 %	113.64 %
BAML 1-5 Yr US Treasury/Agency Index	0.24 %	1.55 %	1.55 %	1.61 %	1.15 %	1.54 %	3.19 %	3.92 %	101.68 %
BAML 1-5 Yr US Issuers Corp/Govt Rated AAA-A Index	0.34 %	1.57 %	1.57 %	1.69 %	1.26 %	1.69 %	3.25 %	4.03 %	105.50 %



## Northern California Cities Self-Insurance Fund - Short Term

March 31, 2016

### COMPLIANCE WITH INVESTMENT POLICY

*The portfolio complies with State law and with the investment policy.*

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Agencies	No limitation	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or better by S&P or Moody; 30% maximum; 5 years max maturity	Complies
Municipal Securities	5 years max maturity	Complies
Asset-backed/MBS/CMOs	20% maximum; AA by S&P or Moody; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A1/P1 by S&P or Moody ; 25% maximum; 270 days max maturity	Complies
Medium Term Notes	30% maximum; A rated by S&P or Moody's; 5 years max maturity	Complies
Money Market Acct	20% maximum; AAA by S&P and Moody	Complies
Mutual Funds	20% maximum; AAA	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit	5 years max maturity	Complies
LAIF	\$50 million	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
CMOs with collateral not specifically GNMA, FHLMC, FNMA	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Futures and Options	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies
Max Per Issuer	5% (except US Treasury and US Agency issuers)	Complies
Maximum Maturity	10 years	Complies



Reconciliation Summary

As of 3/31/2016

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$23,462,473.75</b>
<b>Acquisition</b>	
+ Security Purchases	\$988,876.54
+ Money Market Fund Purchases	\$823,670.69
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$1,812,547.23</b>
<b>Dispositions</b>	
- Security Sales	\$548,446.43
- Money Market Fund Sales	\$989,924.26
- MMF Withdrawals	\$0.00
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$200,000.00
- Calls	\$0.00
- Principal Paydowns	\$46,983.33
<b>Total Dispositions</b>	<b>\$1,785,354.02</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	\$1,165.12
	\$1,165.12
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	(\$379.64)
	(\$379.64)
<b>Ending Book Value</b>	<b>\$23,490,452.44</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$201,480.10</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$548,446.43
Accrued Interest Received	\$623.01
Interest Received	\$27,576.63
Dividend Received	\$1.90
Principal on Maturities	\$200,000.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$46,983.33
<b>Total Acquisitions</b>	<b>\$823,631.30</b>
<b>Disposition</b>	
Withdrawals	\$0.00
Security Purchase	\$988,876.54
Accrued Interest Paid	\$1,008.33
<b>Total Dispositions</b>	<b>\$989,884.87</b>
<b>Ending Book Value</b>	<b>\$35,226.53</b>

# Monthly Account Statement

## Northern Cal. Cities Self Ins. Fund Long Term

March 1, 2016 through March 31, 2016

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Bank of New York Mellon Trust  
Company  
Gaby Rodriguez  
(213)630-6461

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.***



PORTFOLIO CHARACTERISTICS

Average Duration	3.55
Average Coupon	2.04 %
Average Purchase YTM	1.89 %
Average Market YTM	1.23 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	3.88 yrs
Average Life	3.76 yrs

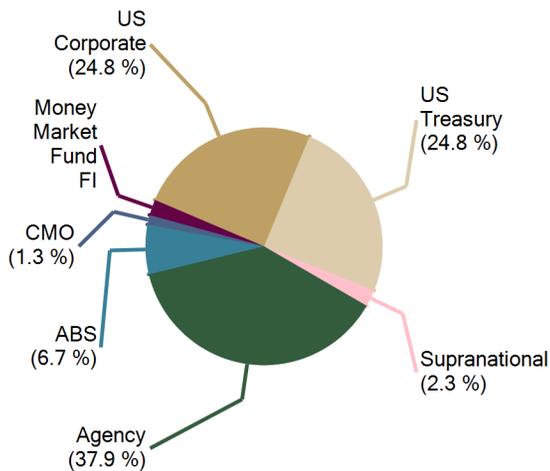
ACCOUNT SUMMARY

	Beg. Values as of 2/29/16	End Values as of 3/31/16
<b>Market Value</b>	24,693,075	24,788,889
<b>Accrued Interest</b>	110,200	115,431
<b>Total Market Value</b>	<b>24,803,276</b>	<b>24,904,320</b>
<b>Income Earned</b>	38,545	38,733
<b>Cont/WD</b>		0
<b>Par</b>	24,077,265	24,137,088
<b>Book Value</b>	24,131,439	24,179,748
<b>Cost Value</b>	24,335,983	24,354,776

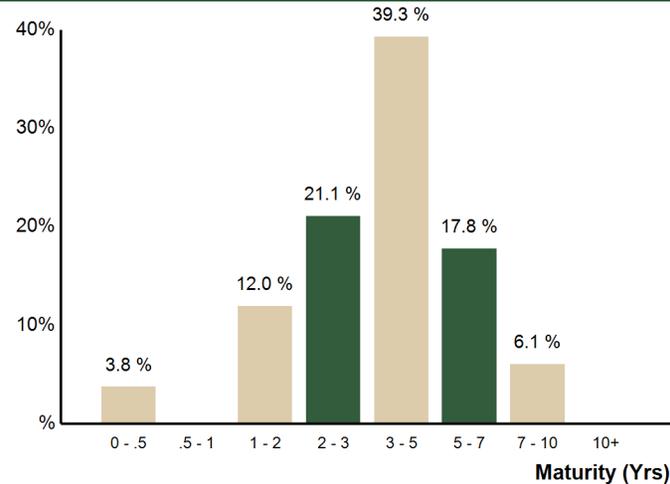
TOP ISSUERS

Issuer	% Portfolio
Government of United States	24.8 %
Federal National Mortgage Assoc	11.0 %
Federal Home Loan Mortgage Corp	10.8 %
Federal Home Loan Bank	9.0 %
Tennessee Valley Authority	8.4 %
Honda ABS	2.5 %
John Deere ABS	2.5 %
Intl Bank Recon and Development	2.3 %
<b>Total</b>	<b>71.3 %</b>

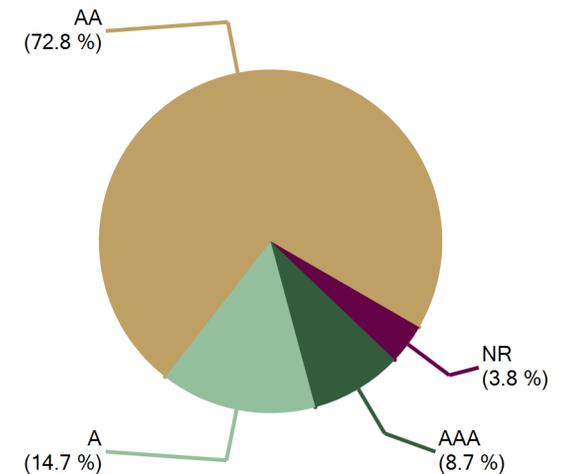
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 3/31/2016	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 5/31/2006	Since 5/31/2006
					3 Yrs	5 Yrs	10 Yrs		
Northern Cal. Cities Self Ins. Fund Long Term	0.41 %	2.39 %	2.39 %	2.59 %	1.82 %	2.83 %	N/A	4.43 %	53.19 %
BAML 1-10 Yr US Treasury/Agency Index	0.19 %	2.27 %	2.27 %	2.19 %	1.51 %	2.55 %	N/A	4.05 %	47.80 %
BAML 1-10 Yr US Corporate/Govt Rated AAA-A Index	0.42 %	2.32 %	2.32 %	2.26 %	1.76 %	2.86 %	N/A	4.16 %	49.24 %



## Northern California Cities Self-Insurance Fund - Long Term

March 31, 2016

### COMPLIANCE WITH INVESTMENT POLICY

*The portfolio complies with State law and with the investment policy.*

Category	Standard	Comment
Treasury Issues	No limitation	Complies
US Agencies	No limitation	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or better by S&P or Moody; 30% maximum; 5 years max maturity	Complies
Municipal Securities	5 years max maturity	Complies
Asset-backed/MBS/CMOs	20% maximum; AA by S&P or Moody; 5 years max maturity	Complies
Banker's Acceptances	40% maximum; 180 days max maturity	Complies
Commercial Paper	A1/P1 by S&P or Moody ; 25% maximum; 270 days max maturity	Complies
Medium Term Notes	30% maximum; A rated by S&P or Moody's; 5 years max maturity	Complies
Money Market Acct	20% maximum; AAA by S&P and Moody	Complies
Mutual Funds	20% maximum; AAA	Complies
Negotiable CDs	30% maximum; 5 years max maturity	Complies
Time Certificates of Deposit	5 years max maturity	Complies
LAIF	\$50 million	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
CMOs with collateral not specifically GNMA, FHLMC, FNMA	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Futures and Options	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies
Max Per Issuer	5% (except US Treasury and US Agency issuers)	Complies
Maximum Maturity	10 years	Complies



## Reconciliation Summary

As of 3/31/2016

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$24,131,438.63</b>
<b>Acquisition</b>	
+ Security Purchases	\$464,387.09
+ Money Market Fund Purchases	\$801,431.79
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$1,265,818.88</b>
<b>Dispositions</b>	
- Security Sales	\$712,670.10
- Money Market Fund Sales	\$464,387.09
- MMF Withdrawals	\$0.00
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$0.00
- Calls	\$0.00
- Principal Paydowns	\$52,221.74
<b>Total Dispositions</b>	<b>\$1,229,278.93</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	(\$3,037.27)
	(\$3,037.27)
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	\$14,807.00
	\$14,807.00
<b>Ending Book Value</b>	<b>\$24,179,748.31</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$199,892.51</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$712,670.10
Accrued Interest Received	\$7,145.02
Interest Received	\$29,392.94
Dividend Received	\$1.99
Principal on Maturities	\$0.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$52,221.74
<b>Total Acquisitions</b>	<b>\$801,431.79</b>
<b>Disposition</b>	
Withdrawals	\$0.00
Security Purchase	\$464,387.09
Accrued Interest Paid	\$0.00
<b>Total Dispositions</b>	<b>\$464,387.09</b>
<b>Ending Book Value</b>	<b>\$536,937.21</b>



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 01/15/2016, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 12/31/2015.

Earnings Ratio		.00001006140492611
Interest Rate		0.37%
Dollar Day Total	\$	457,196,872.42
Quarter End Principal Balance	\$	5,243,058.99
Quarterly Interest Earned	\$	4,600.04

# 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, 2015

	MARKET VALUE
CASH:	
(1) Tri Counties Checking	\$ 349,266.89
(2) Local Agency Inv Fund (LAIF)	5,243,058.99
Total Cash	5,592,325.88
INVESTMENTS (Unrestricted):	
(3) Chandler Investments	
Account no. 170	23,380,492.00
Account no. 171	24,202,786.00
Total Unrestricted Investments	47,583,278.00
TOTAL CASH AND INVESTMENTS	\$ 53,175,603.88

- (1) This consists of one interest-bearing checking account and two pass-thru accounts (liability and workers comp claims). The rate of interest is 0.10%
- (2) The LAIF rate of return as of quarter ended December 31, 2015 0.37%
- (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.

  
Tim Salisbury, Treasurer

2/8/16  
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.

**AMENDMENT NO. 1 TO INVESTMENT MANAGEMENT AGREEMENT  
BETWEEN NORTHERN CALIFORNIA CITIES SELF-INSURANCE FUND  
AND CHANDLER ASSET MANAGEMENT, INC.**

**THIS AMENDMENT NO. 1** to the Investment Management Agreement is made and entered into by Northern California Cities Self-Insurance Fund ("**Client**"), and **Chandler Asset Management, Inc. ("Chandler")**.

**WHEREAS**, an Agreement for investment management services between Client and Chandler was entered into commencing May 30, 2007; and

**WHEREAS**, the Compensation stated in Section 2 of the Agreement was an annual investment management Fee of 0.15 of 1% (15 basis points) on the first twenty million dollars (\$20,000,000) under management and 0.10 of 1% (10 basis points) on all assets under management over twenty million (\$20,000,000); and

**WHEREAS**, the parties would like to amend the stated fee schedule in Section 2 of the Agreement; and

**NOW, THEREFORE**, the Client and Chandler agree as follows:

1. Section 2 of the Agreement shall be amended to read as follows:

Fees. Client shall compensate Chandler monthly an amount calculated on the average market value of Client's portfolio, including accrued interest, in accordance with the following schedule:

<b>Assets Under Management</b>	<b>Annual Investment Management Fee</b>
First \$20 million	0.12 of 1% (12 basis points)
Next \$40 million	0.09 of 1% (9 basis points)
Assets in excess of \$60 million	0.06 of 1% (6 basis points)

The fees expressed above do not include any custody fees that may be charged by Client's bank or other third party custodian.

Fees shall be prorated to the effective date of termination on the basis of actual days elapsed, and any unearned portion of prepaid fees shall be refunded. Client is not required to pay any start up or closing fees; there are no penalty fees.

Fees shall be deducted monthly in arrears from Client's custody account.

2. Except as amended herein above at item 1, all remaining terms and conditions of Agreement, remain in full force and effect, and otherwise unamended.

**IN WITNESS WHEREOF**, the parties hereto have executed this Amendment No. 1 to Agreement as provided below:

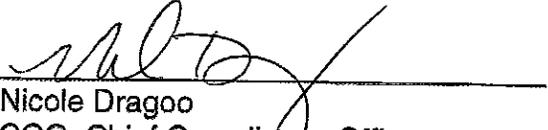
**NORTHER CALIFORNIA CITIES SELF-INSURANCE FUND**

Date 3/31/16

By:   
Dave Warren  
*Interim* NCCSIF President

**CHANDLER ASSET MANAGEMENT, INC.**

Date 4/4/16

By:   
Nicole Dragoo  
COO, Chief Compliance Officer

## **AGREEMENT FOR THE IMPLEMENTATION AND SUBSCRIPTION FEES FOR INTACCT WEB ACCOUNTING**

This Agreement is made and entered into effective July 1, 2015, by and between Northern California Cities Self-Insurance Fund (“NCCSIF”) and James Marta & Company LLP.

**WHEREAS**, NCCSIF has over 40 separate self-balancing funds that must be accounted for and requires certain fund accounting software for the administration of tis accounting and James Marta & Company LLP is agreeable to facilitating such resources for NCCSIF;

**NOW, THEREFORE**, the parties agree as follows:

- 1. Intacct Accounting Software:** NCCSIF agrees to retain James Marta & Company LLP to facilitate the set-up of NCCSIF with the Intacct accounting software.
  
- 2. DESCRIPTION OF WORK.** James Marta & Company LLP agrees to facilitate the following:  
Financial Accounting
  - Set-up Intacct web based accounting
    - Design and implement account structure
    - Build reporting
    - Build security rights and users
    - Build standard reporting dashboards
    - As applicable set up approvers and viewers
      - Treasurer (approver)
      - President (approver)
      - Program manager (viewer)
  
- 3. Fees.** to James Marta & Company LLP for services rendered hereunder, NCCSIF agrees to pay James Marta & Company LLP a monthly fee of
  - a. \$210 for a total of \$2,520 for the subscription services,
  - b. plus a one-time setup fee for the Intacct reporting system of \$5,000.
  - c. Upon election of electronic check delivery; \$750 for the annual subscription and processing
  
- 4. CONTRACT TERM.** The term of this Agreement shall be for twelve (12) months commencing July 1, 2016 through June 30, 2017. The Agreement shall automatically renew annually thereafter unless terminated pursuant to Article 7 below.
  
- 5. OWNERSHIP OF RECORDS.** NCCSIF maintains ownership of all products, files, records, computations, studies and other data, prepared or obtained in connection with this Agreement. James Marta & Company may maintain copies of records that may be required for professional liability insurance purposes and required professional practices.
  
- 6. DISCLOSURES OF CONFLICTS.** James Marta & Company LLP shall be responsible for disclosing financial interests that may be a conflict. Disclosure may be satisfied through completion of the related Fair Political Practice Commission form on an annual basis.

7. **TERMINATION.** This Agreement may be terminated at any time by James Marta & Company LLP upon sixty (60) days advance written notice to NCCSIF. Further, this agreement may be terminated at any time by NCCSIF upon sixty (60) days written notice to James Marta & Company LLP. Upon termination, James Marta & Company LLP shall give to NCCSIF copies of all products, files, records, computations, studies and other data, prepared or obtained in connection with this Agreement, which shall become the permanent property of NCCSIF. James Marta & Company LLP may maintain copies of records that may be required for professional liability insurance purposes and required professional practices. In addition, any accounting data files or necessary backups would be provided.
8. **COMPLIANCE WITH LAWS.** James Marta & Company LLP agrees that all work will be conducted, and the services will be performed in compliance with all laws and regulations; with the policies; procedures and directives of NCCSIF, particularly those related to fiscal and management matters; and with generally accepted accounting principles applicable to governmental entities.
9. **FIDELITY BOND.** James Marta & Company LLP, at its sole expense, shall provide a \$100,000 Fidelity Bond for James Marta & Company and related staff in conjunction with the accounting services provided.
10. **INSURANCE.** James Marta & Company LLP shall provide Auto Liability and Professional Liability insurance with separate limits of \$1,000,000, and shall annually provide a certificate of insurance to NCCSIF, if requested.
11. **INDEMNIFICATION.** James Marta & Company LLP agrees to indemnify and hold harmless NCCSIF its officers, directors and member agencies from any liability arising from James Marta & Company LLP's negligence or willful misconduct or omissions in the performance of the Agreement. And NCCSIF, its officers, directors and member agencies agree to indemnify and hold harmless James Marta & Company LLP from any liability arising from the negligence, willful misconduct or omissions of NCCSIF, its officers, directors and member agencies in the performance of the Agreement.
12. **INDEPENDENT CONTRACTOR.** It is expressly agreed by the parties that James Marta & Company LLP's relationship to NCCSIF is that of an independent contractor. As such, NCCSIF will not be providing Workers' Compensation coverage or any benefits to James Marta & Company LLP.
13. **SUCCESSORS AND ASSIGNMENT.** James Marta & Company LLP agrees it will not assign, transfer, convey or otherwise dispose of this Agreement or any part thereof, or its rights, title or interest therein, without the prior written consent of NCCSIF.
14. **ENTIRE AGREEMENT.** This writing constitutes the entire agreement between the parties relative to the services specified herein, and no modifications shall be effective unless and until such modification is evidenced by a writing signed by both parties.
15. **HEADINGS.** The descriptive headings used in this Agreement are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
16. **ASSIGNMENT.** It is understood by the parties that James Marta & Company LLP, an unincorporated entity, may, in the future, convert to an incorporated or other entity, James Marta & Company LLP. It is further understood that this change is just a change in legal form

of James Marta & Company and in no way affects the members of the team assigned on the engagement. Therefore, it is hereby agreed by the parties to this contract that James Marta & Company LLP can assign to the successor organization, in whole or in part, this Contract or its rights, duties, obligations, and responsibilities hereunder by providing a written notice to NCCSIF.

**IN WITNESS WHEREOF**, the parties execute this Agreement on the day and year as indicated below.

Dated: \_\_\_\_\_, 2016  
**Northern California Cities  
Self-Insurance Fund (NCCSIF)**

Dated: \_\_\_\_\_, 2016  
**James Marta & Company LLP  
Certified Public Accountants**

\_\_\_\_\_

\_\_\_\_\_  
James Marta & Company LLP  
Accountant and Financial Consultant

**NORTHERN CALIFORNIA CITIES  
SELF INSURANCE FUND (NCCSIF)  
AUDIT – 2015-2016**

An audit of NCCSIF was conducted on November 19<sup>th</sup> through 21<sup>st</sup>, 2015. The audit included the following:

- Pre-audit preparation involving obtaining open and closed loss runs, communication with the Claims Manager and selection of files to be reviewed – 67 open and 22 closed.
- An electronic review of the selected open and closed files – an RMS Audit Review form was completed on each open file reviewed and is included as a confidential document.
- A review of TPA staff involved on the NCCSIF account – included staffing levels, experience and caseloads.
- Exit interview to discuss findings.
- Review of all findings and submission of a final audit report.

The claims audit indicates that the claims are handled in a highly competent and professional manner. The various Adjusters handle the claims in a consistent and proactive manner. The files in the MIS are well documented and up-to-date. All aspects of claims handling are addressed appropriately by the Adjusters.

Overall we found that NCCSIF is receiving a high level of claims administration and that the interests of the pool and its members are well protected.

The following observations were made in the course of the audit:

**INVESTIGATION** – The files contained well documented investigations. The Adjusters work very well with members to obtain timely investigation, especially with higher risk departments such as Police and Public Works.

The timely and complete investigation sets a strong basis for the continued claims and litigation handling.

**RESERVES** – The files revealed a solid and consistent reserving practice. The Adjusters fully evaluate the claim and reserve on a realistic ultimate value for both indemnity and expense.

The reserves are set and justified in the “Claim Management Review” report. In that report there is a “Reserve Rationale” section that is completed by the Adjuster and reviewed by the Supervisor. This section explains the basis for the reserves being set.

There was no evidence of step or retroactive reserving.

This solid reserving practice benefits the pool and its members in receiving accurate actuarial data and maintaining a solid financial picture.

**LITIGATION MANAGEMENT** – The Adjusters are very active in the management of litigation. They have established a good working relationship with several qualified defense firms that handle litigation for the pool. There is a regular and effective line of communication, via e-mail and telephone, between the Adjusters and Defense Counsel.

Litigation strategy is developed collaboratively between the Adjuster, Defense Counsel and member.

The recent practice of assigning Defense Counsel pre-litigation on appropriate cases appears to work well and has resulted in a litigation cost savings through early disposition of claims. This also provides the member with attorney client protection and an additional legal source to consult with, prior to a lawsuit being filed.

Overall the defense costs are either below or at what one would expect for a Northern California public entity pool. The members are well served by the management of the litigation, the legal services of the defense firms and the overall cost of litigation.

**LIABILITY / DAMAGE EVALUATION** – The use of the “Claims Management Review” report provides well thought out evaluation for both liability and damages. The files also, through investigation and discovery, contain all documents needed to evaluate the two main elements of a claim – police reports, witness statements, photographs, scene diagrams, medical records, earnings records and lien information.

The work on the files by both the Adjuster and Defense Counsel provides solid liability and damage evaluation which aides in determining litigation strategy.

**FILE MANAGEMENT** – The files are well managed, complete and organized. The audit indicates:

- Adjusters utilize the MIS to a high level, document notes in a timely manner, keep financials up-to-date and diary appropriately.
- Statutory notices are issued timely and appropriately. No defenses are impacted and the members are well protected in this regard.
- Supervisor review is well documented in the MIS. This provides valuable input, approvals and recommendations.
- Communication with members, claimants, Defense Counsel and Plaintiff counsel is well documented and appropriate.

- Excess reporting is made timely and appropriate. The Adjusters provide excess with regular status updates.
- Coverage issues are addressed and handled appropriately.
- Adjusters explore all risk transfer opportunities and pursue appropriately.

**NEGOTIATION PRACTICES** – The files reveal a proactive approach to negotiating resolution.

The Adjusters recognize meritorious matters in the claim stage and resolve appropriately, avoiding litigation costs. On litigated matters the Adjusters, in collaboration with Defense Counsel and the members, approach a solid game plan to resolve matters.

Overall the negotiation practices are done well and timely. They reflect a favorable resolution that benefits both the members and the pool.

**STAFFING** – The NCCSIF claims are handled by 9 Adjusters – 7 full-time and 2 part-time – and overseen by 2 Supervisors. The audit indicates that the 9 Adjusters handle the claims in a consistent manner and that the files could easily be handled by any of the 9 Adjusters.

Staff	/	loads	NCCSIF ( ), overall [ ]
CD	/	(12)	[41]
KW	/	(15)	[78]
SM	/	(42)	[136]
EN	/	(60)	[88]
JT	/	(16)	[16]
DL	/	(2)	[2]
IG	/	(16)	[46]
SC	/	(8)	[8]
KT	/	(5)	[86]

Given the attention to detail, excellent documentation and consistent handling, the audit would indicate that the staffing and load levels for the Adjusters handling the NCCSIF claims is appropriate and serves the member and pool with a high level of claims administration. Additionally the supervision of claims adds another dimension of experience level and quality control. (Copies of CV information is attached as Exhibit A)

**CLOSED CLAIMS** – The audit reviewed 22 closed claims that were closed in the last 18 months and had payouts made either for indemnity or expense. The audit revealed that the closed claims:

- Are closed in a timely and appropriate manner.

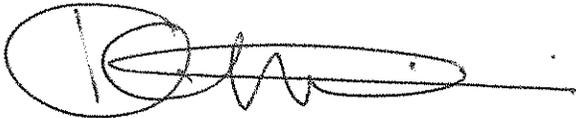
- Resolution is favorable. Indemnity payouts were within expected levels. And overall defense costs were favorable to the member and pool.
- The files were well documented with appropriate closing documents.
- Financials are well documented and reconciled.
- All appropriate cases were reported to excess and status updates were done timely.
- CMS addressed appropriately.
- Files were documented and diared appropriately.

A list of the closed claims reviewed is included as Exhibit B.

Overall the audit revealed that the NCCSIF claims are handled in a manner that meets or exceeds generally accepted industry standards and CAJPA criteria. The TPA staffing provides experienced Adjusters, management oversight and appropriate caseloads.

There are no recommendations at this time.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'K. Maiolini', with a long horizontal stroke extending to the right.

Kenneth R. Maiolini, ARM-P

Attachments: RMS Audit Review Form (Confidential Document)  
CV Information (Exhibit A)  
Closed Claims List (Exhibit B)

# EXHIBIT

A

## Mike Berndt

### MIKE BERNDT

Assistant Vice President  
1390 Willow Pass Road, Suite 400  
Concord, CA 94520  
Tel. No. (925) 349-3891  
Fax No. (925) 609-9264  
Cell No. (925) 246-3255  
Email: [mike.berndt@yorkrsg.com](mailto:mike.berndt@yorkrsg.com)

### Experience

33 Years

### Specialties

Commercial General Liability  
Commercial Auto Liability  
Public Entity Liability  
Litigation Management  
Civil Rights Liability

### Designations

N/A

### Professional Education/Practice

N/A

CA, AZ, WA, NV, AK, ID, MT, NM, TX, UT & WY Licensed

### Formal Education

University of California, Berkeley – B.S.

### Professional Organizations

NCP  
RCP  
PARMA  
CAJPA

## **Cameron Dewey, AIC, PCLA, LPCS**

### **CAMERON DEWEY, AIC, PCLA, LPCS**

Unit Manager  
P.O. Box 619079

Roseville, CA 95678-9079  
(Chico/Redding-Resident)

Tel. No. (530) 243-3249

Fax No. (530) 255-9095

Cell No. (530) 276-5322

Email: [cameron.dewey@yorkrsg.com](mailto:cameron.dewey@yorkrsg.com)

### **Experience**

25 Years

### **Specialties**

Commercial General Liability  
Commercial Property  
General Liability  
Public Entity Liability  
Public Transit Liability  
Residential Property  
Premises Liability  
Claims Administration  
Litigation Management  
Civil Rights Liability  
Mediation

### **Designations**

AIC, PCLA, LPCS

### **Professional Education/Practice**

Insurance Institute of America – Associate in Claims  
America Educational Institute – Legal Principles Claims Specialist  
America Educational Institute – Property Claims Law Associated

### **Formal Education**

Cal State, Los Angeles – B.A. Communication Studies  
Pasadena City College – A.A. Fire Science

### **Professional Organizations**

Society of Claims Law Associates

## Shawn Millar

**Shawn Millar**  
Senior Adjuster  
728 Cherry Street  
Chico, CA 95928  
(Chico Resident)  
Tel. No. (530) 345-5998  
Fax No. (530) 345-5304  
Email: [shawn.millar@yorkrsg.com](mailto:shawn.millar@yorkrsg.com)

**Experience**  
16 Years

**Specialties**  
Public Entity Liability  
Commercial Auto Liability  
Commercial General Liability  
Litigation Management  
Civil Rights Liability

**Designations**  
N/A

**Professional Education/Practice**  
N/A

**Formal Education**  
California State University, Chico – B.A. Political Science

**Professional Organizations**  
N/A

## Dan Lamb

**DAN LAMB**  
Senior Adjuster  
P.O. Box 619079  
Roseville, CA 95661-9079  
(Arnold Resident)  
Tel. No. (209) 795-0742  
Fax No. (209) 795-4248  
Cell No. (209) 770-5576  
Email: [dan.lamb@yorkrsg.com](mailto:dan.lamb@yorkrsg.com)

**Experience**  
36 Years

**Specialties**  
Public Entity Liability  
Litigation Management  
Civil Rights Liability  
Public Transit Liability

**Designations**  
N/A

**Professional Education/Practice**  
N/A

**Formal Education**  
California State University, Chico -- Business Administration

**Professional Organizations**  
N/A

## Erica Nichols

### ERICA NICHOLS

Adjuster

P.O. Box 619079

Roseville, CA 95661-9079

Tel. No. (916) 960-1026

Fax No. (800) 921-7683

Cell No. (916) 749-5739

Email: [erica.nichols@yorkrsg.com](mailto:erica.nichols@yorkrsg.com)

### Designations

N/A

### Professional Education/Practice

N/A

### Formal Education

California State University, Sacramento-- B.A. Organizational Communication

### Professional Organizations

N/A

### Experience

15 Years

### Specialties

Litigation Management

Public Transit Liability

Bodily Injury

Property Damage

## Kathleen Turner, AIC

### KATHLEEN TURNER, AIC

Adjuster

P.O. Box 619079

Roseville, CA 95661-9079

Tel. No. (916) 960-0953

Fax No. (800) 921-7683

Cell No. (916) 956-4176

Email: [kathleen.turner@yorkrsg.com](mailto:kathleen.turner@yorkrsg.com)

### Designations

N/A

### Professional Education/Practice

N/A

### Formal Education

Darden University

### Experience

30 Years

### Specialties

Vehicle Salvage

Total Loss Settlements

Salvage Disposal/Sales

Subrogation

Commercial General Liability

Commercial Auto Liability

Claims Analysis

Admin Management

### Professional Organizations

IIA

## Kelley Winters

### KELLEY WINTERS

Senior Adjuster  
P.O. Box 619079  
Roseville, CA 95661-9079  
Tel. No. (916) 960-1024  
Fax No. (800) 921-7683  
Cell No. (916) 295-9225  
Email: [kelley.winters@yorkrsg.com](mailto:kelley.winters@yorkrsg.com)

**Experience**  
26 Years

**Specialties**  
Litigation Management  
Bodily Injury  
Property Damage  
Investigation  
Negotiations  
Medicare Liason

**Designations**  
N/A

**Professional Education/Practice**  
N/A

**Formal Education**  
Some College

**Professional Organizations**  
N/A

## John Tucker

### JOHN TUCKER

Senior Adjuster  
3121 W March Lane, Suite 150  
Stockton, CA 95219  
Tel. No. (209) 320-0804  
Fax No. (800) 921-7683  
Cell No. (209) 639-9696  
Email: [john.tucker@yorkrsg.com](mailto:john.tucker@yorkrsg.com)

### Experience

37 Years

### Specialties

Commercial Property  
Public Transit Liability  
Flood  
Fire/Wild Fires  
Arctic Freeze  
Earthquakes  
Commercial Auto Liability  
Employment Practices Liability  
Commercial General Liability  
Public Entity Liability  
Professional Malpractice

### Designations

N/A

### Professional Education/Practice

N/A

### Formal Education

Lincoln University – Law Studies  
University of California, Berkeley – B.S.

### Professional Organizations

Mid-Valley Claims Association

## Irina Ganchenko

**Irina Ganchenko**  
Liability Claims Adjuster  
SLA (Specialized Loss Adjusting Division)  
P.O. Box 619079  
Roseville, CA 95661  
916.746.8856 office  
800.921.7683 fax  
916.270.7997 cell  
[irina.ganchenko@yorkrsg.com](mailto:irina.ganchenko@yorkrsg.com)

**Experience**  
9 Years

**Specialties**  
Personal Auto Liability  
Commercial Auto Liability  
Commercial General Liability

**Designations**  
N/A

**Professional Education/Practice**  
N/A

**Licenses**  
TX, RI, FL, CT, DE, GA, KY, LA, NC, NH, NM, OK, SC, VT

**Formal Education**  
Heald College - Business Administration -- AAS  
University of Phoenix -- Business Administration -- B.S.  
(currently enrolled)

**Professional Organizations**  
N/A

## Sammie Currie

Sammie Curry | Senior Claims Adjuster

SLA (Specialized Loss Adjusting Division)

York Risk Services Group, Inc. | (916) 960-0964

Fax (800) 921-7683 | [sammie.curry@yorkrsg.com](mailto:sammie.curry@yorkrsg.com)

Formal Education

B.S., San Jose State University

### Experience

25 years

### Specialties

Public Entity Liability  
Commercial Auto Liability  
Commercial General Liability  
Litigation Management  
Civil Rights Liability

# EXHIBIT

## B

## NCCSIF Closed Claim List – 2015 / 2016

<u>Claimant</u>	<u>Claim #</u>	<u>Comments</u>
Cunningham, B.	NCGA07698A1	EPL resolved @ \$60,000 – low DC costs
Custis, S.	NCGA07880I2	Flood of residence – resolved w/o lit
Dembicer, B.	NCGA07880E2	Flood of residence – resolved w/o lit
Dillard, E.	NCGA-07381A	Dangerous condition – non-jurisdictional
Folk, D.	NCGA07293A1	Trip-and-fall – resolved at low cost
Johnson, M.	NCGA07880B2	Flood of residence – resolved w/o lit
Nishimura, B.	NCGA07685A2	Sewer backup – resolved w/o lit
Rivage At The Parkway	NCGA-07500A	Hazmat spill – risk transfer
Simon, C.	NCGA07880G2	Water damage – resolved at \$43,000
Wallace, K.	NCGA07880F2	Flood of residence – resolved w/o lit
Jeffries, B.	NCGA07052A1	EPL – DC cost only
Vogt, J.	NCGA-07593B	MVA – R/E resolved timely
Cain, J.	NCGA-07611A	EPL – resolved at \$20,000 w/low DC cost
Richard, M.	NCGA-07384A	Dangerous condition – resolved at \$17,000
Belvoir, B.	NCGA-07460B	Water damage – resolved w/o lit \$53,000
Young, B.	NCGA07931B2	Water damage – resolved w/o lit \$73,000
Seiler, S.	NCGA-07493A	Trip-and-fall – resolved \$10,000 w/ low DC cost
Lucha, D.	NCGA-07532A	Fatal shooting – DC cost only - inv
Freeman, E.	NCGA-07400A	Trip-and-fall – resolved \$10,000 – low DC cost
Eaton, R.	NCGA05727A1	EPL – large exposure handled well to conclusion – no indemnity – DC only
Haley, J.	NCGA07216A1	Trip-and-fall – resolved at \$30,000, low DC cost
Lucha, D.	NCGA-07531A	Incident inv – DC costs \$41,000



## ELECTION OF NCCSIF OFFICERS

### ACTION ITEM

**ISSUE:** The NCCSIF President position is currently vacant. The Vice President, Dave Warren, City of Placerville, is currently the Interim President, per the terms of the NCCSIF Bylaws.

The Nominating Committee's slate of nominees to fill the vacant position(s) is:

- For President - Dave Warren, City of Placerville
- For Vice President - Liz Ehrenstrom, City of Oroville

The Board may receive nominations from the floor and vote separately for each open position or accept the nominating committee's slate of nominees.

**RECOMMENDATION:** Request additional nominations from the floor and if none, accept the slate of candidates.

**FISCAL IMPACT:** None.

**BACKGROUND:** The Executive Committee traditionally serves as the Nominating Committee for the NCCSIF officer positions. At the March 31, 2016, Executive Committee meeting, the Committee nominated current Vice President, Dave Warren, City of Placerville, to fill the post of President. In addition, the Committee formed a Nominating Committee, Michael Daly and Tim Sailsbery, to solicit additional nominations, particularly for Vice President. In addition, an email was sent to all members asking for nominations.

**ATTACHMENT(S):** None.



**Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016**

**Agenda Item G.3.**

**SUMMARY OF THE MARCH 31, 2016 EXECUTIVE COMMITTEE MEETING  
INFORMATION ITEM**

**ACTION TAKEN**

- **Quarterly Financial Report for Period Ending December 31, 2015**  
The Committee reviewed and took action to accept and file the report.
- **James Marta & Company New Accounting System**  
The Committee approved \$8,400 to fund the Accounting Software - Intacct Web Accounting.
- **Chandler Asset Management Contract Amendment**  
The Committee approved the Contract Amendment reflecting lower fees charged by Chandler Asset Management.
- **Actuarial Studies**
  1. FY 16/17 Workers' Compensation Program - the Committee reviewed and approved the Draft study and recommended to finalize the report.
  2. FY 16/17 Liability Program - the Committee reviewed and approved the Draft study and recommended to finalize the report.
- **Annual Banking Plan Adjustments**
  1. Workers' Compensation Program - the Committee recommended a 35% return of available equity or 20% assessment for members above or below the target benchmark (90% CL and 10 x SIR or \$100k), respectively.
  2. Liability Program - the Committee recommended a 50% return of equity for members above the target benchmark (90% CL and 5x SIR or \$400k).
- **Annual Shared Risk Plan Adjustments**
  - Workers' Compensation Program - the Committee recommended a 35% return of available equity or 20% assessment for members above or below the target benchmark (90% and 10 x SIR or \$100k), respectively.
  - Liability Program - the Committee recommended to continue the scheduled assessment of \$600,000 and apply the full CJPRMA refund this year, \$274,337 to meet target funding goals of 90% CL and 5 x SIR or \$450k.



Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016

**Agenda Item G.3. (continued)**

➤ **Preliminary FY 16/17 Deposit Premium Calculations**

1. Workers' Compensation Program - the Committee recommended increasing funding from the 67.5% Confidence Level (CL) to the 70% CL.
2. Liability Program - the Committee recommended increasing funding from the 67.5% CL to the 70% CL.

➤ **Nomination of NCCSIF President**

- Nominated Dave Warren for President
- Formed Nominating Committee: Michael Daly and Tim Sailsbery

➤ **Claims Committee Membership Appointment**

Appointed the following Executive Committee members to serve as the Claims Committee:

1. Dave Warren, City of Placerville
2. Michael Daly, City of Jackson
3. Tim Sailsbery, City of Willows
4. Natalie Springer, City of Yuba City
5. Jon Hanken, City of Ione

➤ **Defense Attorney List for Liability**

The Committee approved the addition of Kevin J. Dehoff and Amie McTavish from the law firm of Angelo, Kilday & Kilduff.

➤ **Service Provider Performance Evaluation Survey Results**

The Committee recommended York Risk Services contract renewal for 1-year term subject to York's commitment to improve on services.



**QUARTERLY FINANCIAL REPORT  
FOR PERIOD ENDING DECEMBER 31, 2015**

**ACTION ITEM**

**ISSUE:** The Board receives quarterly a report on the financial status of NCCSIF. James Marta & Company will review these with the NCCSIF's Financials for the Quarter ending December 31, 2015 to the Board.

**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, 2015

**FINANCIAL REPORT**

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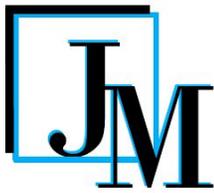
**DECEMBER 31, 2015  
AND FOR THE  
SIX MONTHS THEN ENDED**

# **Northern California Cities Self Insurance Fund**

**Northern California Cities Self Insurance Fund**  
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**December 31, 2015**

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**James Marta & Company LLP**

*Certified Public Accountants*

*Accounting, Auditing, Tax, and Consulting*

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**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, 2015, and the related statement of revenues, expenses and changes in net position 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 4 through 24 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.

A statement of cash flows for the six months ended December 31, 2015 has not been presented. Accounting principles generally accepted in the United States of America require that such a statement of cash flows be presented when financial statements purport to present financial position and results of operations.

Management has elected to present designations of net position on the Statement of Net Position as of December 31, 2015, 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 25, 2015

**Northern California Cities Self Insurance Fund  
(Governmental Enterprise Fund)  
Statement of Net Position  
December 31, 2015**

**Assets**

Current Assets	
Cash and Cash Equivalents	\$ 5,592,327
Accounts Receivable	360,654
Interest Receivable	192,677
Excess Accounts Receivable	397,627
Prepaid Expense	<u>1,554,814</u>
Total Current Assets	<u>8,098,099</u>
Non-Current Assets	
Investments*	<u>47,583,277</u>
Total Assets	<u>\$ 55,681,376</u>

**Liabilities & Net Position**

Current Liabilities	
Accounts Payable	\$ 86,441
Deferred Revenue	<u>3,499,071</u>
Total Current Liabilities	<u>3,585,512</u>
Non-Current Liabilities	
Outstanding Liabilities*	40,345,429
ULAE*	<u>1,722,775</u>
Total Non-Current Liabilities	<u>42,068,204</u>
Total Liabilities	<u>\$ 45,653,716</u>
Net Position	
Designated for Contingency	200,000
Designated for Safety Grants	287,797
Undesignated	<u>9,539,864</u>
Total Net Position	<u>10,027,661</u>
Liability & Net Position	<u>\$ 55,681,376</u>

\*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, 2015**

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Operating Income		
Administration Deposit	\$	372,684
Banking Layer Deposit		3,689,907
Shared Risk Layer		2,225,985
Excess Deposit/Premium		1,025,757
Property/Crime Insurance Income		489,675
Risk Management Grants		152,449
Excess Insurance Refund		274,337
Total Operating Income		<u>8,230,794</u>
Operating Expenses		
Claims Paid		3,978,771
O/S Liability adj.		1,267,006
ULAE		55,039
Consultants		29,544
Administration-Other		-
Safety Service		188,891
Claims Administration		538,323
Program Administration		178,684
Board Expenses		4,780
Excess Insurance		1,011,634
Property/Crime Insurance Expense		490,731
Member Identity Theft Protection		11,470
Total Operating Expenses		<u>7,754,873</u>
Operating Income (Loss)		475,921
Non-Operating Income		
Change in Fair Market Value		(194,049)
Investment Income		365,667
Total Non-Operating Income		<u>171,618</u>
Change in Net Position		647,539
Beginning Net Position		<u>9,380,122</u>
Ending Net Position	\$	<u>10,027,661</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, 2015**

	<b>Total All Layers</b>	<b>Admin Layer</b>	<b>Shared Layer</b>	<b>Total Banking Layer</b>
<b>Current Assets</b>				
Cash and Cash Equivalents	\$ 2,969,507	\$ 242,967	\$ 995,977	\$ 1,730,563
Accounts Receivable	274,337	-	274,337	-
Interest Receivable	51,321	1,321	27,676	22,324
Excess Accounts Receivable	59,001	-	59,001	-
Prepaid Expense	1,000,426	46,250	954,176	-
<b>Total Current Assets</b>	<b>4,354,592</b>	<b>290,538</b>	<b>2,311,167</b>	<b>1,752,887</b>
<b>Non-Current Assets</b>				
Investments*	10,970,216	71,498	6,514,752	4,383,966
<b>Total Assets</b>	<b>\$ 15,324,808</b>	<b>\$ 362,036</b>	<b>\$ 8,825,919</b>	<b>\$ 6,136,853</b>
<b>Current Liabilities</b>				
Accounts Payable	\$ 33,738	\$ 3,898	\$ 277	\$ 29,563
Deferred Revenue	2,785,152	198,869	1,658,170	928,113
<b>Total Current Liabilities</b>	<b>2,818,890</b>	<b>202,767</b>	<b>1,658,447</b>	<b>957,676</b>
<b>Non-Current Liabilities</b>				
Outstanding Liabilities*	10,574,852	-	7,399,634	3,175,218
<b>Total Non-Current Liabilities</b>	<b>10,574,852</b>	<b>-</b>	<b>7,399,634</b>	<b>3,175,218</b>
<b>Total Liabilities</b>	<b>\$ 13,393,742</b>	<b>\$ 202,767</b>	<b>\$ 9,058,081</b>	<b>\$ 4,132,894</b>
<b>Net Position</b>				
Designated for Contingency	100,000	100,000	-	-
Undesignated	1,831,066	59,269	(232,162)	2,003,959
<b>Total Net Position</b>	<b>1,931,066</b>	<b>159,269</b>	<b>(232,162)</b>	<b>2,003,959</b>
<b>Liability &amp; Net Position</b>	<b>\$ 15,324,808</b>	<b>\$ 362,036</b>	<b>\$ 8,825,919</b>	<b>\$ 6,136,853</b>

\*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, 2015**

	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
<b>Current Assets</b>									
Cash and Cash Equivalents	\$ 37,981	\$ 67,167	\$ 1,464	\$ 49,801	\$ 43,858	\$ 499,150	\$ 128,014	\$ 49,030	\$ 17,315
Accounts Receivable	-	-	-	-	-	-	-	-	-
Interest Receivable	633	365	43	308	761	7,696	1,403	593	109
Excess Accounts Receivable	-	-	-	-	-	-	-	-	-
Prepaid Expense	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>38,614</b>	<b>67,532</b>	<b>1,507</b>	<b>50,109</b>	<b>44,619</b>	<b>506,846</b>	<b>129,417</b>	<b>49,623</b>	<b>17,424</b>
<b>Non-Current Assets</b>									
Investments*	130,195	141,625	2,508	30,507	163,789	1,585,908	247,309	113,911	12,352
<b>Total Assets</b>	<b>\$ 168,809</b>	<b>\$ 209,157</b>	<b>\$ 4,015</b>	<b>\$ 80,616</b>	<b>\$ 208,408</b>	<b>\$ 2,092,754</b>	<b>\$ 376,726</b>	<b>\$ 163,534</b>	<b>\$ 29,776</b>
<b>Current Liabilities</b>									
Accounts Payable	\$ 497	\$ 3,926	\$ 84	\$ 388	\$ 1,438	\$ 5,481	\$ 1,975	\$ 26	\$ 5
Deferred Revenue	16,787	42,635	8,124	15,302	20,103	275,079	67,907	19,550	5,610
<b>Total Current Liabilities</b>	<b>17,284</b>	<b>46,561</b>	<b>8,208</b>	<b>15,690</b>	<b>21,541</b>	<b>280,560</b>	<b>69,882</b>	<b>19,576</b>	<b>5,615</b>
<b>Non-Current Liabilities</b>									
Outstanding Liabilities*	48,225	186,952	54,350	115,779	27,519	910,976	179,801	22,049	15,611
<b>Total Non-Current Liabilities</b>	<b>48,225</b>	<b>186,952</b>	<b>54,350</b>	<b>115,779</b>	<b>27,519</b>	<b>910,976</b>	<b>179,801</b>	<b>22,049</b>	<b>15,611</b>
<b>Total Liabilities</b>	<b>\$ 65,509</b>	<b>\$ 233,513</b>	<b>\$ 62,558</b>	<b>\$ 131,469</b>	<b>\$ 49,060</b>	<b>\$ 1,191,536</b>	<b>\$ 249,683</b>	<b>\$ 41,625</b>	<b>\$ 21,226</b>
<b>Net Position</b>									
Designated for Contingency	-	-	-	-	-	-	-	-	-
Undesignated	103,300	(24,356)	(58,543)	(50,853)	159,348	901,218	127,043	121,909	8,550
<b>Total Net Position</b>	<b>103,300</b>	<b>(24,356)</b>	<b>(58,543)</b>	<b>(50,853)</b>	<b>159,348</b>	<b>901,218</b>	<b>127,043</b>	<b>121,909</b>	<b>8,550</b>
<b>Liability &amp; Net Position</b>	<b>\$ 168,809</b>	<b>\$ 209,157</b>	<b>\$ 4,015</b>	<b>\$ 80,616</b>	<b>\$ 208,408</b>	<b>\$ 2,092,754</b>	<b>\$ 376,726</b>	<b>\$ 163,534</b>	<b>\$ 29,776</b>

\*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, 2015**

	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
<b>Current Assets</b>										
Cash and Cash Equivalents	\$ 16,403	\$ 124,993	\$ 122,281	\$ 72,328	\$ 84,120	\$ 165,486	\$ 24,093	\$ 90,384	\$ 35,942	\$ 100,753
Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Interest Receivable	49	1,646	865	722	1,134	1,222	251	1,655	342	2,527
Excess Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Prepaid Expense	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>16,452</b>	<b>126,639</b>	<b>123,146</b>	<b>73,050</b>	<b>85,254</b>	<b>166,708</b>	<b>24,344</b>	<b>92,039</b>	<b>36,284</b>	<b>103,280</b>
<b>Non-Current Assets</b>										
Investments*	1,157	314,251	129,521	121,070	232,746	161,153	44,472	334,367	62,668	554,457
<b>Total Assets</b>	<b>\$ 17,609</b>	<b>\$ 440,890</b>	<b>\$ 252,667</b>	<b>\$ 194,120</b>	<b>\$ 318,000</b>	<b>\$ 327,861</b>	<b>\$ 68,816</b>	<b>\$ 426,406</b>	<b>\$ 98,952</b>	<b>\$ 657,737</b>
<b>Current Liabilities</b>										
Accounts Payable	\$ 13	\$ 1,075	\$ 2,789	\$ 592	\$ 5,225	\$ 774	\$ 71	\$ 2,772	\$ 306	\$ 2,126
Deferred Revenue	21,500	74,577	45,203	34,234	26,280	70,877	11,905	79,588	6,572	86,280
<b>Total Current Liabilities</b>	<b>21,513</b>	<b>75,652</b>	<b>47,992</b>	<b>34,826</b>	<b>31,505</b>	<b>71,651</b>	<b>11,976</b>	<b>82,360</b>	<b>6,878</b>	<b>88,406</b>
<b>Non-Current Liabilities</b>										
Outstanding Liabilities*	3,175	173,717	315,509	112,884	253,455	142,011	10,513	278,572	60,732	263,388
<b>Total Non-Current Liabilities</b>	<b>3,175</b>	<b>173,717</b>	<b>315,509</b>	<b>112,884</b>	<b>253,455</b>	<b>142,011</b>	<b>10,513</b>	<b>278,572</b>	<b>60,732</b>	<b>263,388</b>
<b>Total Liabilities</b>	<b>\$ 24,688</b>	<b>\$ 249,369</b>	<b>\$ 363,501</b>	<b>\$ 147,710</b>	<b>\$ 284,960</b>	<b>\$ 213,662</b>	<b>\$ 22,489</b>	<b>\$ 360,932</b>	<b>\$ 67,610</b>	<b>\$ 351,794</b>
<b>Net Position</b>										
Designated for Contingency	-	-	-	-	-	-	-	-	-	-
Undesignated	(7,079)	191,521	(110,834)	46,410	33,040	114,199	46,327	65,474	31,342	305,943
<b>Total Net Position</b>	<b>(7,079)</b>	<b>191,521</b>	<b>(110,834)</b>	<b>46,410</b>	<b>33,040</b>	<b>114,199</b>	<b>46,327</b>	<b>65,474</b>	<b>31,342</b>	<b>305,943</b>
<b>Liability &amp; Net Position</b>	<b>\$ 17,609</b>	<b>\$ 440,890</b>	<b>\$ 252,667</b>	<b>\$ 194,120</b>	<b>\$ 318,000</b>	<b>\$ 327,861</b>	<b>\$ 68,816</b>	<b>\$ 426,406</b>	<b>\$ 98,952</b>	<b>\$ 657,737</b>

\*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, 2015**

	<b>Total All Layers</b>	<b>Admin Layer</b>	<b>Shared Layer</b>	<b>Total Banking Layer</b>
Operating Income				
Administration Deposit	\$ 198,869	\$ 198,869	\$ -	\$ -
Banking Layer Deposit	928,113	-	-	928,113
Shared Risk Layer	741,449	-	741,449	-
Excess Deposit/Premium	427,046	-	427,046	-
Property/Crime Insurance Income	489,675	-	489,675	-
Excess Insurance Refund	274,337	-	274,337	-
<b>Total Operating Income</b>	<b>3,059,489</b>	<b>198,869</b>	<b>1,932,507</b>	<b>928,113</b>
Operating Expenses				
Claims Paid	1,207,918	-	524,138	683,780
O/S Liability adj.	315,883	-	223,415	92,468
Consultants	15,195	15,195	-	-
Safety Service	90,401	90,401	-	-
Program Administration	96,635	96,635	-	-
Board Expenses	2,390	2,390	-	-
Excess Insurance	463,446	-	463,446	-
Property/Crime Insurance Expense	490,731	-	490,731	-
Member Identity Theft Protection	11,470	11,470	-	-
<b>Total Operating Expense</b>	<b>2,694,069</b>	<b>216,091</b>	<b>1,701,730</b>	<b>776,248</b>
Operating Income (Loss)	365,420	(17,222)	230,777	151,865
Non-Operating Income				
Change in Fair Market Value	(55,069)	(3,697)	(49,290)	(2,082)
Investment Income	105,124	743	60,108	44,273
<b>Total Non-Operating Income</b>	<b>50,055</b>	<b>(2,954)</b>	<b>10,818</b>	<b>42,191</b>
Change in Net Position	415,475	(20,176)	241,595	194,056
Beginning Net Position	1,515,591	179,445	(473,757)	1,809,903
Ending Net Position	<b>\$ 1,931,066</b>	<b>\$ 159,269</b>	<b>\$ (232,162)</b>	<b>\$ 2,003,959</b>

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, 2015**

	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	16,787	42,635	8,124	15,302	20,103	275,079	67,907	19,550	5,610
Shared Risk Layer	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Income	-	-	-	-	-	-	-	-	-
Excess Insurance Refund	-	-	-	-	-	-	-	-	-
Total Operating Income	16,787	42,635	8,124	15,302	20,103	275,079	67,907	19,550	5,610
Operating Expenses									
Claims Paid	11,444	34,229	23,076	13,935	12,661	102,187	32,704	3,859	975
O/S Liability adj.	(6,107)	87,599	(15,502)	23,764	9,038	(60,836)	13,852	7,112	12,169
Consultants	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-
Program Administration	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Expense	-	-	-	-	-	-	-	-	-
Member Identity Theft Protection	-	-	-	-	-	-	-	-	-
Total Operating Expense	5,337	121,828	7,574	37,699	21,699	41,351	46,556	10,971	13,144
Operating Income (Loss)	11,450	(79,193)	550	(22,397)	(1,596)	233,728	21,351	8,579	(7,534)
Non-Operating Income									
Change in Fair Market Value	(611)	994	282	15	645	(1,741)	(234)	(56)	16
Investment Income	1,220	741	124	717	1,184	15,806	2,910	1,200	214
Total Non-Operating Income	609	1,735	406	732	1,829	14,065	2,676	1,144	230
Change in Net Position	12,059	(77,458)	956	(21,665)	233	247,793	24,027	9,723	(7,304)
Beginning Net Position	91,241	53,102	(59,499)	(29,188)	159,115	653,425	103,016	112,186	15,854
Ending Net Position	\$ 103,300	\$ (24,356)	\$ (58,543)	\$ (50,853)	\$ 159,348	\$ 901,218	\$ 127,043	\$ 121,909	\$ 8,550

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, 2015**

	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	21,500	74,577	45,203	34,234	26,280	70,877	11,905	79,588	6,572	86,280
Shared Risk Layer	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Income	-	-	-	-	-	-	-	-	-	-
Excess Insurance Refund	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Income</b>	<b>21,500</b>	<b>74,577</b>	<b>45,203</b>	<b>34,234</b>	<b>26,280</b>	<b>70,877</b>	<b>11,905</b>	<b>79,588</b>	<b>6,572</b>	<b>86,280</b>
Operating Expenses										
Claims Paid	-	70,192	73,139	34,271	10,361	36,517	13,139	82,097	1,308	127,686
O/S Liability adj.	702	26,148	(36,977)	1,333	(10,380)	(38,381)	301	42,397	40,820	(4,584)
Consultants	-	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-	-
Program Administration	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Expense	-	-	-	-	-	-	-	-	-	-
Member Identity Theft Protection	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Expense</b>	<b>702</b>	<b>96,340</b>	<b>36,162</b>	<b>35,604</b>	<b>(19)</b>	<b>(1,864)</b>	<b>13,440</b>	<b>124,494</b>	<b>42,128</b>	<b>123,102</b>
<b>Operating Income (Loss)</b>	<b>20,798</b>	<b>(21,763)</b>	<b>9,041</b>	<b>(1,370)</b>	<b>26,299</b>	<b>72,741</b>	<b>(1,535)</b>	<b>(44,906)</b>	<b>(35,556)</b>	<b>(36,822)</b>
Non-Operating Income										
Change in Fair Market Value	574	(1,140)	290	6	(351)	(1,032)	25	1,258	151	(1,173)
Investment Income	(21)	3,425	1,469	1,378	2,178	2,503	484	3,219	549	4,973
<b>Total Non-Operating Income</b>	<b>553</b>	<b>2,285</b>	<b>1,759</b>	<b>1,384</b>	<b>1,827</b>	<b>1,471</b>	<b>509</b>	<b>4,477</b>	<b>700</b>	<b>3,800</b>
<b>Change in Net Position</b>	<b>21,351</b>	<b>(19,478)</b>	<b>10,800</b>	<b>14</b>	<b>28,126</b>	<b>74,212</b>	<b>(1,026)</b>	<b>(40,429)</b>	<b>(34,856)</b>	<b>(33,022)</b>
<b>Beginning Net Position</b>	<b>(28,430)</b>	<b>210,999</b>	<b>(121,634)</b>	<b>46,396</b>	<b>4,914</b>	<b>39,987</b>	<b>47,353</b>	<b>105,903</b>	<b>66,198</b>	<b>338,965</b>
<b>Ending Net Position</b>	<b>\$ (7,079)</b>	<b>\$ 191,521</b>	<b>\$ (110,834)</b>	<b>\$ 46,410</b>	<b>\$ 33,040</b>	<b>\$ 114,199</b>	<b>\$ 46,327</b>	<b>\$ 65,474</b>	<b>\$ 31,342</b>	<b>\$ 305,943</b>

**Northern California Cities Self Insurance Fund**  
**(Governmental Enterprise Fund)**  
**Combining Statement of Net Position – Workers’ Compensation**  
**December 31, 2015**

	<b>Total</b>				<b>Total Banking</b>
	<b>All Layers</b>	<b>Admin Layer</b>	<b>Shared Layer</b>		<b>Layer</b>
<b>Current Assets</b>					
Cash and Cash Equivalents	\$ 2,622,820	\$ 6,155	\$ 1,393,656	\$	1,223,009
Accounts Receivable	86,317	(9,397)	(144,341)		240,055
Interest Receivable	141,356	2,129	66,930		72,297
Excess Accounts Receivable	338,626	-	338,626		-
Prepaid Expense	554,388	6,200	548,188		-
<b>Total Current Assets</b>	<b>3,743,507</b>	<b>5,087</b>	<b>2,203,059</b>		<b>1,535,361</b>
<b>Non-Current Assets</b>					
Investments*	36,613,061	481,545	17,272,562		18,858,954
<b>Total Assets</b>	<b>\$ 40,356,568</b>	<b>\$ 486,632</b>	<b>\$ 19,475,621</b>	<b>\$</b>	<b>20,394,315</b>
<b>Current Liabilities</b>					
Accounts Payable	\$ 52,703	\$ 3,764	\$ 1,391	\$	47,548
Deferred Revenue	713,919	3,759	78,694		631,466
<b>Total Current Liabilities</b>	<b>766,622</b>	<b>7,523</b>	<b>80,085</b>		<b>679,014</b>
<b>Non-Current Liabilities</b>					
Outstanding Liabilities*	29,770,577	-	16,061,667		13,708,910
ULAE*	1,722,775	-	929,463		793,312
<b>Total Non-Current Liabilities</b>	<b>31,493,352</b>	<b>-</b>	<b>16,991,130</b>		<b>14,502,222</b>
<b>Total Liabilities</b>	<b>\$ 32,259,974</b>	<b>\$ 7,523</b>	<b>\$ 17,071,215</b>	<b>\$</b>	<b>15,181,236</b>
<b>Net Position</b>					
Designated for Contingency	100,000	100,000	-		-
Designated for Safety Grants	287,797	287,797	-		-
Undesignated	7,708,798	91,312	2,404,406		5,213,080
<b>Total Net Position</b>	<b>8,096,595</b>	<b>479,109</b>	<b>2,404,406</b>		<b>5,213,080</b>
<b>Liability &amp; Net Position</b>	<b>\$ 40,356,568</b>	<b>\$ 486,632</b>	<b>\$ 19,475,621</b>	<b>\$</b>	<b>20,394,315</b>

\*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, 2015**

	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
<b>Current Assets</b>											
Cash and Cash Equivalents	\$ 91,135	\$ 67,825	\$ 42,029	\$ 71,714	\$ 10,130	\$ 83,386	\$ 142,289	\$ 29,352	\$ 72,136	\$ 30,919	\$ 9,210
Accounts Receivable	-	-	-	16,946	43,795	-	-	-	-	2,543	-
Interest Receivable	982	2,265	703	1,049	3,295	2,968	21,316	3,921	1,752	372	1,071
Excess Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expense	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>92,117</b>	<b>70,090</b>	<b>42,732</b>	<b>89,709</b>	<b>57,220</b>	<b>86,354</b>	<b>163,605</b>	<b>33,273</b>	<b>73,888</b>	<b>33,834</b>	<b>10,281</b>
<b>Non-Current Assets</b>											
Investments*	189,384	623,078	130,454	226,776	879,001	764,810	5,791,882	1,034,138	411,183	70,579	267,097
<b>Total Assets</b>	<b>\$ 281,501</b>	<b>\$ 693,168</b>	<b>\$ 173,186</b>	<b>\$ 316,485</b>	<b>\$ 936,221</b>	<b>\$ 851,164</b>	<b>\$ 5,955,487</b>	<b>\$ 1,067,411</b>	<b>\$ 485,071</b>	<b>\$ 104,413</b>	<b>\$ 277,378</b>
<b>Current Liabilities</b>											
Accounts Payable	\$ 1,198	\$ 1,324	\$ 372	\$ 1,100	\$ 1,880	\$ 3,382	\$ 9,985	\$ 2,614	\$ 855	\$ 189	\$ 562
Deferred Revenue	-	-	28,229	35,227	93,495	-	-	22,474	-	-	17,358
<b>Total Current Liabilities</b>	<b>1,198</b>	<b>1,324</b>	<b>28,601</b>	<b>36,327</b>	<b>95,375</b>	<b>3,382</b>	<b>9,985</b>	<b>25,088</b>	<b>855</b>	<b>189</b>	<b>17,920</b>
<b>Non-Current Liabilities</b>											
Outstanding Liabilities*	408,377	449,573	82,139	146,465	722,550	973,383	3,433,347	705,037	115,505	26,838	133,452
ULAE*	23,632	26,016	4,753	8,476	41,813	56,328	198,682	40,799	6,684	1,553	7,723
<b>Total Non-Current Liabilities</b>	<b>432,009</b>	<b>475,589</b>	<b>86,892</b>	<b>154,941</b>	<b>764,363</b>	<b>1,029,711</b>	<b>3,632,029</b>	<b>745,836</b>	<b>122,189</b>	<b>28,391</b>	<b>141,175</b>
<b>Total Liabilities</b>	<b>\$ 433,207</b>	<b>\$ 476,913</b>	<b>\$ 115,493</b>	<b>\$ 191,268</b>	<b>\$ 859,738</b>	<b>\$ 1,033,093</b>	<b>\$ 3,642,014</b>	<b>\$ 770,924</b>	<b>\$ 123,044</b>	<b>\$ 28,580</b>	<b>\$ 159,095</b>
<b>Net Position</b>											
Designated for Contingency	-	-	-	-	-	-	-	-	-	-	-
Designated for Safety Grants	-	-	-	-	-	-	-	-	-	-	-
Undesignated	(151,706)	216,255	57,693	125,218	76,483	(181,929)	2,313,473	296,488	362,027	75,833	118,283
<b>Total Net Position</b>	<b>(151,706)</b>	<b>216,255</b>	<b>57,693</b>	<b>125,218</b>	<b>76,483</b>	<b>(181,929)</b>	<b>2,313,473</b>	<b>296,488</b>	<b>362,027</b>	<b>75,833</b>	<b>118,283</b>
<b>Liability &amp; Net Position</b>	<b>\$ 281,501</b>	<b>\$ 693,168</b>	<b>\$ 173,186</b>	<b>\$ 316,485</b>	<b>\$ 936,221</b>	<b>\$ 851,164</b>	<b>\$ 5,955,487</b>	<b>\$ 1,067,411</b>	<b>\$ 485,071</b>	<b>\$ 104,413</b>	<b>\$ 277,378</b>

\*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, 2015**

	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
<b>Current Assets</b>											
Cash and Cash Equivalents	\$ 76,903	\$ 6,061	\$ 38,364	\$ 4,567	\$ 36,744	\$ 10,929	\$ 74,722	\$ 88,715	\$ 8,571	\$ 20,563	\$ 206,745
Accounts Receivable	-	-	-	-	-	41,207	-	-	-	-	135,564
Interest Receivable	3,286	3,061	1,086	2,109	2,808	2,610	2,355	821	7,097	1,169	6,201
Excess Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expense	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>80,189</b>	<b>9,122</b>	<b>39,450</b>	<b>6,676</b>	<b>39,552</b>	<b>54,746</b>	<b>77,077</b>	<b>89,536</b>	<b>15,668</b>	<b>21,732</b>	<b>348,510</b>
<b>Non-Current Assets</b>											
Investments*	839,117	826,811	265,623	553,718	734,095	642,841	627,871	142,174	1,925,200	298,542	1,614,580
<b>Total Assets</b>	<b>\$ 919,306</b>	<b>\$ 835,933</b>	<b>\$ 305,073</b>	<b>\$ 560,394</b>	<b>\$ 773,647</b>	<b>\$ 697,587</b>	<b>\$ 704,948</b>	<b>\$ 231,710</b>	<b>\$ 1,940,868</b>	<b>\$ 320,274</b>	<b>\$ 1,963,090</b>
<b>Current Liabilities</b>											
Accounts Payable	\$ 988	\$ 2,144	\$ 739	\$ 2,120	\$ 2,141	\$ 1,758	\$ 3,480	\$ 560	\$ 4,127	\$ 729	\$ 5,301
Deferred Revenue	22,218	-	-	21,946	-	-	-	-	68,735	15,817	305,968
<b>Total Current Liabilities</b>	<b>23,206</b>	<b>2,144</b>	<b>739</b>	<b>24,066</b>	<b>2,141</b>	<b>1,758</b>	<b>3,480</b>	<b>560</b>	<b>72,862</b>	<b>16,546</b>	<b>311,269</b>
<b>Non-Current Liabilities</b>											
Outstanding Liabilities*	355,507	654,540	164,445	388,575	666,981	412,576	1,038,152	80,900	1,127,752	138,083	1,484,733
ULAE*	20,573	37,877	9,516	22,486	38,597	23,875	60,076	4,682	65,261	7,991	85,919
<b>Total Non-Current Liabilities</b>	<b>376,080</b>	<b>692,417</b>	<b>173,961</b>	<b>411,061</b>	<b>705,578</b>	<b>436,451</b>	<b>1,098,228</b>	<b>85,582</b>	<b>1,193,013</b>	<b>146,074</b>	<b>1,570,652</b>
<b>Total Liabilities</b>	<b>\$ 399,286</b>	<b>\$ 694,561</b>	<b>\$ 174,700</b>	<b>\$ 435,127</b>	<b>\$ 707,719</b>	<b>\$ 438,209</b>	<b>\$ 1,101,708</b>	<b>\$ 86,142</b>	<b>\$ 1,265,875</b>	<b>\$ 162,620</b>	<b>\$ 1,881,921</b>
<b>Net Position</b>											
Designated for Contingency	-	-	-	-	-	-	-	-	-	-	-
Designated for Safety Grants	-	-	-	-	-	-	-	-	-	-	-
Undesignated	520,020	141,372	130,373	125,268	65,928	259,378	(396,760)	145,568	674,993	157,654	81,169
<b>Total Net Position</b>	<b>520,020</b>	<b>141,372</b>	<b>130,373</b>	<b>125,268</b>	<b>65,928</b>	<b>259,378</b>	<b>(396,760)</b>	<b>145,568</b>	<b>674,993</b>	<b>157,654</b>	<b>81,169</b>
<b>Liability &amp; Net Position</b>	<b>\$ 919,306</b>	<b>\$ 835,933</b>	<b>\$ 305,073</b>	<b>\$ 560,394</b>	<b>\$ 773,647</b>	<b>\$ 697,587</b>	<b>\$ 704,948</b>	<b>\$ 231,710</b>	<b>\$ 1,940,868</b>	<b>\$ 320,274</b>	<b>\$ 1,963,090</b>

\*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, 2015**

	<b>Total All Layers</b>	<b>Admin Layer</b>	<b>Shared Layer</b>	<b>Total Banking Layer</b>
<b>Operating Income</b>				
Administration Deposit	\$ 173,815	\$ 173,815	\$ -	\$ -
Banking Layer Deposit	2,761,794	-	-	2,761,794
Shared Risk Layer	1,484,536	-	1,484,536	-
Excess Deposit/Premium	598,711	-	598,711	-
Risk Management Grants	152,449	152,449	-	-
<b>Total Operating Income</b>	<b>5,171,305</b>	<b>326,264</b>	<b>2,083,247</b>	<b>2,761,794</b>
<b>Operating Expenses</b>				
Claims Paid	2,770,853	-	480,981	2,289,872
O/S Liability adj.	951,123	-	880,181	70,942
ULAE	55,039	-	50,935	4,104
Consultants	14,349	14,349	-	-
Safety Service	98,490	98,490	-	-
Claims Administration	538,323	221,083	-	317,240
Program Administration	82,049	82,049	-	-
Board Expenses	2,390	2,390	-	-
Excess Insurance	548,188	-	548,188	-
<b>Total Operating Expenses</b>	<b>5,060,804</b>	<b>418,361</b>	<b>1,960,285</b>	<b>2,682,158</b>
<b>Operating Income (Loss)</b>	<b>110,501</b>	<b>(92,097)</b>	<b>122,962</b>	<b>79,636</b>
<b>Non-Operating Income</b>				
Change in Fair Market Value	(138,980)	(2,175)	(78,659)	(58,146)
Investment Income	260,543	3,251	124,866	132,426
<b>Total Non-Operating Income</b>	<b>121,563</b>	<b>1,076</b>	<b>46,207</b>	<b>74,280</b>
<b>Change in Net Position</b>	<b>232,064</b>	<b>(91,021)</b>	<b>169,169</b>	<b>153,916</b>
<b>Beginning Net Position</b>	<b>7,864,531</b>	<b>570,130</b>	<b>2,235,237</b>	<b>5,059,164</b>
<b>Ending Net Position</b>	<b>\$ 8,096,595</b>	<b>\$ 479,109</b>	<b>\$ 2,404,406</b>	<b>\$ 5,213,080</b>

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, 2015**

	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	80,852	99,766	28,229	36,562	99,399	413,570	573,350	108,966	23,288	5,085	22,087
Shared Risk Layer	-	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-	-	-
Risk Management Grants	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	80,852	99,766	28,229	36,562	99,399	413,570	573,350	108,966	23,288	5,085	22,087
Operating Expenses											
Claims Paid	72,077	75,423	26,783	20,090	195,071	344,463	234,599	104,679	6,064	1,655	61,139
O/S Liability adj.	(15,061)	(116,850)	(13,964)	44,223	51,440	(6,784)	46,519	43,559	4,044	18,508	(42,302)
ULAE	(872)	(6,762)	(808)	2,559	2,977	(393)	2,692	2,521	234	1,071	(2,448)
Consultants	-	-	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-	-	-
Claims Administration	7,962	8,896	2,757	6,249	11,879	21,683	68,479	17,408	5,544	867	5,088
Program Administration	-	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	64,106	(39,293)	14,768	73,121	261,367	358,969	352,289	168,167	15,886	22,101	21,477
Operating Income (Loss)	16,746	139,059	13,461	(36,559)	(161,968)	54,601	221,061	(59,201)	7,402	(17,016)	610
Non-Operating Income											
Change in Fair Market Value	(482)	(1,539)	(884)	(952)	(2,746)	(3,684)	(16,425)	(2,902)	(1,361)	(317)	(1,122)
Investment Income	1,683	4,174	1,399	2,147	5,363	5,992	39,998	7,404	3,252	678	1,748
Total Non-Operating Income	1,201	2,635	515	1,195	2,617	2,308	23,573	4,502	1,891	361	626
Change in Net Position	17,947	141,694	13,976	(35,365)	(159,351)	56,909	244,634	(54,700)	9,293	(16,655)	1,236
Beginning Net Position	(169,653)	74,561	43,717	160,582	235,834	(238,838)	2,068,839	351,187	352,734	92,488	117,047
Ending Net Position	\$ (151,706)	\$ 216,255	\$ 57,693	\$ 125,218	\$ 76,483	\$ (181,929)	\$ 2,313,473	\$ 296,488	\$ 362,027	\$ 75,833	\$ 118,283

**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, 2015**

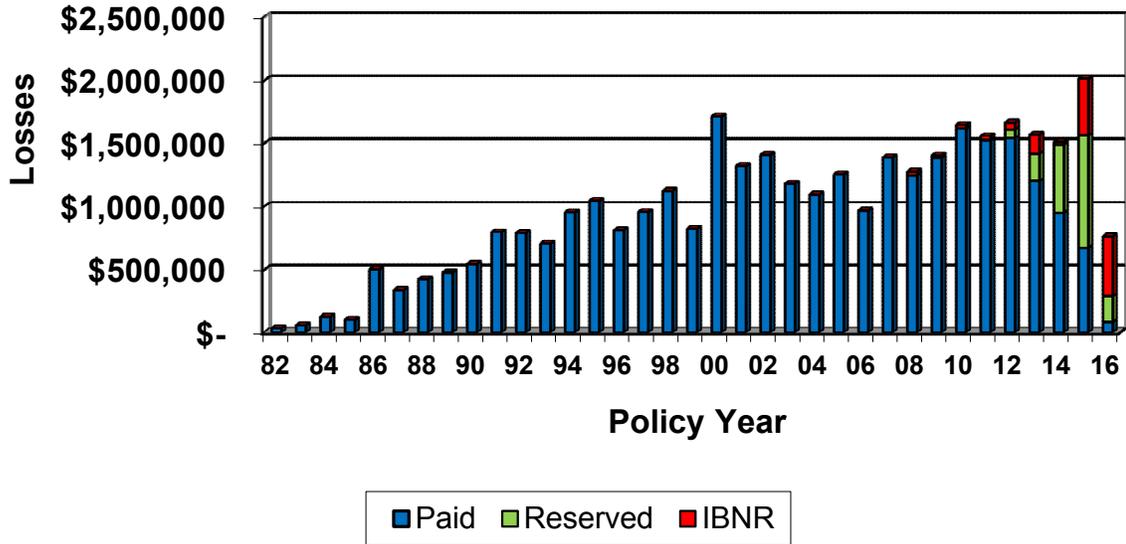
	City of Lincoln	City of Marysville	City of Nevada City	City of Oroville	City of Paradise	City of Placerville	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
<b>Operating Income</b>											
Administration Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	189,621	80,320	30,550	74,945	61,486	82,414	143,986	30,483	192,479	43,548	340,808
Shared Risk Layer	-	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-	-	-
Risk Management Grants	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Income</b>	<b>189,621</b>	<b>80,320</b>	<b>30,550</b>	<b>74,945</b>	<b>61,486</b>	<b>82,414</b>	<b>143,986</b>	<b>30,483</b>	<b>192,479</b>	<b>43,548</b>	<b>340,808</b>
<b>Operating Expenses</b>											
Claims Paid	72,265	162,390	10,872	105,634	72,381	146,955	131,613	1,109	142,883	92,116	209,611
O/S Liability adj.	63,790	(115,528)	62,584	48,977	24,356	(95,240)	14,904	11,442	171,677	(105,874)	(23,478)
ULAE	3,691	(6,685)	3,622	2,834	1,409	(5,511)	862	662	9,935	(6,127)	(1,359)
Consultants	-	-	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-	-	-
Claims Administration	7,374	14,878	3,735	13,200	14,550	14,877	23,216	3,031	25,053	4,866	35,648
Program Administration	-	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>147,120</b>	<b>55,055</b>	<b>80,813</b>	<b>170,645</b>	<b>112,696</b>	<b>61,081</b>	<b>170,595</b>	<b>16,244</b>	<b>349,548</b>	<b>(15,019)</b>	<b>220,422</b>
<b>Operating Income (Loss)</b>	<b>42,501</b>	<b>25,265</b>	<b>(50,263)</b>	<b>(95,700)</b>	<b>(51,210)</b>	<b>21,333</b>	<b>(26,609)</b>	<b>14,239</b>	<b>(157,069)</b>	<b>58,567</b>	<b>120,386</b>
<b>Non-Operating Income</b>											
Change in Fair Market Value	(2,075)	(2,404)	(1,274)	(1,444)	(1,810)	(2,697)	(1,730)	(664)	(6,134)	(767)	(4,733)
Investment Income	6,266	5,100	1,938	3,726	4,944	4,715	4,430	1,476	12,907	1,867	11,220
<b>Total Non-Operating Income</b>	<b>4,191</b>	<b>2,696</b>	<b>664</b>	<b>2,282</b>	<b>3,134</b>	<b>2,018</b>	<b>2,700</b>	<b>812</b>	<b>6,773</b>	<b>1,100</b>	<b>6,487</b>
<b>Change in Net Position</b>	<b>46,692</b>	<b>27,961</b>	<b>(49,599)</b>	<b>(93,419)</b>	<b>(48,076)</b>	<b>23,351</b>	<b>(23,909)</b>	<b>15,051</b>	<b>(150,296)</b>	<b>59,667</b>	<b>126,873</b>
<b>Beginning Net Position</b>	<b>473,328</b>	<b>113,411</b>	<b>179,972</b>	<b>218,686</b>	<b>114,004</b>	<b>236,027</b>	<b>(372,851)</b>	<b>130,517</b>	<b>825,289</b>	<b>97,987</b>	<b>(45,704)</b>
<b>Ending Net Position</b>	<b>\$ 520,020</b>	<b>\$ 141,372</b>	<b>\$ 130,373</b>	<b>\$ 125,268</b>	<b>\$ 65,928</b>	<b>\$ 259,378</b>	<b>\$ (396,760)</b>	<b>\$ 145,568</b>	<b>\$ 674,993</b>	<b>\$ 157,654</b>	<b>\$ 81,169</b>

**Northern California Cities Self Insurance Fund  
(Governmental Enterprise Fund)  
Reconciliation of Claims Liability by Program  
As of December 31, 2015 and June 30, 2015**

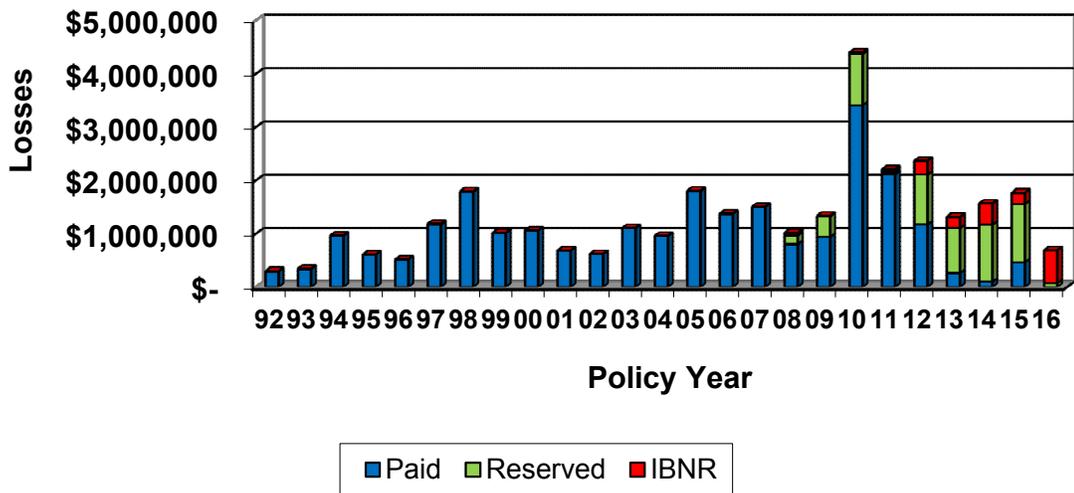
	<b>Liability Banking 2016</b>	<b>Liability Shared Risk 2016</b>	<b>Total Liability Program</b>		<b>WC Banking 2016</b>	<b>WC Shared Risk 2016</b>	<b>Total WC Program</b>		<b>Totals</b>	
			<b>2016</b>	<b>2015</b>			<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Unpaid claims and claim adjustment expenses at beginning of the fiscal year	\$ 3,082,750	\$ 7,176,220	\$ 10,258,970	\$ 8,621,108	\$ 14,427,176	\$ 16,060,015	\$ 30,487,191	\$ 27,805,982	\$ 40,746,161	\$ 36,427,090
Incurred claims and claim adjustment expenses:										
Provision for insured events of the current fiscal year	760,487	697,196	1,457,683	3,772,147	2,237,914	1,337,886	3,575,800	7,849,008	5,033,483	11,621,155
Increases (Decreases) in provision for insured events of prior fiscal years	15,765	50,358	66,123	131,709	122,902	22,698	145,600	(198,014)	211,723	(66,307)
Change in provision for ULAE in current year	-	-	-	-	4,105	50,935	55,040	(347,530)	55,040	(347,530)
<b>Total incurred claims and claim adjustment expenses</b>	<b>776,252</b>	<b>747,554</b>	<b>1,523,806</b>	<b>3,903,856</b>	<b>2,364,918</b>	<b>1,412,097</b>	<b>3,777,015</b>	<b>7,303,463</b>	<b>5,300,821</b>	<b>11,207,318</b>
Payments:										
Claims and claim adjustment expenses attributable to insured events of the current fiscal year	88,036	-	88,036	775,970	166,202	-	166,202	972,148	254,238	1,748,118
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	595,748	524,140	1,119,888	1,490,024	2,123,670	480,982	2,604,652	3,650,106	3,724,540	5,140,130
<b>Total Payments</b>	<b>683,784</b>	<b>524,140</b>	<b>1,207,924</b>	<b>2,265,994</b>	<b>2,289,872</b>	<b>480,982</b>	<b>2,770,854</b>	<b>4,622,254</b>	<b>3,978,778</b>	<b>6,888,248</b>
<b>Total unpaid claims and claim adjustment expenses at end of the fiscal year</b>	<b>\$ 3,175,218</b>	<b>\$ 7,399,634</b>	<b>\$ 10,574,852</b>	<b>\$ 10,258,970</b>	<b>\$ 14,502,222</b>	<b>\$ 16,991,130</b>	<b>\$ 31,493,352</b>	<b>\$ 30,487,191</b>	<b>\$ 42,068,204</b>	<b>\$ 40,746,161</b>
Claims Liability	\$ 3,175,218	\$ 7,399,634	\$ 10,574,852	\$ 10,258,970	\$ 13,708,907	\$ 16,061,667	\$ 29,770,574	\$ 28,819,455	\$ 40,345,426	\$ 39,078,425
Claims ULAE	-	-	-	-	793,315	929,463	1,722,778	1,667,736	1,722,778	1,667,736
<b>Total Claim Liabilities</b>	<b>\$ 3,175,218</b>	<b>\$ 7,399,634</b>	<b>\$ 10,574,852</b>	<b>\$ 10,258,970</b>	<b>\$ 14,502,222</b>	<b>\$ 16,991,130</b>	<b>\$ 31,493,352</b>	<b>\$ 30,487,191</b>	<b>\$ 42,068,204</b>	<b>\$ 40,746,161</b>

**Northern California Cities Self Insurance Fund**  
**Graphical Summary of Claims**  
**As of December 31, 2015**

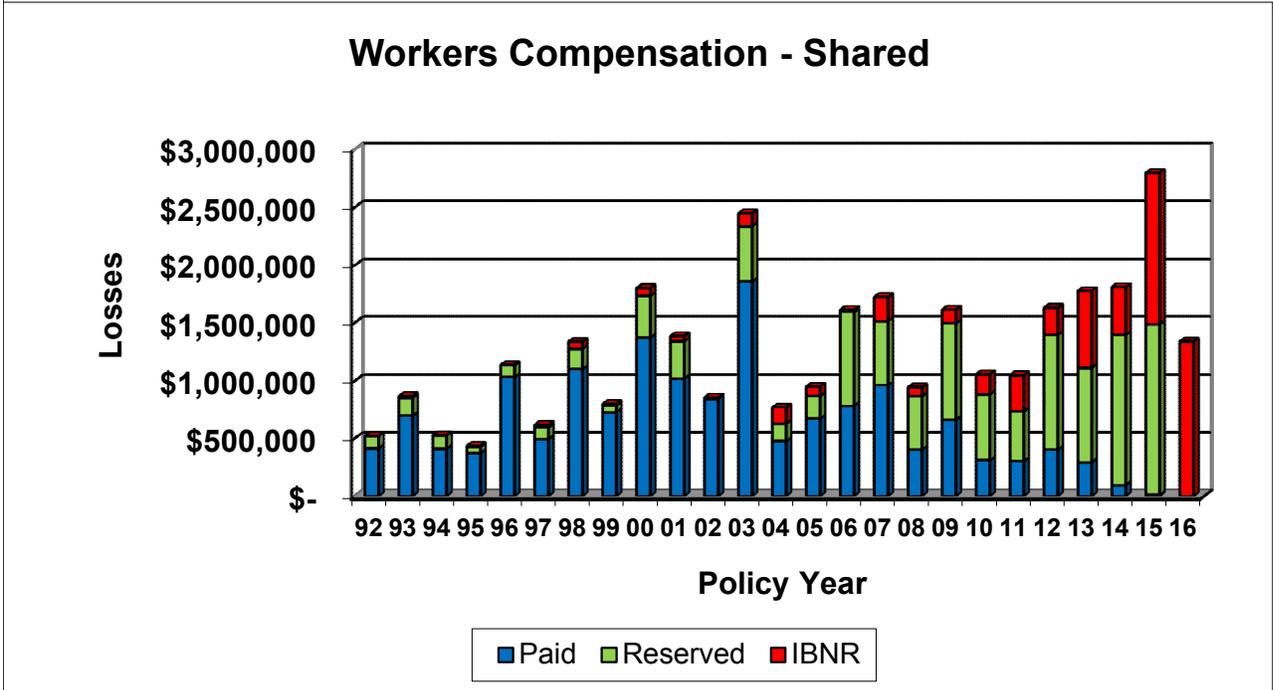
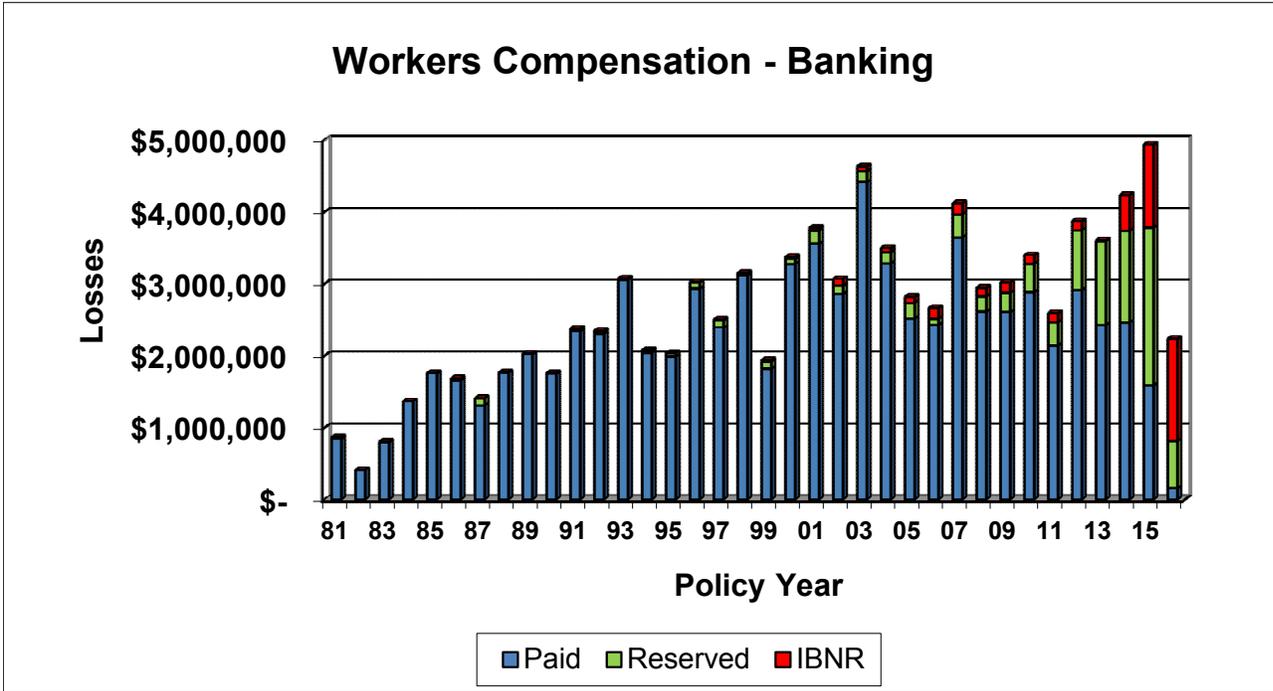
**Liability - Banking**



**Liability - Shared**



**Northern California Cities Self Insurance Fund**  
**Graphical Summary of Claims**  
**As of December 31, 2015**



**Northern California Cities Self Insurance Fund**  
**Budget to Actual**  
**As of December 31, 2015**

	Budget 2015-2016			YTD Expended 2015-2016			Remaining 2015-2016			
	Total	WC	Liab	Total	WC	Liab	Total \$	Total %	WC	Liab
<b>ADMIN BUDGET</b>										
<b>Administrative Revenue</b>										
41010 Administrative Deposit - See Note 1	\$ 1,320,429	\$ 922,691	\$ 397,738	\$ 372,684	\$ 173,815	\$ 198,869	\$ 947,745	72%	\$ 748,876	\$ 198,869
44030 Change in Fair Value - See Note 2	-	-	-	(5,872)	(2,175)	(3,697)	5,872		2,175	3,697
44040 Interest Income - See Note 2	-	-	-	3,994	3,251	743	(3,994)		(3,251)	(743)
44080 Risk Management Grants - See Note 3	-	-	-	152,449	152,449	-	(152,449)		(152,449)	-
XXXX Member Identity Theft Protection	16,000	-	16,000	-	-	-	16,000	100%	-	16,000
Total Admin Revenue	\$ 1,336,429	\$ 922,691	\$ 413,738	\$ 523,255	\$ 327,340	\$ 195,915	\$ 813,174	61%	\$ 595,351	\$ 217,823
<b>Administrative Expenses</b>										
52101 Claims Audit	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	100%	\$ -	\$ 5,000
52102 Financial Audit	26,100	13,050	13,050	26,100	13,050	13,050	-	0%	-	-
52103 Legal Services	10,000	3,000	7,000	2,547	850	1,697	7,453	75%	2,150	5,303
52104 Actuarial Services	11,800	5,000	6,800	-	-	-	11,800	100%	5,000	6,800
52106 JPA Accreditation	-	-	-	-	-	-	-	-	-	-
52107 Fidelity Bonds	2,200	1,100	1,100	898	449	449	1,302	59%	651	651
52109 Miscellaneous Consultants	5,000	2,500	2,500	-	-	-	5,000	100%	2,500	2,500
Total Admin Expenses	\$ 60,100	\$ 24,650	\$ 35,450	\$ 29,545	\$ 14,349	\$ 15,196	\$ 30,555	51%	\$ 10,301	\$ 20,254
<b>Safety Services</b>										
52201 Outside Training	\$ 30,000	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ 30,000	100%	\$ 15,000	\$ 15,000
52202 Risk Mgmt Comm Mtg Expense	1,500	750	750	-	-	-	1,500	100%	750	750
52203 Police Risk Mgmt Comm Svcs	7,900	3,950	3,950	3,440	1,720	1,720	4,460	56%	2,230	2,230
52204 On Site Monthly Fee	152,320	78,410	73,910	74,654	37,327	37,327	77,666	51%	41,083	36,583
52207 Seminars and PARMA	72,600	40,000	32,600	7,002	5,048	1,954	65,598	90%	34,952	30,646
52208 Police Risk Mgmt Manual	106,250	12,400	93,850	52,450	6,200	46,250	53,800	51%	6,200	47,600
52209 Safety Contingency	50,000	25,000	25,000	-	-	-	50,000	100%	25,000	25,000
52214 OCCUMED	18,000	18,000	-	9,000	9,000	-	9,000	50%	9,000	-
52215 Online Risk Management Services	14,000	7,000	7,000	6,300	3,150	3,150	7,700	55%	3,850	3,850
52217 Wellness Optional	15,072	15,072	-	1,042	1,042	-	14,030	93%	14,030	-
54200 Safety Grant Fund - See Note 3	-	-	-	35,003	35,003	-	(35,003)		(35,003)	-
Total Safety Services Expenses	\$ 467,642	\$ 215,582	\$ 252,060	\$ 188,891	\$ 98,490	\$ 90,401	\$ 278,751	60%	\$ 117,092	\$ 161,659

**Northern California Cities Self Insurance Fund**  
**Budget to Actual**  
**As of December 31, 2015**

	Budget 2015-2016			YTD Expended 2015-2016			Remaining 2015-2016			
	Total	WC	Liab	Total	WC	Liab	Total	Total %	WC	Liab
<b>ADMIN BUDGET CONTINUED</b>										
<b>Claims Administration</b>										
52302 Claims Administration Fee	\$ 49,500	\$ 29,700	\$ 19,800	\$ 29,700	\$ 29,700	\$ -	\$ 19,800	40%	\$ -	\$ 19,800
52304 State Funding/Fraud Assessment	160,000	160,000	-	191,383	191,383	-	(31,383)	-20%	(31,383)	-
Total Claims Admin Expenses	\$ 209,500	\$ 189,700	\$ 19,800	\$ 221,083	\$ 221,083	\$ -	\$ (11,583)	-6%	\$ (31,383)	\$ 19,800
<b>Program Administration</b>										
52401 Program Administration Fee	\$ 291,720	\$ 132,600	\$ 159,120	\$ 145,860	\$ 65,637	\$ 80,223	\$ 145,860	50%	\$ 66,963	\$ 78,897
52403 Accounting Services	65,650	32,825	32,825	32,824	16,412	16,412	32,826	50%	16,413	16,413
Total Program Admin Expenses	\$ 357,370	\$ 165,425	\$ 191,945	\$ 178,684	\$ 82,049	\$ 96,635	\$ 178,686	50%	\$ 83,376	\$ 95,310
<b>Board Expenses</b>										
52501 Executive Committee	\$ 3,000	\$ 1,500	\$ 1,500	\$ -	\$ -	\$ -	\$ 3,000	100%	\$ 1,500	\$ 1,500
52502 Executive Committee Member Travel	3,000	1,500	1,500	1,366	683	683	1,634	54%	817	817
52503 Board of Directors Meetings (includes Travel)	6,000	3,000	3,000	1,160	580	580	4,840	81%	2,420	2,420
XXXX Board of Directors Long Range Planning Session	2,000	1,000	1,000	-	-	-	2,000	100%	1,000	1,000
52504 Association Memberships	4,000	2,000	2,000	2,254	1,127	1,127	1,746	44%	873	873
Total Board Expenses	\$ 18,000	\$ 9,000	\$ 9,000	\$ 4,780	\$ 2,390	\$ 2,390	\$ 13,220	73%	\$ 6,610	\$ 6,610
<b>Other Administration Expenses - Not identified with above budget line items</b>										
52900 Member Identity Theft Protection	16,000	-	16,000	11,470	-	11,470	4,530	28%	-	4,530
Total Other Admin	\$ 16,000	\$ -	\$ 16,000	\$ 11,470	\$ -	\$ 11,470	\$ 4,530	28%	\$ -	\$ 4,530
<b>Total Admin Expenses</b>	<b>\$ 1,128,612</b>	<b>\$ 604,357</b>	<b>\$ 524,255</b>	<b>\$ 634,452</b>	<b>\$ 418,361</b>	<b>\$ 216,091</b>	<b>\$ 494,160</b>	<b>44%</b>	<b>\$ 185,996</b>	<b>\$ 308,164</b>
<b>TOTAL ADMIN REVENUE OVER EXPENSES</b>	<b>\$ 207,817</b>	<b>\$ 318,334</b>	<b>\$ (110,517)</b>	<b>\$ (111,197)</b>	<b>\$ (91,021)</b>	<b>\$ (20,176)</b>	<b>\$ 319,014</b>		<b>\$ 409,355</b>	<b>\$ (90,341)</b>

**Northern California Cities Self Insurance Fund**  
**Budget to Actual**  
**As of December 31, 2015**

	Budget 2015-2016			YTD Expended 2015-2016			Remaining 2015-2016			
	Total	WC	Liab	Total	WC	Liab	Total	Total %	WC	Liab
<b>BANKING LAYER BUDGET</b>										
<b>Banking Layer Revenue</b>										
41020 Banking Layer Deposit - See Note 1	\$ 7,379,792	\$ 5,523,578	\$ 1,856,214	\$ 3,689,907	\$ 2,761,794	\$ 928,113	\$ 3,689,885	50%	\$ 2,761,784	\$ 928,101
44020 CJPRMA Refund Transfer - See Note 4	(251,186)	-	(251,186)	-	-	-	(251,186)	100%	-	(251,186)
44030 Change in Fair Value - See Note 2	-	-	-	(60,228)	(58,146)	(2,082)	60,228		58,146	2,082
44040 Interest Income - See Note 2	-	-	-	176,699	132,426	44,273	(176,699)		(132,426)	(44,273)
44010 Other Income	-	-	-	-	-	-	-		-	-
Total Banking Layer Revenue	\$ 7,128,606	\$ 5,523,578	\$ 1,605,028	\$ 3,806,378	\$ 2,836,074	\$ 970,304	\$ 3,322,228	47%	\$ 2,687,504	\$ 634,724
<b>Banking Layer Expenses</b>										
51100 Claims Expense - See Note 5	\$ 6,642,000	\$ 5,108,000	\$ 1,534,000	\$ 2,788,973	\$ 2,289,872	\$ 499,101	\$ 3,853,027	58%	\$ 2,818,128	\$ 1,034,899
51135 Claims Admin - Liability - See Note 5	-	-	-	184,679	-	184,679	(184,679)		-	(184,679)
51400 OS Liability Adjustment - See Note 5	-	-	-	163,410	70,942	92,468	(163,410)		(70,942)	(92,468)
51800 ULAE Adjustment - See Note 5	-	-	-	4,104	4,104	-	(4,104)		(4,104)	-
52300 Claims Admin - Monthly WC Only - See Note 5	545,361	545,361	-	317,240	317,240	-	228,121	42%	228,121	-
Total Banking Layer Expenses	\$ 7,187,361	\$ 5,653,361	\$ 1,534,000	\$ 3,458,406	\$ 2,682,158	\$ 776,248	\$ 3,728,955	52%	\$ 2,971,203	\$ 757,752
<b>TOTAL BANKING REVENUE OVER EXPENSES</b>	<b>\$ (58,755)</b>	<b>\$ (129,783)</b>	<b>\$ 71,028</b>	<b>\$ 347,972</b>	<b>\$ 153,916</b>	<b>\$ 194,056</b>	<b>\$ (406,727)</b>		<b>\$ (283,699)</b>	<b>\$ (123,028)</b>

**Northern California Cities Self Insurance Fund**  
**Budget to Actual**  
**As of December 31, 2015**

	Budget 2015-2016			YTD Expended 2015-2016			Remaining 2015-2016			
	Total	WC	Liab	Total	WC	Liab	Total	Total %	WC	Liab
<b>SHARED RISK LAYER BUDGET</b>										
<b>Shared Layer Revenue</b>										
41030 Shared Risk Layer Deposit - See Note 1	\$ 4,451,969	\$ 2,969,071	\$ 1,482,898	\$ 2,225,985	\$ 1,484,536	\$ 741,449	\$ 2,225,984	50%	\$ 1,484,535	\$ 741,449
41040 Excess Deposit/Premium - See Note 1	2,072,421	1,197,421	875,000	1,025,757	598,711	427,046	1,046,664	51%	598,710	447,954
44020 Excess Insurance Refund - See Note 4	-	-	-	274,337	-	274,337	(274,337)		-	(274,337)
44030 Change in Fair Value	-	-	-	(127,949)	(78,659)	(49,290)	127,949		78,659	49,290
44040 Interest Income	-	-	-	184,974	124,866	60,108	(184,974)		(124,866)	(60,108)
44060 Property Premium - See Note 1	850,000	-	850,000	477,372	-	477,372	372,628	44%	-	372,628
44070 Crime Premium - See Note 1	26,000	-	26,000	12,303	-	12,303	13,697	53%	-	13,697
Total Shared Layer Revenue	<u>\$ 7,400,390</u>	<u>\$ 4,166,492</u>	<u>\$ 3,233,898</u>	<u>\$ 4,072,779</u>	<u>\$ 2,129,454</u>	<u>\$ 1,943,325</u>	<u>\$ 3,327,611</u>	<u>45%</u>	<u>\$ 2,037,038</u>	<u>\$ 1,290,573</u>
<b>Shared Layer Expenses</b>										
51100 Claims Expense	\$ 4,060,000	\$ 2,684,000	\$ 1,376,000	\$ 2,159,650	\$ 1,412,097	\$ 747,553	\$ 1,900,350	47%	\$ 1,271,903	\$ 628,447
54100 Excess Deposit/Premium Exp - See Note 6	2,072,421	1,197,421	875,000	1,011,634	548,188	463,446	1,060,787	51%	649,233	411,554
54150 Member Property Coverage - See Note 6	850,000	-	850,000	478,428	-	478,428	371,572	44%	-	371,572
54150 Member Crime Coverage - See Note 6	26,000	-	26,000	12,303	-	12,303	13,697	53%	-	13,697
Total Shared Layer Expenses	<u>\$ 7,008,421</u>	<u>\$ 3,881,421</u>	<u>\$ 3,127,000</u>	<u>\$ 3,662,015</u>	<u>\$ 1,960,285</u>	<u>\$ 1,701,730</u>	<u>\$ 3,346,406</u>	<u>48%</u>	<u>\$ 1,921,136</u>	<u>\$ 1,425,270</u>
<b>TOTAL SHARED REVENUE OVER EXPENSES</b>	<b>\$ 391,969</b>	<b>\$ 285,071</b>	<b>\$ 106,898</b>	<b>\$ 410,764</b>	<b>\$ 169,169</b>	<b>\$ 241,595</b>	<b>\$ (18,795)</b>		<b>\$ 115,902</b>	<b>\$ (134,697)</b>
<b>TOTAL INCOME/(EXPENSE)</b>	<b>\$ 541,031</b>	<b>\$ 473,622</b>	<b>\$ 67,409</b>	<b>\$ 647,539</b>	<b>\$ 232,064</b>	<b>\$ 415,475</b>	<b>\$ (106,508)</b>		<b>\$ 241,558</b>	<b>\$ (348,066)</b>

**Northern California Cities Self Insurance Fund**  
**Notes to Budget to Actual**  
**As of December 31, 2015**

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**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. Risk Management Grants**

Individual members have elected to have amounts withheld from past refunds to fund risk management specific to their City. There is no budget for this income as it will be used for individual members' risk management, not for the organization as a whole. Similarly, there is no budget for expenses as expenditures are at the discretion of applicable members.

**4. 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.

**5. 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.

**6. 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  
Safety Grant Historic Usage Report  
As of December 31, 2015**

Member	ADA Grants	Risk Management Grants elected to be retained in WC admin by members from their WC shared refund						Total funds available	Total	Funds Available
	Declared in FY 2009 Board Meeting 4/24/2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2009 - FY 2014 for ADA grants and Risk Management Grants	Disbursements Paid through Last Update	
Anderson	\$ 6,496.00	\$ 8,039.00	\$ 7,650.00	\$ 7,540.00	\$ 7,451.00	\$ 3,860.00	\$ -	\$ 41,036.00	\$ 31,355.00	\$ 9,681.00
Auburn	6,397.00	-	-	8,098.00	-	-	-	14,495.00	6,397.00	8,098.00
Colusa	6,258.00	-	-	5,817.00	5,662.00	-	-	17,737.00	17,737.00	-
Coming	6,157.00	6,149.00	5,788.00	5,678.00	-	-	-	23,772.00	23,772.00	-
Dixon	6,592.00	-	-	-	10,379.00	-	10,602.00	27,573.00	11,762.47	15,810.53
Elk Grove	-	-	-	-	-	-	-	-	-	-
Folsom	16,732.00	62,977.00	-	61,737.00	61,566.00	32,328.00	57,693.00	293,033.00	183,661.00	109,372.00
Galt	7,613.00	14,375.00	14,135.00	14,171.00	14,153.00	11,310.00	16,586.00	92,343.00	84,412.00	7,931.00
Gridley	6,144.00	6,391.00	-	6,507.00	6,476.00	5,152.00	6,614.00	37,284.00	6,144.00	31,140.00
Ione	-	-	-	-	-	514.00	-	514.00	-	514.00
Jackson	5,627.00	3,510.00	3,487.00	-	-	-	4,285.00	16,909.00	5,500.00	11,409.00
Lincoln	6,303.00	8,638.00	10,028.00	-	10,854.00	-	10,078.00	45,901.00	24,969.00	20,932.00
Marysville	6,758.00	-	-	-	-	-	-	6,758.00	731.00	6,027.00
Nevada City	5,665.00	-	-	-	3,618.00	1,896.00	4,275.00	15,454.00	5,665.00	9,789.00
Oroville	7,633.00	-	-	-	-	-	12,309.00	19,942.00	17,412.50	2,529.50
Placerville	6,883.00	-	-	-	-	9,048.00	-	15,931.00	6,883.00	9,048.00
Paradise	7,182.00	-	-	-	-	-	-	7,182.00	7,182.00	-
Red Bluff	7,339.00	12,860.00	12,493.00	12,290.00	-	-	-	44,982.00	44,982.00	-
Rio Vista	5,818.00	-	4,770.00	4,766.00	-	3,759.00	-	19,113.00	15,602.50	3,510.50
Rocklin	9,178.00	24,019.00	25,254.00	25,419.00	25,476.00	20,260.00	22,851.00	152,457.00	110,451.00	42,006.00
Willows	5,856.00	4,618.00	4,412.00	-	-	3,405.00	7,156.00	25,447.00	25,448.00	(1.00)
Yuba City	8,607.00	-	-	22,184.00	-	-	-	30,791.00	30,791.00	-
	\$ 145,238.00	\$ 151,576.00	\$ 88,017.00	\$ 174,207.00	\$ 145,635.00	\$ 91,532.00	\$ 152,449.00	\$ 948,654.00	\$ 660,857.47	\$ 287,796.53



Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016

**Agenda Item H.2.**

**BUDGET TO ACTUAL AS OF DECEMBER 31, 2015**

**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.

NCCSIF Administrative expenses year-to-date are currently on track with the FY 15/16 Budget. The one exception is the annual State assessment of the Workers' Compensation Program. The assessment was \$191,383 versus the budgeted amount of \$160,000 due to higher than expected outstanding liabilities upon which the assessment is based.

**RECOMMENDATION:** None.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**ATTACHMENT(S):** Please refer to pages 19-23 of the Quarterly Financial Report for Period Ending December 31, 2015 - Budget to Actual as of December 31, 2015.



**Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016**

**Agenda Item H.3.**

**CURRENT FINANCIAL POSITION & TARGET FUNDING BENCHMARKS  
INFORMATION ITEM**

**SUMMARY:** NCCSIF has established a Target Funding Policy to guide members in making annual decisions regarding loss funding, assessments and dividends. The Policy contains a number of benchmarks designed to assess the financial strength of each Program's *Shared Risk Layer*, including exposure to large losses, ability to absorb pricing shortfalls, and susceptibility to reserving corrections.

The Members will review the pool's current financial position and how each Program measures up to the benchmarks.

**RECOMMENDATION:** None - information only

**FISCAL IMPACT:** None

**BACKGROUND:** The target funding benchmarks were first implemented as Administrative Policy and Procedure A-17 in 2005. They were updated to reflect changes in accounting terminology in 2014.

**ATTACHMENT(S):** NCCSIF Target Funding Benchmarks 2016 (*handout*)



**Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016**

**Agenda Item I.1.a.**

## **ACTUARIAL STUDIES - FY 16/17 WORKERS' COMPENSATION PROGRAM**

### **ACTION ITEM**

**ISSUE:** NCCSIF's actuary provides an annual report to assist Members in making funding, dividend and assessment decisions. A summary of this year's report is provided below and will be discussed in more detail at the meeting.

- **FY 16/17 Funding:** Total recommended funding for banking and shared risk layer is \$8,580,000 at the current 67.5% Confidence Level (CL). *Overall the rates have increased 1.3%, with a 4.8% increase in the Banking Layer and a 5.1% decrease for the Shared Layer.*
- **Outstanding Liabilities at June 30<sup>th</sup>:** The Actuary estimates that NCCSIF will have total assets of approximately \$39,612,000 on June 30, 2016, compared to \$37,480,000 last year. The estimated total Outstanding Liability at June 30 is \$37,266,000 at the 90% Confidence Level (CL), compared to \$33,951,000 last year. *This results in an estimated \$2,346,000 in net position above the 90% CL, compared to \$3,529,000 last year.*

**RECOMMENDATION:** Accept draft and request final report.

**FISCAL IMPACT:** T.B.D.; given the overall rate increase of 1.3% at the 67.5% CL members may want to consider moving to the 70% CL for FY 16/17 funding, the goal previously established by the members. The difference in the overall funding is provided in the budget estimates later in the agenda.

**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.

Assets for the Banking Layer are estimated at \$19,824,000 as of June 30, 2016, almost \$500,000 above the estimate of \$19,350,000 in 2015. Banking Layer liabilities are \$18,352,000 at the 90% CL, compared to \$16,903,000 last year. *This means the Banking Layer net position above the 90% CL is estimated at \$1,472,000 compared to \$2,447,000 last year.*

Assets for the Shared Risk Layer are estimated to be \$19,788,000 at June 30, 2016, compared to \$18,130,000 in 2015. Liabilities are estimated at \$18,914,000 at the 90% CL, compared to \$17,048,000 last year. *The net position in excess of the 90% CL is estimated to be \$874,000, compared to \$1,082,000 last year.*

**ATTACHMENT(S):** FY 16/17 Workers' Compensation Actuarial Study - **DRAFT** Summary & Select Exhibits

Wednesday, March 9, 2016

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 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 2016-17 program year to be \$7,912,000. 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, \$5,390,000 is for the banking layer (\$0 – \$100,000 per occurrence) and \$2,522,000 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 2016-17 claims translates to a rate of \$4.020 per \$100 of payroll, \$2.739 for the banking layer and \$1.282 for the shared layer (assuming \$196,800,000 in rated payroll).

In addition, we estimate the program's liability for outstanding claims to be \$29,647,000 as of June 30, 2016 again including ALAE and ULAE, and discounted for anticipated investment income, but excluding 4850 TD and 4850 SC benefits. Given estimated program assets of \$39,612,000 as of June 30, 2016, 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 \$29,647,000 estimate is the minimum liability to be booked by NCCSIF at June 30, 2016 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, 2016 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, 2016**

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	\$29,681,000					
ULAE	1,692,000					
Investment Income Offset	(1,726,000)					
<b>Discounted Loss and LAE</b>	<b>\$29,647,000</b>	\$32,078,000	\$33,027,000	\$34,153,000	\$35,487,000	<b>\$37,266,000</b>
<b>Assets</b>	<b>39,612,000</b>					
Surplus or (Deficit)	<b>\$9,965,000</b>	\$7,534,000	\$6,585,000	\$5,459,000	\$4,125,000	<b>\$2,346,000</b>

Northern California Cities Self Insurance Fund  
Self-Insured Workers' Compensation Program  
**Estimated Liability for Unpaid Loss and LAE**  
**Banking Layer**  
**at June 30, 2016**

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	\$14,683,000					
ULAE	1,692,000					
Investment Income Offset	(901,000)					
<b>Discounted Loss and LAE</b>	<b>\$15,474,000</b>	\$16,464,000	\$16,820,000	\$17,223,000	\$17,718,000	<b>\$18,352,000</b>
<b>Assets</b>	<b>19,824,000</b>					
Surplus or (Deficit)	<b>\$4,350,000</b>	\$3,360,000	\$3,004,000	\$2,601,000	\$2,106,000	<b>\$1,472,000</b>

**DRAFT**

Northern California Cities Self Insurance Fund  
 Self-Insured Workers' Compensation Program  
 Estimated Liability for Unpaid Loss and LAE

**Shared Layer  
 at June 30, 2016**

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	\$14,998,000					
ULAE	0					
Investment Income Offset	(825,000)					
Discounted Loss and LAE	<b>\$14,173,000</b>	\$15,614,000	\$16,207,000	\$16,930,000	\$17,769,000	<b>\$18,914,000</b>
Assets	<b>19,788,000</b>					
Surplus or (Deficit)	<b>\$5,615,000</b>	\$4,174,000	\$3,581,000	\$2,858,000	\$2,019,000	<b>\$874,000</b>

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 CSAC Excess Insurance Authority 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.

**DRAFT**

The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2016-17 fiscal year.

Northern California Cities Self Insurance Fund  
 Self-Insured Workers' Compensation Program  
**Loss and LAE Funding Guidelines for 2016-17**  
**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	\$7,562,000					
ULAE	670,000					
Investment Income Offset	(320,000)					
Discounted Loss and LAE	\$7,912,000	\$8,727,000	\$9,051,000	\$9,431,000	\$9,890,000	\$10,491,000
Rate per \$100 of 2016-17 Payroll	\$4.020	\$4.434	\$4.599	\$4.792	\$5.025	\$5.331

Northern California Cities Self Insurance Fund  
 Self-Insured Workers' Compensation Program  
**Loss and LAE Funding Guidelines for 2016-17**  
**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	\$4,938,000					
ULAE	670,000					
Investment Income Offset	(218,000)					
Discounted Loss and LAE	\$5,390,000	\$5,843,000	\$6,004,000	\$6,193,000	\$6,414,000	\$6,711,000
Rate per \$100 of 2016-17 Payroll	\$2.739	\$2.969	\$3.051	\$3.147	\$3.259	\$3.410

**DRAFT**

Northern California Cities Self Insurance Fund  
 Self-Insured Workers' Compensation Program  
 Loss and LAE Funding Guidelines for 2016-17

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	\$2,624,000					
ULAE	0					
Investment Income Offset	(102,000)					
Discounted Loss and LAE	\$2,522,000	\$2,884,000	\$3,047,000	\$3,238,000	\$3,476,000	\$3,780,000
Rate per \$100 of 2016-17 Payroll	\$1.282	\$1.465	\$1.548	\$1.645	\$1.766	\$1.921

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2016. 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.

**DRAFT**

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.

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 or Nina Gau at (916) 244-1193 with any questions you may have concerning this report.

Sincerely,

Bickmore

**DRAFT**

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Mike Harrington, FCAS, MAAA  
Director, Property and Casualty Actuarial Services, Bickmore  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries

**DRAFT**

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Nina Gau, FCAS, MAAA  
Manager, Property and Casualty Actuarial Services, Bickmore  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries

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## DRAFT

### 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 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 CSAC Excess Insurance Authority. Claims administration services are provided by York Insurance Services. 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).

Although NCCSIF carries a self-insured retention of \$500,000, the program is actually split into two pieces, 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%
1997-98	80%	70%
1998-99	80%	70%
1999-00	80%	70%
2000-01	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%

## **DRAFT**

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, 2016, project ultimate loss costs for 2016-17, 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, 2016. 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, 2016.

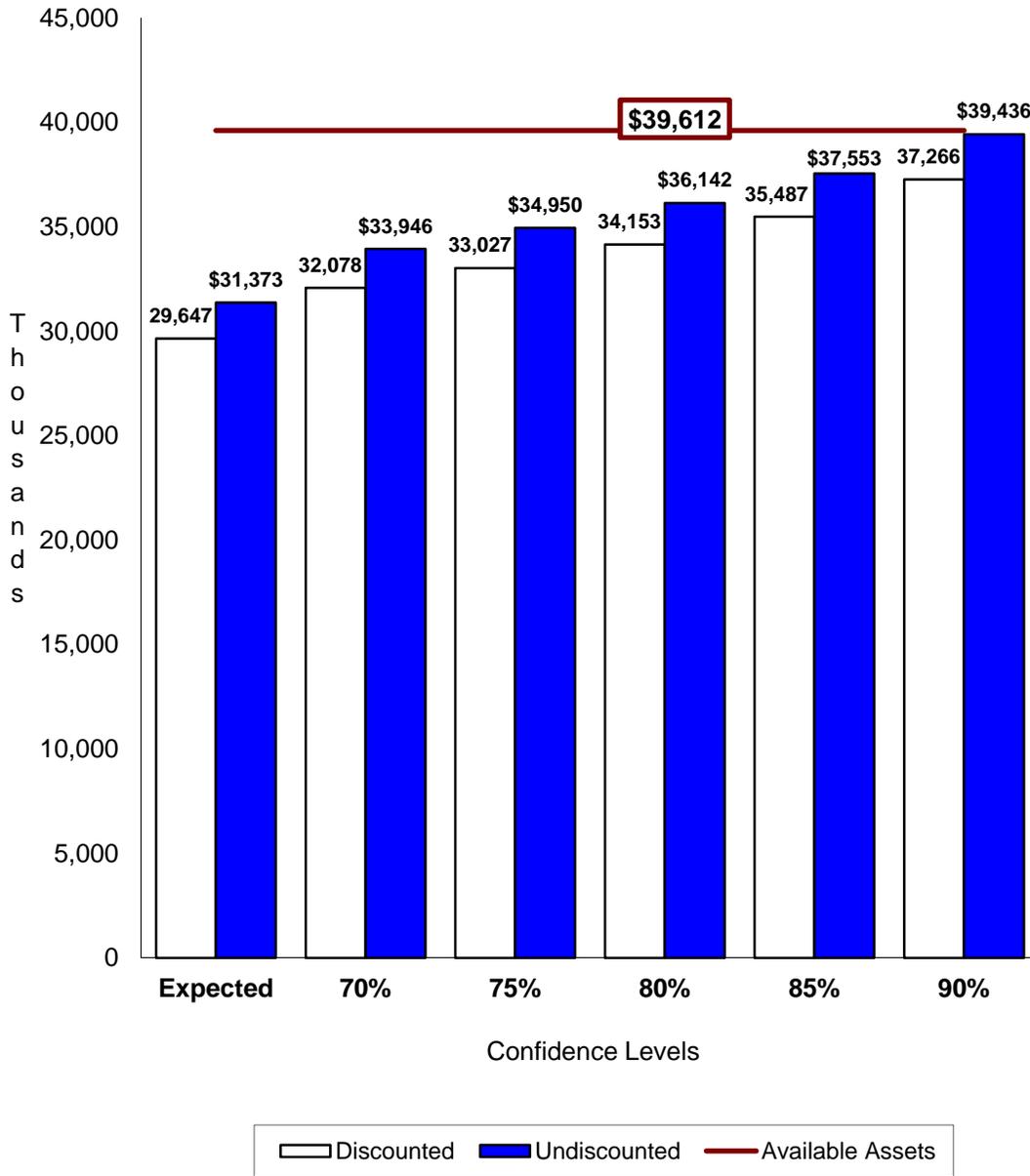
Our best estimate of the full value of NCCSIF's liability for outstanding claims within its pool limit is \$31,373,000, \$16,375,000 is for the banking layer and \$14,988,000 is for the shared layer as of June 30, 2016. These amounts include losses, allocated loss adjustment expenses (ALAE) and unallocated 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.

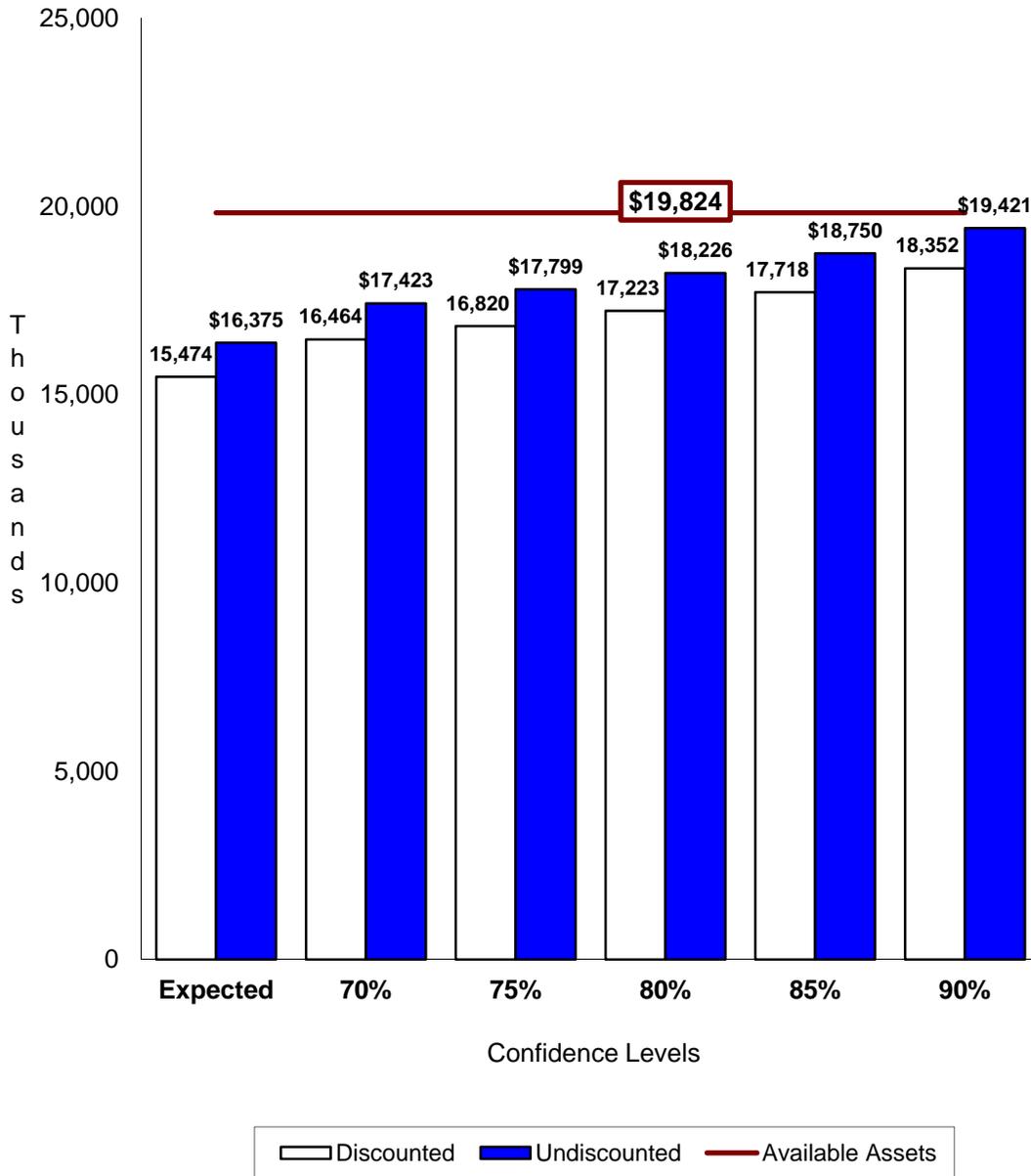
NCCSIF can earn investment income on the assets it holds until claims payments come due. Assuming a long-term average annual return on investments of 1.5%, we estimate the impact of investment income earnings to be about 6% if the program is funded within the range indicated in the graphs, resulting in a discounted liability for outstanding claims of \$29,647,000, \$15,474,000 for the banking layer and \$14,173,000 for the shared layer as of June 30, 2016.

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.

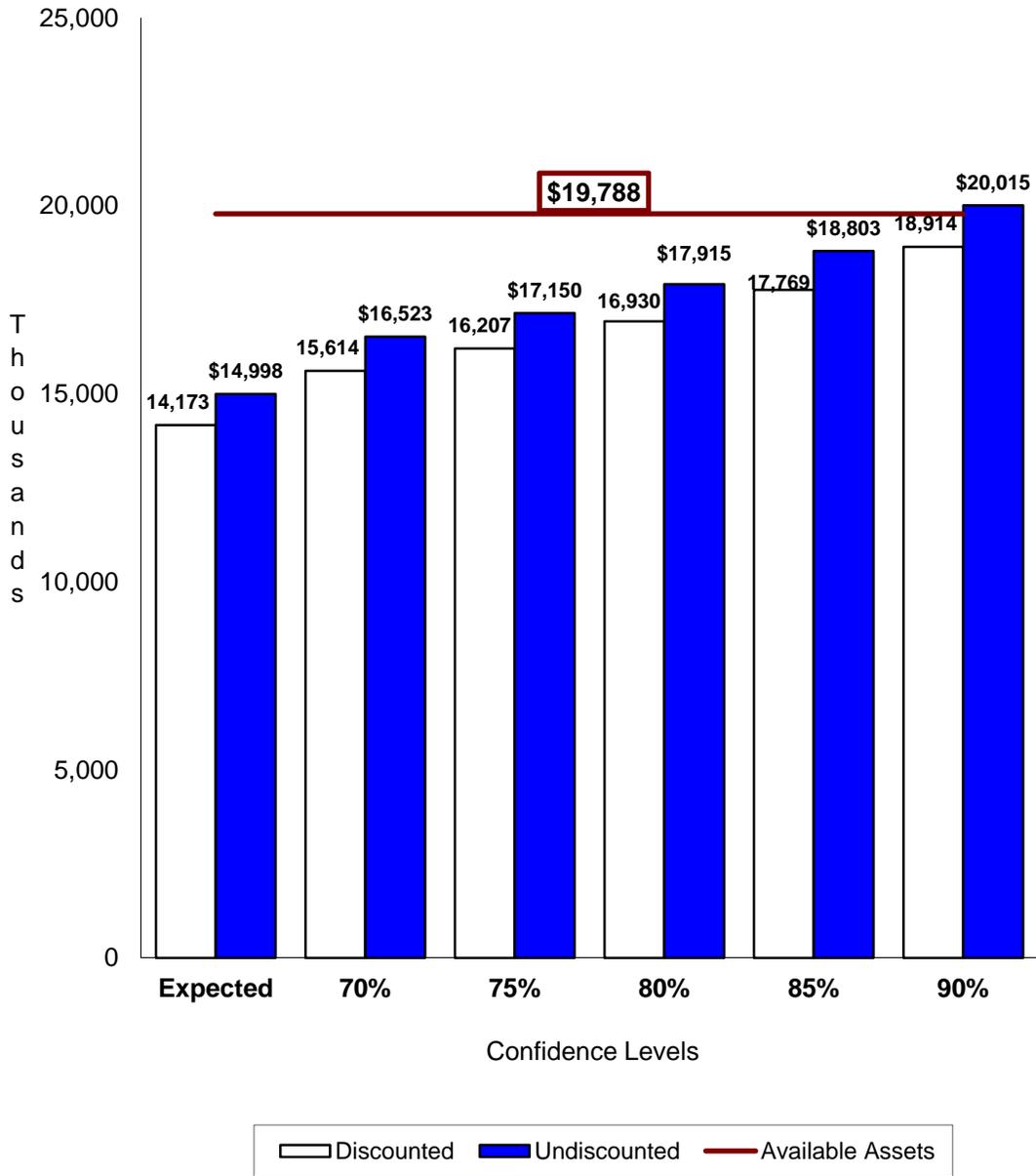
NCCSIF - Workers' Compensation  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2016  
Banking and Shared Layers Combined  
Net of 4850 TD and 4850 SC



NCCSIF - Workers' Compensation  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2016  
Banking Layer  
Net of 4850 TD and 4850 SC



NCCSIF - Workers' Compensation  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2016  
Shared Layer  
Net of 4850 TD and 4850 SC



**DRAFT**

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, 2016, 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, 2016  
Banking and Shared Layers Combined  
Net of 4850 TD and 4850 SC

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$805,703	\$28,166	\$833,869
1995-96	173,229	11,685	184,914
1996-97	197,588	15,270	212,858
1997-98	189,238	33,799	223,037
1998-99	160,239	28,163	188,402
1999-00	427,488	65,383	492,871
2000-01	511,541	84,268	595,809
2001-02	162,798	76,686	239,484
2002-03	645,187	149,979	795,166
2003-04	323,689	113,931	437,620
2004-05	423,027	112,077	535,104
2005-06	900,330	131,899	1,032,229
2006-07	862,242	235,058	1,097,300
2007-08	660,412	204,597	865,009
2008-09	1,090,317	282,842	1,373,159
2009-10	955,637	374,079	1,329,716
2010-11	687,428	444,666	1,132,094
2011-12	1,735,578	538,813	2,274,391
2012-13	1,904,525	308,093	2,212,618
2013-14	2,310,219	597,372	2,907,591
2014-15	3,368,067	1,086,090	4,454,157
2015-16	1,418,292	4,845,608	6,263,900
Loss and ALAE	\$19,912,774	\$9,768,524	\$29,681,298
ULAE		1,692,237	1,692,237
Total	\$19,912,774	\$11,460,761	\$31,373,535

**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.

## DRAFT

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.

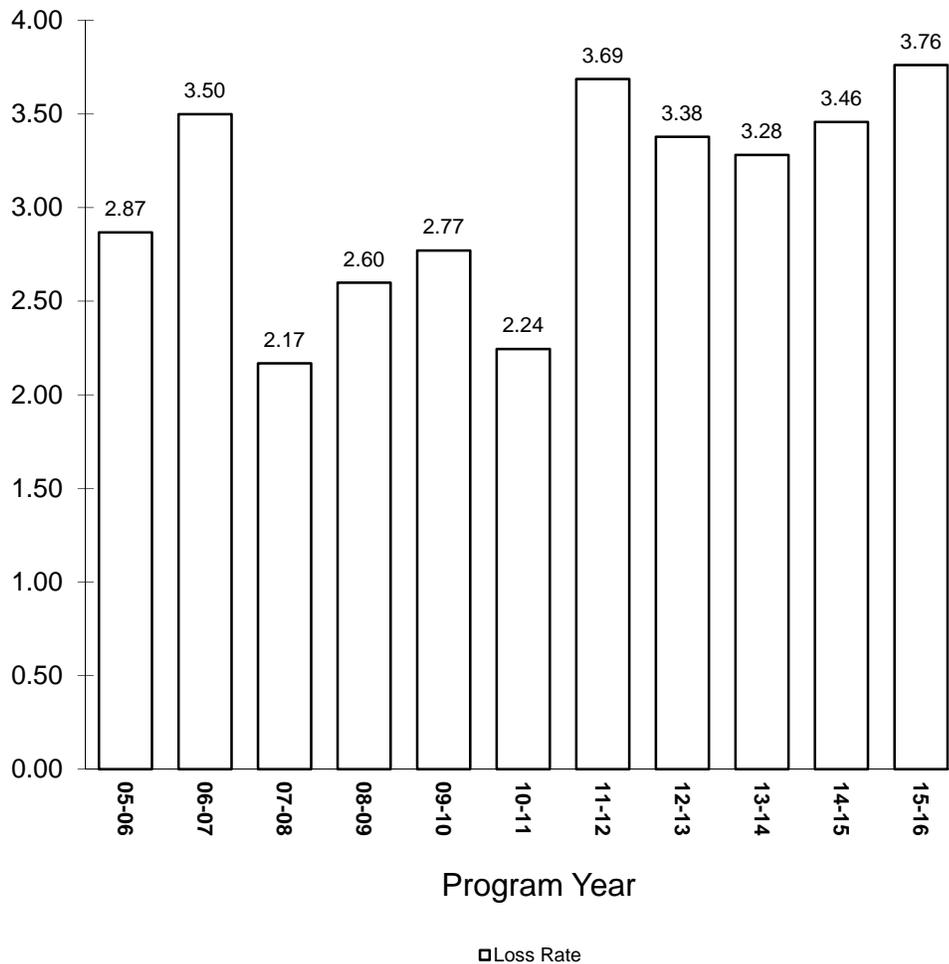
It is estimated that program assets will be \$39,612,000 at June 30, 2016, \$19,824,000 for the banking layer and \$19,788,000 for the shared layer, resulting in the program being funded above the 90% confidence level on a combined basis and for both the banking layer and shared layer separately

### C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM

The program's loss rate per \$100 payroll has varied substantially from year to year, but followed a generally increasing trend. We selected a loss rate of \$3.76 per \$100 of payroll for the 2015-16 program year based on the assumption that this trend will continue. See graph below. 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

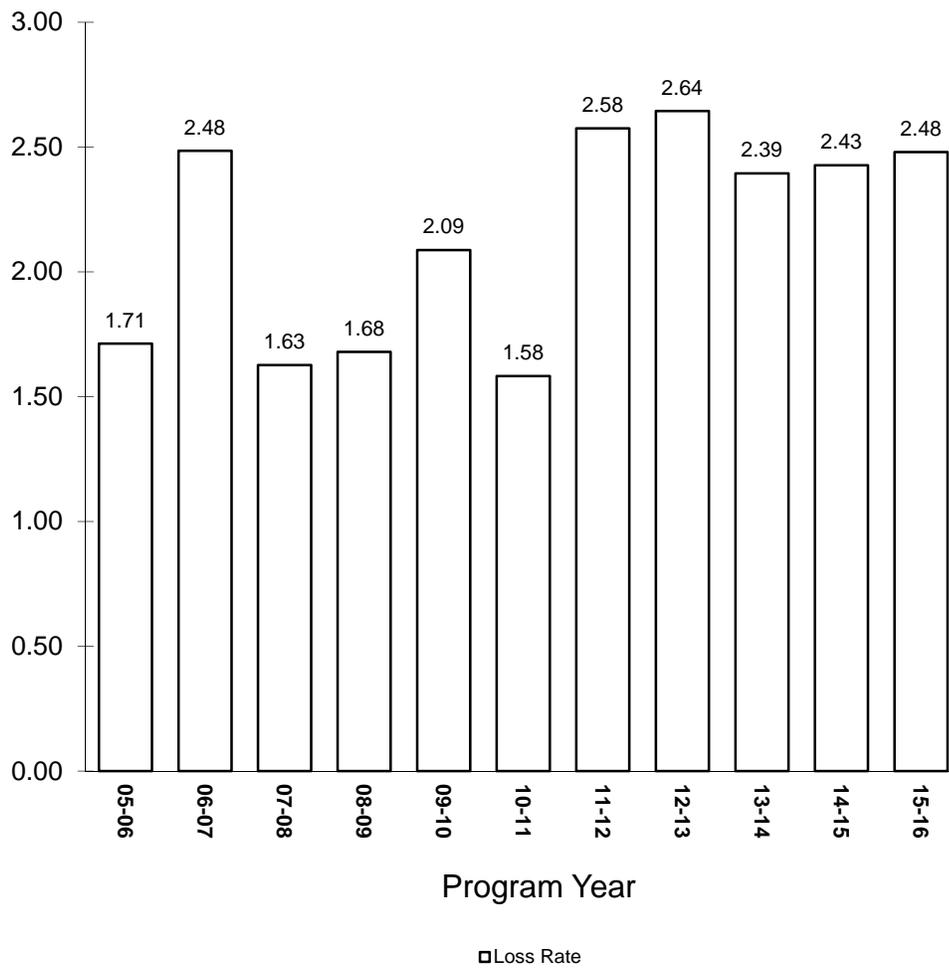


**DRAFT**

The banking layer loss rate per \$100 payroll has also been trending upward during most recent ten years. Our projected 2015-16 loss rate of \$2.48 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

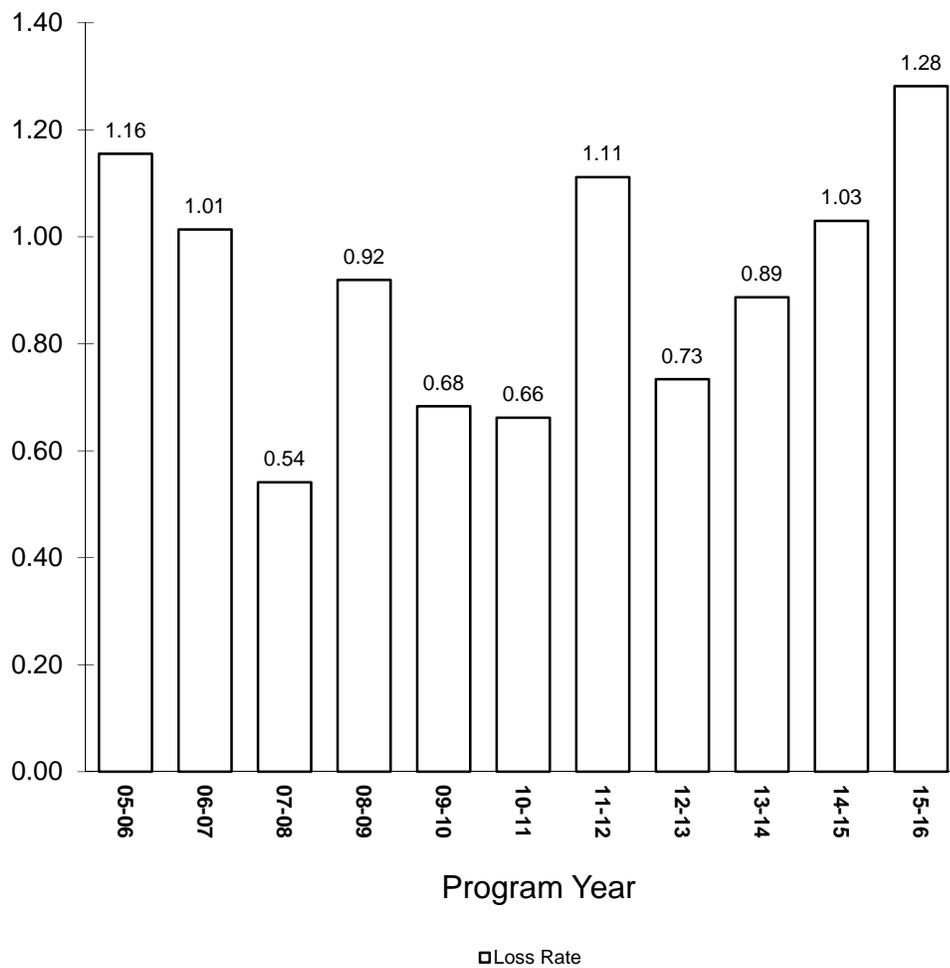


**DRAFT**

The shared layer loss rate has varied a great deal over the last ten years, typical for excess layers losses. Overall rates appear to follow a decreasing trend during the first five years and a rapidly increasing trend in the most recent five years. We projected 2015-16 loss rate of \$1.28 based on this recent 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

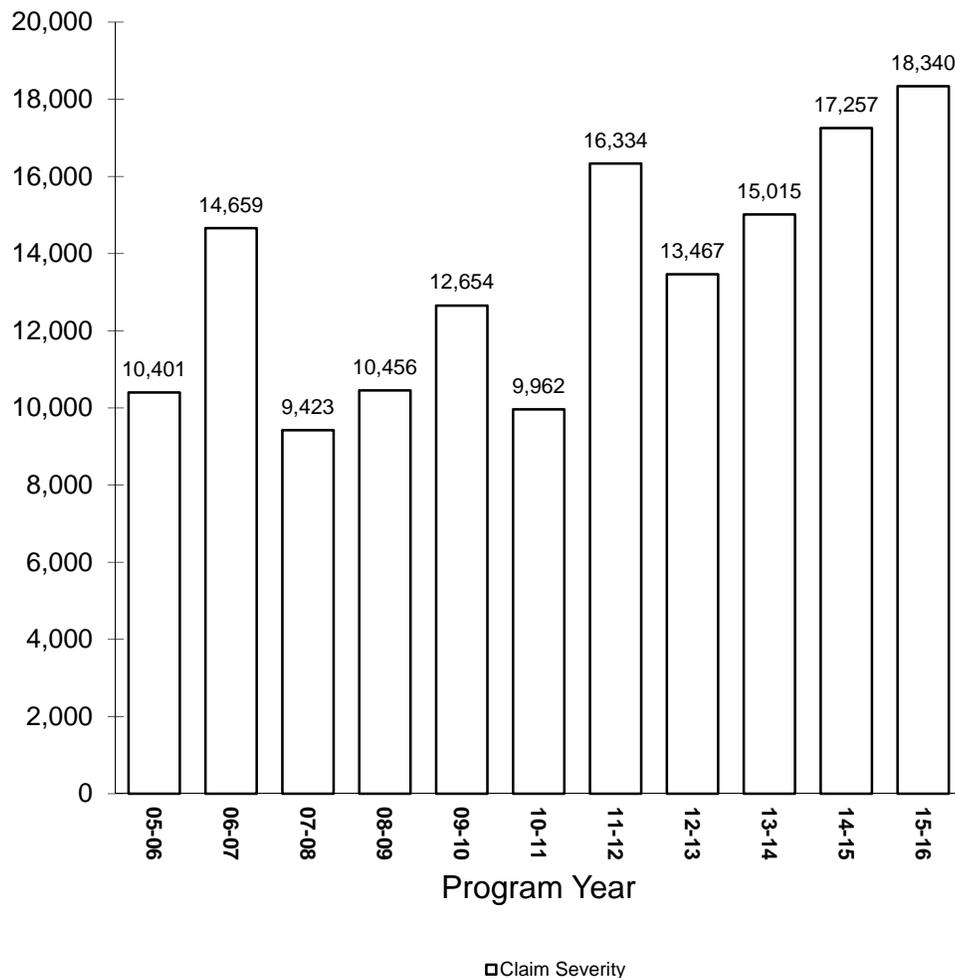


**DRAFT**

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 \$9,423 to a high of \$17,257. Our projected 2015-16 average cost of \$18,340 per claim reflects this 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**

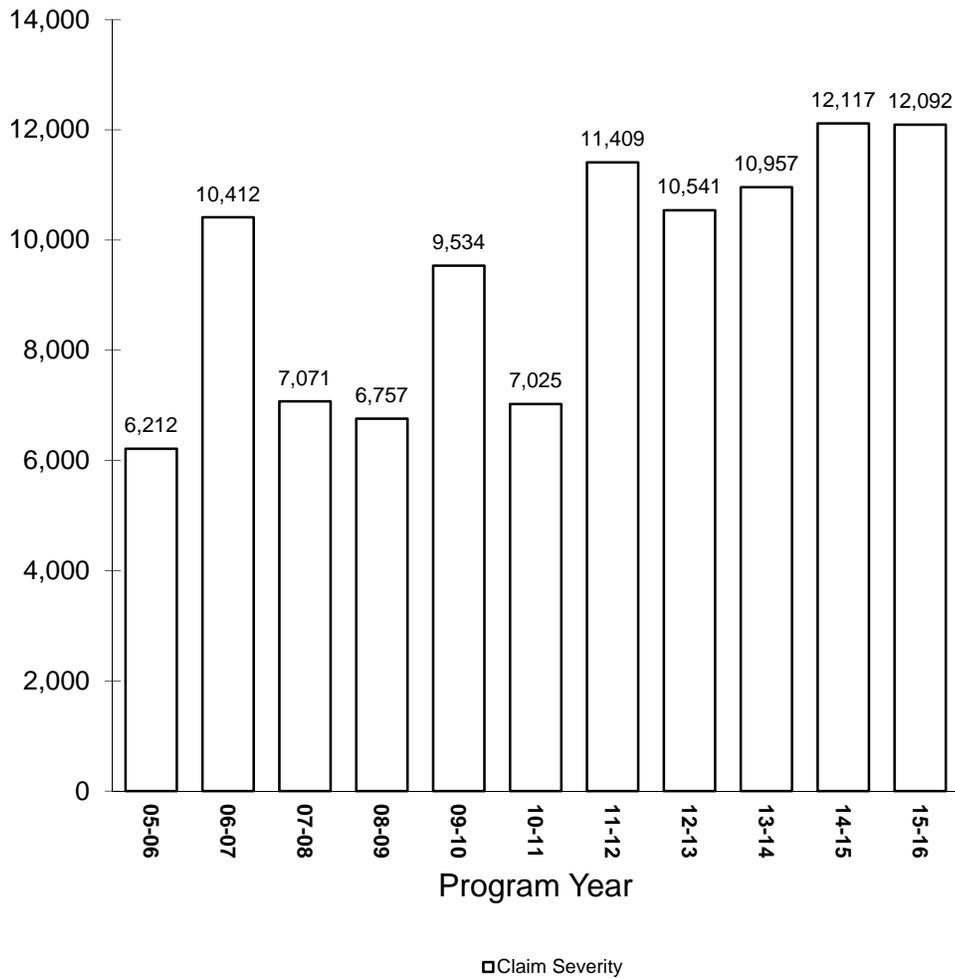


**DRAFT**

The banking layer's average cost per claim has varied considerably, ranging from a low of \$6,212 to a high of \$12,117. Our projected 2015-16 average cost is \$12,092. See Graph 3b below.

Graph 3b

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

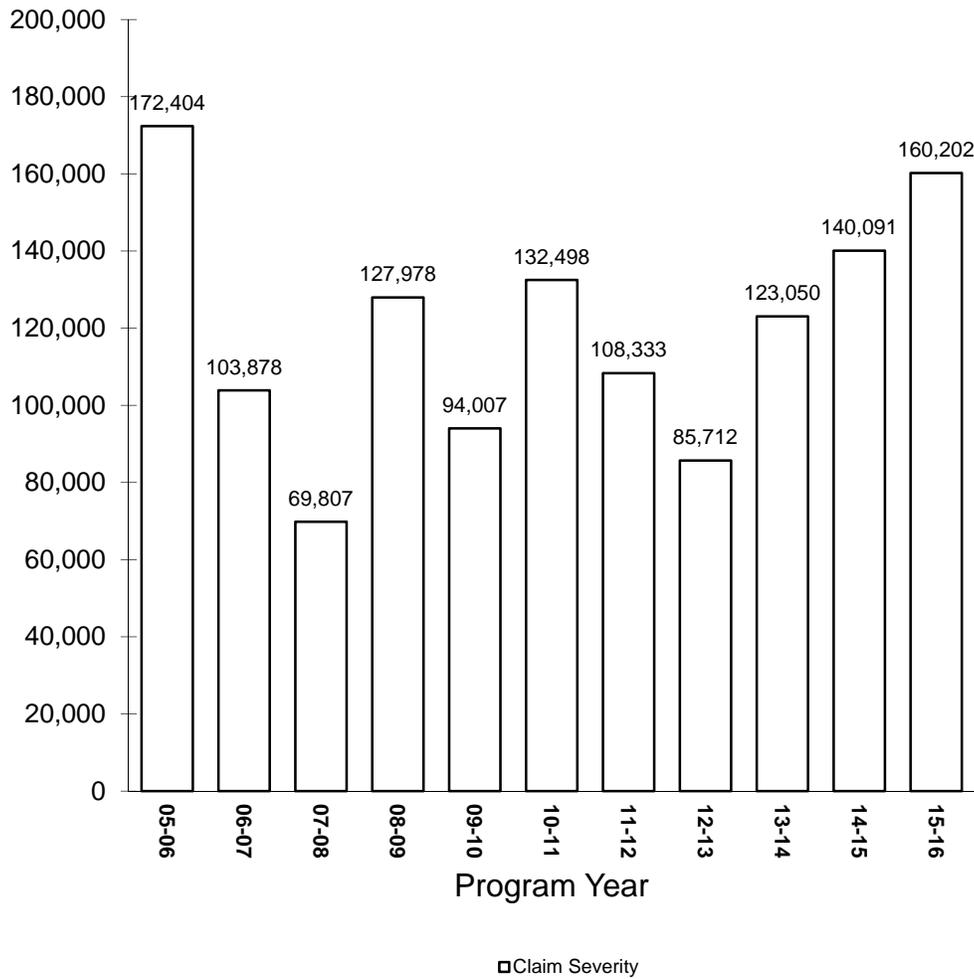


**DRAFT**

The shared layer average cost per claim has been volatile over the period shown below but has been generally increasing. We project the 2015-16 shared layer severity to be \$160,202 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**

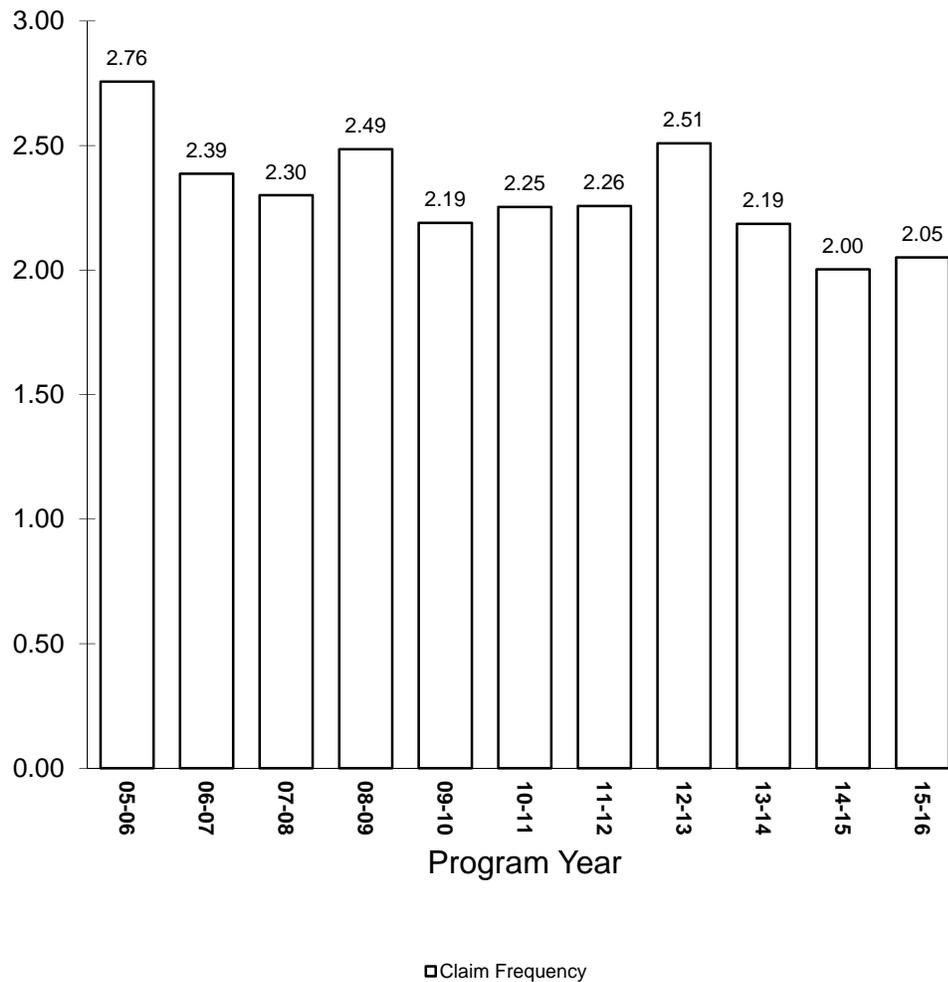


**DRAFT**

The program's frequency of claims per \$1 million payroll has been generally trending downward. The projected 2015-16 frequency of 2.05 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**

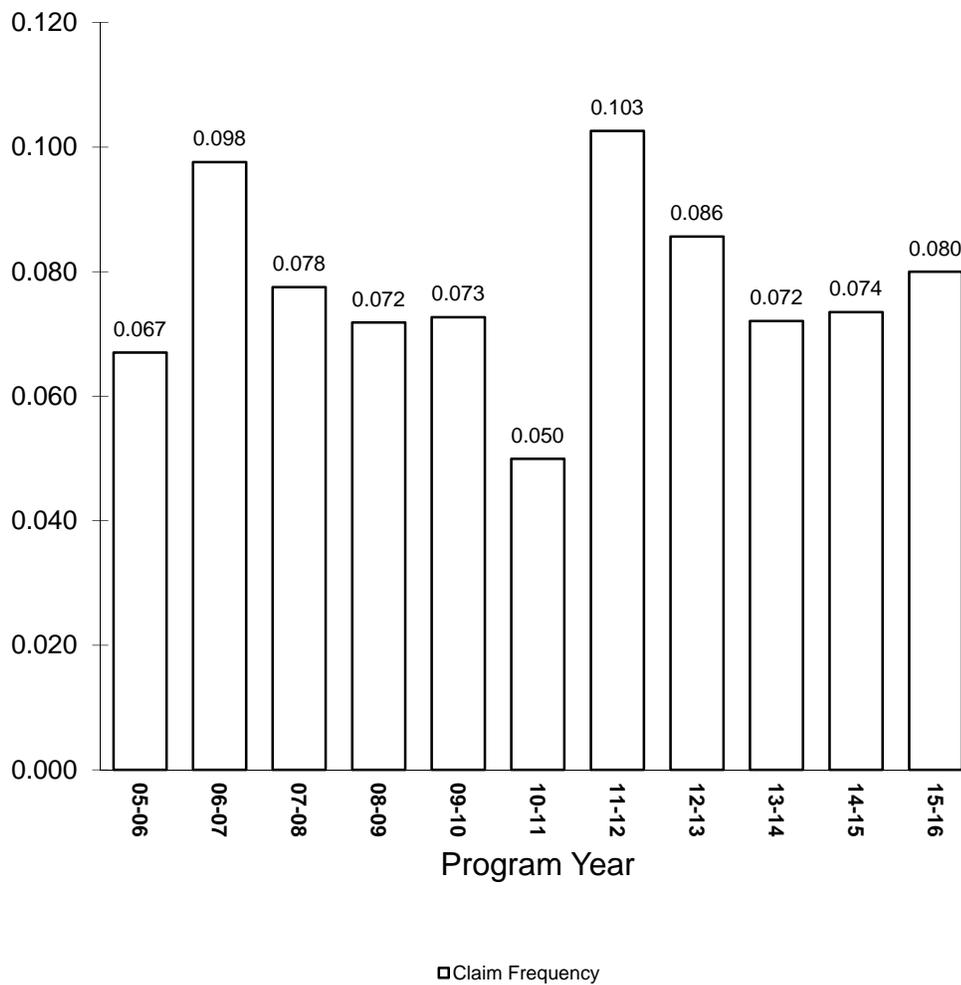


**DRAFT**

The shared layer frequency of claims per \$1 million payroll has been quite 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 2015-16 shared layer frequency to be 0.080 claims per \$1M payroll. See Graph 4b below.

Graph 4b

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



**DRAFT**

**D. COMPARISON WITH PREVIOUS RESULTS**

The prior report for Northern California Cities Self Insurance Fund was dated March 11, 2015. In the table below we display actual versus expected development of incurred losses and ALAE by accident year between the 12/31/2014 evaluation date of the prior report and the 12/31/2015 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	\$31,000	\$75,000	\$44,000
1995-96	12,000	27,000	15,000
1996-97	9,000	40,000	31,000
1997-98	12,000	(33,000)	(45,000)
1998-99	8,000	13,000	5,000
1999-00	14,000	(81,000)	(95,000)
2000-01	15,000	85,000	70,000
2001-02	11,000	(84,000)	(95,000)
2002-03	20,000	(14,000)	(34,000)
2003-04	18,000	(71,000)	(89,000)
2004-05	18,000	0	(18,000)
2005-06	23,000	72,000	49,000
2006-07	56,000	(183,000)	(239,000)
2007-08	59,000	82,000	23,000
2008-09	77,000	98,000	21,000
2009-10	72,000	296,000	224,000
2010-11	94,000	35,000	(59,000)
2011-12	144,000	160,000	16,000
2012-13	296,000	1,061,000	765,000
2013-14	737,000	1,384,000	647,000
2014-15	2,783,000	3,893,000	1,110,000
Total	\$4,509,000	\$6,855,000	\$2,346,000

As shown, actual incurred development was greater than anticipated since the prior report. Most of this difference was due to particularly adverse development in the most recent three years.

**DRAFT**

In the table below we display actual versus expected development of paid losses and ALAE by accident year between the 12/31/2014 evaluation date of the prior report and the 12/31/2015 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	\$120,000	\$103,000	(\$17,000)
1995-96	28,000	13,000	(15,000)
1996-97	26,000	4,000	(22,000)
1997-98	36,000	44,000	8,000
1998-99	21,000	20,000	(1,000)
1999-00	60,000	55,000	(5,000)
2000-01	47,000	26,000	(21,000)
2001-02	31,000	11,000	(20,000)
2002-03	87,000	86,000	(1,000)
2003-04	61,000	29,000	(32,000)
2004-05	93,000	22,000	(71,000)
2005-06	209,000	175,000	(34,000)
2006-07	254,000	64,000	(190,000)
2007-08	161,000	73,000	(88,000)
2008-09	246,000	116,000	(130,000)
2009-10	212,000	188,000	(24,000)
2010-11	318,000	291,000	(27,000)
2011-12	571,000	398,000	(173,000)
2012-13	833,000	784,000	(49,000)
2013-14	1,183,000	1,175,000	(8,000)
2014-15	1,918,000	1,300,000	(618,000)
Total	\$6,515,000	\$4,977,000	(\$1,538,000)

As shown, actual paid development was less than anticipated since the prior report.

**DRAFT**

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	\$28,014,000	\$28,084,000	\$70,000
1995-96	4,153,000	4,168,000	15,000
1996-97	3,092,000	3,122,000	30,000
1997-98	4,507,000	4,462,000	(45,000)
1998-99	2,747,000	2,752,000	5,000
1999-00	5,273,000	5,175,000	(98,000)
2000-01	5,140,000	5,211,000	71,000
2001-02	4,055,000	3,958,000	(97,000)
2002-03	7,149,000	7,112,000	(37,000)
2003-04	4,315,000	4,223,000	(92,000)
2004-05	3,783,000	3,762,000	(21,000)
2005-06	4,280,000	4,327,000	47,000
2006-07	6,034,000	5,805,000	(229,000)
2007-08	3,930,000	3,967,000	37,000
2008-09	4,734,000	4,768,000	34,000
2009-10	4,319,000	4,644,000	325,000
2010-11	3,637,000	3,656,000	19,000
2011-12	5,668,000	5,864,000	196,000
2012-13	4,822,000	5,252,000	430,000
2013-14	5,769,000	5,976,000	207,000
2014-15	6,848,000	6,782,000	(66,000)
Total	\$122,269,000	\$123,070,000	\$801,000

As shown, overall we have increased our estimated ultimate losses by \$801,000 since our prior report. These changes track well with actual versus expected incurred and paid development mentioned above.

## DRAFT

At the time of the prior report, we estimated the liability for outstanding claims as of June 30, 2015 to be \$26,967,000 at the discounted, expected level. Our current estimate as of June 30, 2016, is \$29,647,000, 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, 2015	Current Report at June 30, 2016	Change
(A) Case Reserves:	\$17,537,000	\$19,912,000	\$2,375,000
(B) IBNR Reserves:	9,438,000	9,769,000	331,000
(C) Claims Administration Reserves:	1,561,000	1,692,000	131,000
(D) Total Reserves:	\$28,536,000	\$31,373,000	\$2,837,000
(E) Offset for Investment Income:	(1,569,000)	(1,726,000)	(157,000)
(F) Total Outstanding Claim Liabilities:	\$26,967,000	\$29,647,000	\$2,680,000

As shown, our estimate of outstanding claims liabilities at the discounted, expected level has increased between June 30, 2015 and June 30, 2016 as reflected in our prior and current reports respectively.

## DRAFT

At the time of the prior report, available assets were estimated to be \$37,480,000 as of June 30, 2015, which corresponded to the then-estimated discounted liability for outstanding claims above the 90% confidence level. Available assets are currently estimated to be \$39,612,000 as of June 30, 2016, which corresponds to the currently estimated liability for outstanding claims above the 90% confidence level. It can be summarized as follows:

	Prior Report at June 30, 2015	Current Report at June 30, 2016	Change
(A) Outstanding Liability at the Discounted Expected Level:	\$26,967,000	\$29,647,000	\$2,680,000
(B) Estimated Assets At June 30:	37,480,000	39,612,000	2,132,000
(C) Surplus/(Deficit):	\$10,513,000	\$9,965,000	<b>(\$548,000)</b>

## DRAFT

At the time of the prior report, our funding estimate for the 2015-16 year was \$7,792,000 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 2016-17 year is \$7,912,000 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 2015-16 Pool Limit = \$500,000	Current Report 2016-17 Pool Limit = \$500,000	Change
(A) Ultimate Loss and ALAE:	\$7,458,000	\$7,562,000	\$104,000
(B) Ultimate Claims Administration (ULAE):	659,000	670,000	11,000
(C) Total Claim Costs:	\$8,117,000	\$8,232,000	\$115,000
(D) Offset for Investment Income:	(325,000)	(320,000)	5,000
(E) Total Recommended Funding:	<b>\$7,792,000</b>	<b>\$7,912,000</b>	<b>\$120,000</b>
(F) Funding per \$100 of Payroll:	<b>\$3.96</b>	<b>\$4.02</b>	<b>\$0.06</b>

As you can see, our funding recommendations at the discounted, expected level have increased between 2015-16 and 2016-17, as shown in our prior and current reports respectively.

## DRAFT

### 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 2015-16 and 2016-17 (See Appendix K).
- We estimated the 6/30/2016 asset balance by beginning with the 12/31/2015 asset balance, and adjusting for anticipated revenue and expense for the second half of 2015-16 (see Appendix L).
- We received loss data evaluated as of 12/31/2015 (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 2016-17 will be \$196,762,000 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 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 CSAC Excess Insurance Authority'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 CSAC Excess Insurance Authority'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 CSAC Excess Insurance Authority'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.

## DRAFT

- We have assumed that the loss rate trend associated with claim costs increases at 0.5% per year. We have assumed that claim severity increases at 2.5% per year, and that claim frequency decreases at 2.0% 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 to the CSAC-EIA 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 \$39,612,000 as of June 30, 2016 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.

## DRAFT

**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.)

Northern California Cities Self Insurance Fund - WC

Funding Guidelines for Outstanding Liabilities (Excluding 4850 TD and 4850 SC)

June 30, 2016

	Total	Banking	Shared
(A) Estimated Ultimate Losses Incurred through 6/30/16: (From Appendix G)	\$130,461,000	\$98,556,000	\$31,905,000
(B) Estimated Paid Losses through 6/30/16: (From Appendix G)	100,780,000	83,873,000	16,907,000
(C) Estimated Liability for Claims Outstanding at 6/30/16: (From Appendix G)	\$29,681,000	\$14,683,000	\$14,998,000
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/16: (From Appendix F)	1,692,000	1,692,000	0
(E) Total Outstanding Liability for Claims at 6/30/16: (C) + (D))	\$31,373,000	\$16,375,000	\$14,998,000
(F) Anticipated Investment Income: (E) x [1 - Appendix I, Page 1, (H)]	1,726,000	901,000	825,000
(G) Discounted Outstanding Liability for Claims at 6/30/16: (E) - (F))	\$29,647,000	\$15,474,000	\$14,173,000
(H) Confidence Level Factor: (From Appendix J)			
60%	1.026	1.024	1.028
65%	1.052	1.043	1.062
70%	1.082	1.064	1.102
75%	1.114	1.087	1.144
80%	1.152	1.113	1.195
85%	1.197	1.145	1.254
90%	1.257	1.186	1.335
(I) Total Required Available Funding at June 30, 2016 (G) * (H))			
60%	\$30,418,000	\$15,845,000	\$14,573,000
65%	31,189,000	16,139,000	15,050,000
70%	32,078,000	16,464,000	15,614,000
75%	33,027,000	16,820,000	16,207,000
80%	34,153,000	17,223,000	16,930,000
85%	35,487,000	17,718,000	17,769,000
90%	37,266,000	18,352,000	18,914,000
(J) Available Assets at June 30, 2016	\$39,612,000	\$19,824,000	\$19,788,000
(K) Funding Surplus/(Deficit) at June 30, 2016 (J) - (I))			
60%	\$9,194,000	\$3,979,000	\$5,215,000
65%	8,423,000	3,685,000	4,738,000
70%	7,534,000	3,360,000	4,174,000
75%	6,585,000	3,004,000	3,581,000
80%	5,459,000	2,601,000	2,858,000
85%	4,125,000	2,106,000	2,019,000
90%	2,346,000	1,472,000	874,000

Northern California Cities Self Insurance Fund - WC

Funding Options for Program Year 2016-2017 (Excluding 4850 TD and 4850 SC)

Banking Layer Retention: \$100,000  
Shared Layer Retention: \$500,000

	Total	Banking	Shared
(A) Estimated Ultimate Losses Incurred in Accident Year 2016-2017:	\$7,562,000	\$4,938,000	\$2,624,000
(B) Estimated Claims Administration Fees Incurred in Accident Year 2016-2017: (From Exhibit 5, Page 1, item (L))	670,000	670,000	0
(C) Total Claims Costs Incurred in Accident Year 2016-2017: ((A) + (B))	\$8,232,000	\$5,608,000	\$2,624,000
(D) Anticipated Investment Income: ((C) x [1 - Appendix I, Page 2, (F)])	320,000	218,000	102,000
(E) Discounted Total Claims Costs Incurred in Accident Year 2016-2017: ((C) - (D))	\$7,912,000	\$5,390,000	\$2,522,000
(F) Funding Rates for 2016-2017 Incurred Claims Costs	\$4.020	\$2.739	\$1.282
(H) Confidence Level Factor: (From Appendix J)			
60%	1.032	1.032	1.032
65%	1.066	1.057	1.085
67.5%	1.084	1.071	1.114
70%	1.103	1.084	1.144
75%	1.144	1.114	1.208
80%	1.192	1.149	1.284
85%	1.250	1.190	1.378
90%	1.326	1.245	1.499
(I) Total Required Required Funding for 2016-2017 Incurred Claims Costs ((G) * (H))			
60%	\$8,165,000	\$5,562,000	\$2,603,000
65%	8,434,000	5,697,000	2,737,000
67.5%	8,580,000	5,770,000	2,810,000
70%	8,727,000	5,843,000	2,884,000
75%	9,051,000	6,004,000	3,047,000
80%	9,431,000	6,193,000	3,238,000
85%	9,890,000	6,414,000	3,476,000
90%	10,491,000	6,711,000	3,780,000
(I) Funding Rates for 2016-2017 Incurred Claims Costs			
60%	\$4.149	\$2.826	\$1.323
65%	4.286	2.895	1.391
67.5%	4.360	2.932	1.428
70%	4.434	2.969	1.465
75%	4.599	3.051	1.548
80%	4.792	3.147	1.645
85%	5.025	3.259	1.766
90%	5.331	3.410	1.921

Rates based on 2016-2017 payroll of \$196,800,000

Northern California Cities Self Insurance Fund - WC

Funding Options for Program Year 2016-2017 (INCLUDING 4850 TD and 4850 SC)

Banking Layer Retention: \$100,000  
Shared Layer Retention: \$500,000

	Total	Banking	Shared
(A) Estimated Ultimate Losses Incurred in Accident Year 2016-2017:	\$8,961,000	\$5,852,000	\$3,109,000
(B) Estimated Claims Administration Fees Incurred in Accident Year 2016-2017: (From Exhibit 5, Page 1, item (L))	670,000	670,000	0
(C) Total Claims Costs Incurred in Accident Year 2016-2017: ((A) + (B))	\$9,631,000	\$6,522,000	\$3,109,000
(D) Anticipated Investment Income: ((C) x [1 - Appendix I, Page 2, (F)])	374,000	253,000	121,000
(E) Discounted Total Claims Costs Incurred in Accident Year 2016-2017: ((C) - (D))	\$9,257,000	\$6,269,000	\$2,988,000
(F) Funding Rates for 2016-2017 Incurred Claims Costs	\$4.704	\$3.185	\$1.518
(H) Confidence Level Factor: (From Appendix J)			
60%	1.032	1.032	1.032
65%	1.066	1.057	1.085
67.5%	1.084	1.071	1.113
70%	1.103	1.084	1.143
75%	1.144	1.114	1.207
80%	1.192	1.149	1.282
85%	1.250	1.190	1.376
90%	1.326	1.245	1.496
(I) Total Required Required Funding for 2016-2017 Incurred Claims Costs ((G) * (H))			
60%	\$9,553,000	\$6,470,000	\$3,083,000
65%	9,868,000	6,626,000	3,242,000
67.5%	10,038,000	6,711,000	3,327,000
70%	10,210,000	6,796,000	3,414,000
75%	10,590,000	6,984,000	3,606,000
80%	11,034,000	7,203,000	3,831,000
85%	11,571,000	7,460,000	4,111,000
90%	12,275,000	7,805,000	4,470,000
(I) Funding Rates for 2016-2017 Incurred Claims Costs			
60%	\$4.854	\$3.288	\$1.567
65%	5.014	3.367	1.647
67.5%	5.101	3.410	1.691
70%	5.188	3.453	1.735
75%	5.381	3.549	1.832
80%	5.607	3.660	1.947
85%	5.880	3.791	2.089
90%	6.237	3.966	2.271

Rates based on 2016-2017 payroll of \$196,800,000



**Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016**

**Agenda Item I.1.b.**

## ACTUARIAL STUDIES - FY 16/17 LIABILITY PROGRAM

### ACTION ITEM

**ISSUE:** NCCSIF's actuary provides an annual report to assist members in making funding, dividend and assessment decisions. A summary of this year's report is provided below and will be discussed in more detail at the meeting.

- **FY 16/17 Funding:** Total recommended funding for banking and shared risk layer is \$3,541,000 at the current 67.5% Confidence Level (CL), slightly above the funding of \$3,300,000 for FY 15/16. *The rate at the Expected CL is \$2.029 per \$100 in payroll, compared to \$1.919 last year, an increase of 5.7%.*
- **Outstanding Liabilities at June 30<sup>th</sup>:** The Actuary estimates the Liability Program will have total assets of approximately \$11,489,000 on June 30, 2016, compared to \$9,914,000 last year. The estimated total Outstanding Liability at June 30 is \$13,345,000 at the 90% Confidence Level (CL), compared to \$11,301,000 last year. *This results in an estimated deficit of \$1,856,000 in net position above the 90% C.L., compared to \$1,387,000 last year.*

**RECOMMENDATION:** Accept draft and request final report.

**FISCAL IMPACT:** T.B.D.; depending on chosen Confidence Level. The current CL is 67.5%, with goal of increasing to 70%. Due to the continued deficit at the 90% CL, the Shared Layer assessment of \$600,000 will also continue.

**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.

Assets for the Banking Layer are estimated at \$5,109,000 as of June 30, 2016, compared to \$4,402,000 in 2015. Banking Layer liabilities are \$3,474,000 at the 90% confidence level, compared to \$3,192,000 last year. *This means the Banking Layer net position above the 90% CL is estimated at \$1,635,000, compared to \$581,000 in 2015.*

Assets for the Shared Risk Layer are estimated to be \$6,380,000 at June 30, 2016, compared to \$5,512,000 in 2015. Liabilities are estimated at \$9,871,000 at the 90% CL, compared to \$7,899,000 last year. *This results in an estimated deficit of \$3,491,000 in net position above the 90% CL, compared to a deficit of \$2,387,000 last year.*

**ATTACHMENT(S):** FY 16/17 Liability Actuarial Study - *DRAFT* Summary & Select Exhibits

Wednesday, March 9, 2016

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 2016-17 program years to be \$3,124,000. Of this amount, \$1,529,000 is for the banking layer (\$0 – \$50,000 per occurrence) and \$1,595,000 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 2016-17 claims translates to rates of \$2.029 per \$100 payroll, \$.993 for the banking layer and \$1.107 for the shared layer (assuming \$153,940,000 in rated payroll).

In addition, we estimate the program's liability for outstanding claims to be \$9,670,000 as of June 30, 2016, again including ALAE and ULAE, and discounted for anticipated investment income. Of this amount, \$2,604,000 is for the banking layer and \$7,066,000 is for the shared layer. Given estimated program assets of \$11,489,000 as of June 30, 2016, the program is expected to be funded between the 75% and 80% 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 below the expected level. (See Graphs 1a, 1b and 1c on pages 10, 11, and 12.)

The \$9,670,000 estimate is the minimum liability to be booked by NCCSIF at June 30, 2016 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.

**DRAFT**

Our conclusions regarding NCCSIF's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2016 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, 2016**

	<b>Expected</b>	Marginally Acceptable 70% CL	Recommended Range			Conservative <b>90% CL</b>
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$9,928,000					
ULAE*	0					
Investment Income Offset	(258,000)					
Discounted Loss and LAE	<b>\$9,670,000</b>	\$10,743,000	\$11,208,000	\$11,759,000	\$12,436,000	<b>\$13,345,000</b>
Assets	11,489,000					
Surplus or (Deficit)	<b>\$1,819,000</b>	\$746,000	\$281,000	(\$270,000)	(\$947,000)	<b>(\$1,856,000)</b>

\* 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, 2016**

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$2,673,000					
ULAE*	0					
Investment Income Offset	(69,000)					
Discounted Loss and LAE	\$2,604,000	\$2,857,000	\$2,969,000	\$3,099,000	\$3,260,000	\$3,474,000
Assets	5,109,000					
Surplus or (Deficit)	<b>\$2,505,000</b>	\$2,252,000	\$2,140,000	\$2,010,000	\$1,849,000	\$1,635,000

\* ULAE is included with Loss and ALAE

**DRAFT**

Northern California Cities Self Insurance Fund  
 Self-Insured Liability Program  
 Estimated Liability for Unpaid Loss and LAE  
**Shared Layer**  
**at June 30, 2016**

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$7,255,000					
ULAE*	0					
Investment Income Offset	(189,000)					
Discounted Loss and LAE	\$7,066,000	\$7,886,000	\$8,239,000	\$8,660,000	\$9,176,000	\$9,871,000
Assets	6,380,000					
Surplus or (Deficit)	(\$686,000)	(\$1,506,000)	(\$1,859,000)	(\$2,280,000)	(\$2,796,000)	(\$3,491,000)

\* 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.

**DRAFT**

The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2016-17 fiscal year.

Northern California Cities Self Insurance Fund  
Self-Insured Liability Program  
**Loss and LAE Funding Guidelines for 2016-17**  
Banking and Shared Layers Combined  
Banking Layer: \$0 to \$50,000  
Shared Layer: \$50,000 to \$500,000

	Expected	Marginally Acceptable		Recommended Range		
		60% CL	65% CL	Low 70% CL	Target 75% CL	High 80% CL
Loss and ALAE	\$3,227,000					
ULAE	0					
Investment Income Offset	(103,000)					
Discounted Loss and LAE	\$3,124,000	\$3,230,000	\$3,430,000	\$3,652,000	\$3,902,000	\$4,199,000
Rate per \$100 of 2016-17 Payroll	\$2.029	\$2.098	\$2.228	\$2.372	\$2.535	\$2.728

\* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund  
Self-Insured Liability Program  
**Loss and LAE Funding Guidelines for 2016-17**  
**Banking Layers**  
Banking Layer: \$0 to \$50,000

	Expected	Marginally Acceptable		Recommended Range		
		60% CL	65% CL	Low 70% CL	Target 75% CL	High 80% CL
Loss and ALAE	\$1,559,000					
ULAE	0					
Investment Income Offset	(30,000)					
Discounted Loss and LAE	\$1,529,000	\$1,581,000	\$1,679,000	\$1,786,000	\$1,907,000	\$2,051,000
Rate per \$100 of 2016-17 Payroll	\$0.993	\$1.027	\$1.091	\$1.160	\$1.239	\$1.332

\* ULAE is included with Loss and ALAE

**DRAFT**

Northern California Cities Self Insurance Fund  
 Self-Insured Liability Program  
 Loss and LAE Funding Guidelines for 2016-17  
 Shared Layers  
 Shared Layer: \$50,000 to \$500,000

	Expected	Marginally Acceptable		Recommended Range		
		60% CL	65% CL	Low 70% CL	Target 75% CL	High 80% CL
Loss and ALAE	\$1,668,000					
ULAE	0					
Investment Income Offset	(73,000)					
Discounted Loss and LAE	\$1,595,000	\$1,649,000	\$1,751,000	\$1,866,000	\$1,995,000	\$2,148,000
Rate per \$100 of 2016-17 Payroll	\$1.036	\$1.071	\$1.137	\$1.212	\$1.296	\$1.395

\* 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, 2016. 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.

**DRAFT**

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 or Nina Gau at (916)244-1193 with any questions you may have concerning this report.

Sincerely,

Bickmore

**DRAFT**

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Mike Harrington, FCAS, MAAA  
Director, Property and Casualty Actuarial Services, Bickmore  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries

**DRAFT**

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Nina Gau, FCAS, MAAA  
Manager, Property and Casualty Actuarial Services, Bickmore  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries

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## DRAFT

### 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 York Insurance Services. Additional background on the program is shown in Appendix K.

As of June 30, 2016, NCCSIF is expected to have assets of \$11,489,000 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 pieces, 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.

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 City of Ione 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, 2016, project ultimate loss costs for 2016-17, 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, 2016. 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, 2016.

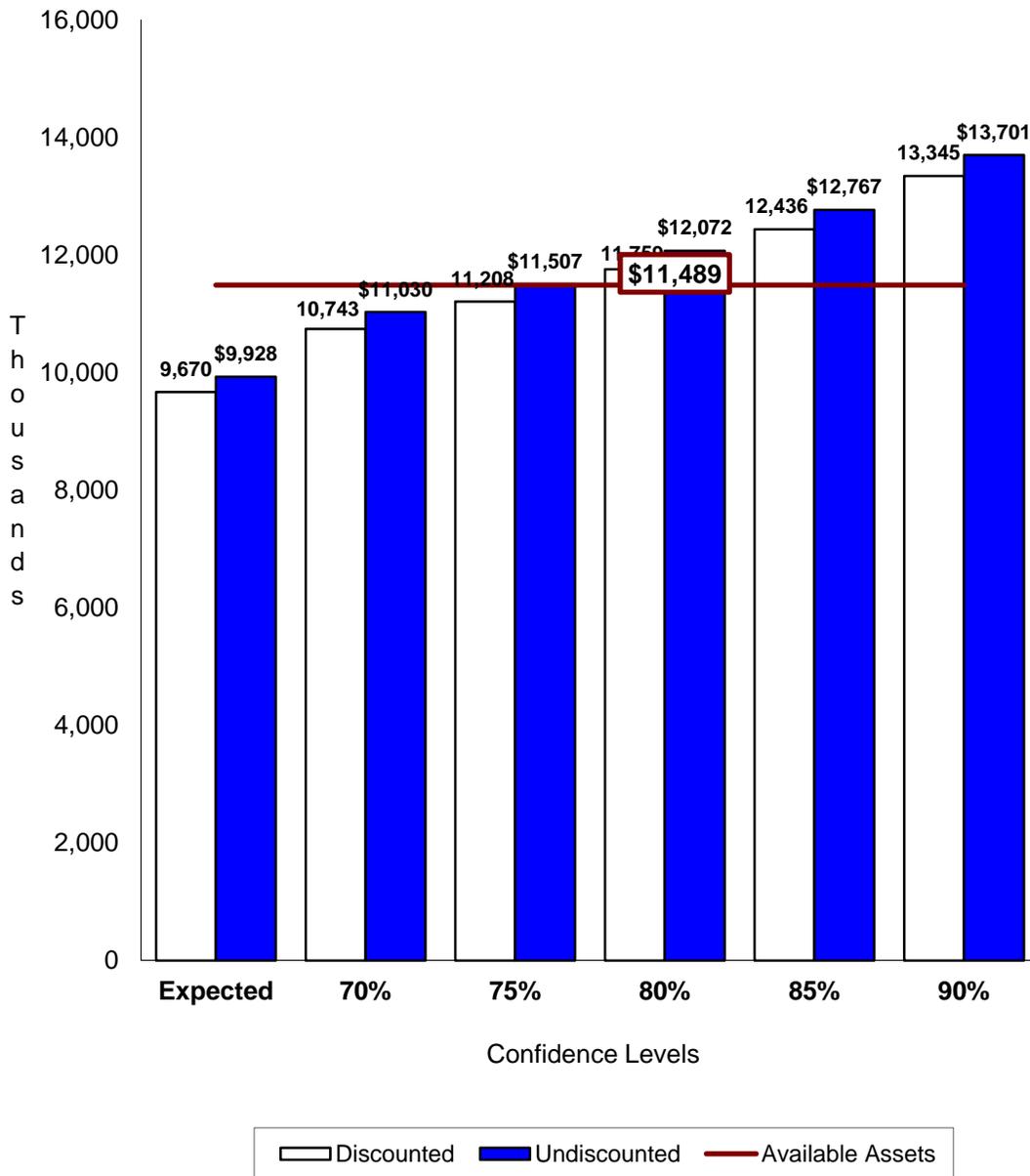
Our best estimate of the full value of NCCSIF's liability for outstanding claims within its pool limit is \$9,928,000, \$2,673,000 for the banking layer and \$7,255,000 for the shared layer as of June 30, 2016. These amounts include losses, allocated loss adjustment expenses (ALAE), and unallocated loss 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.

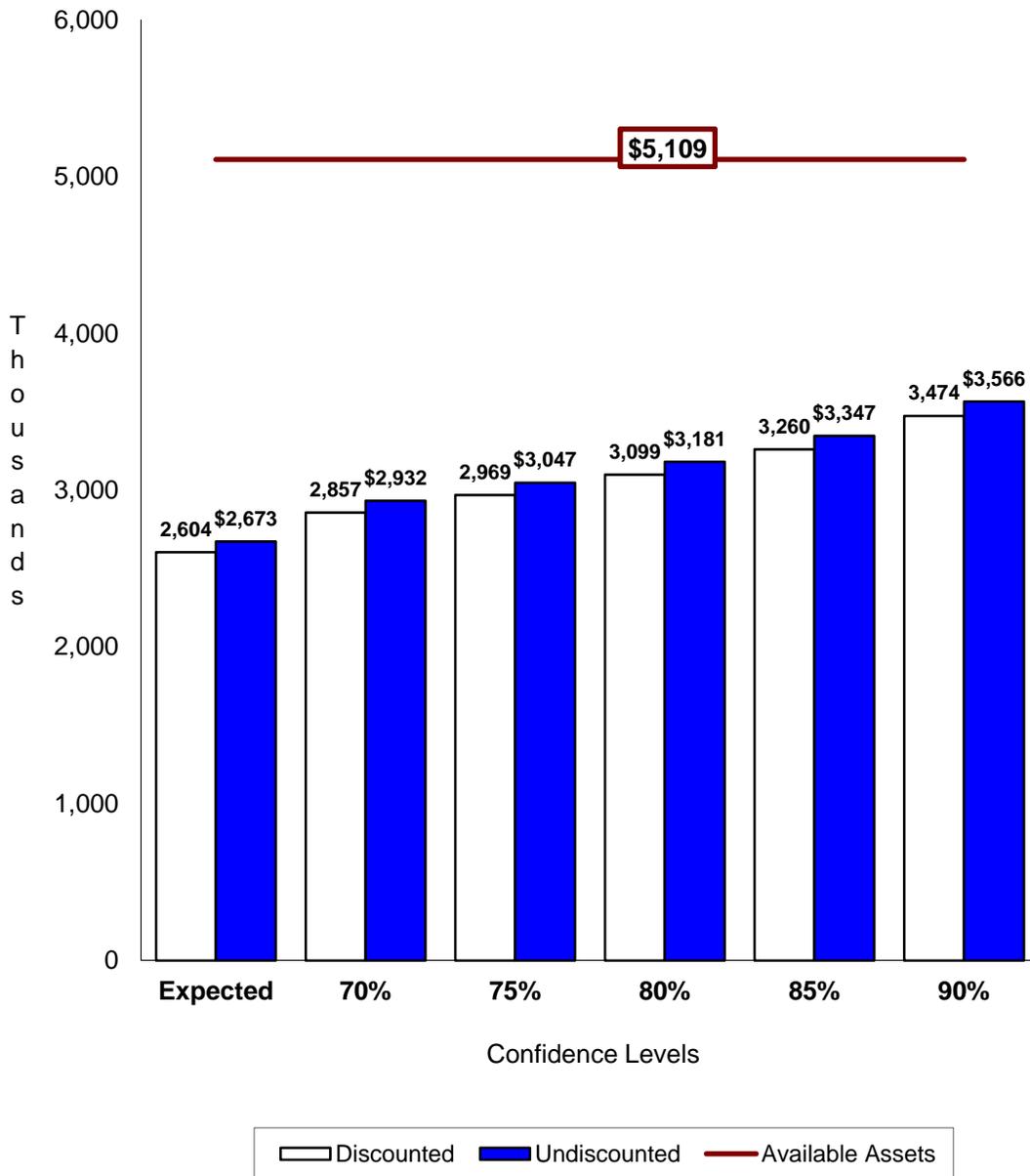
NCCSIF can earn investment income on the assets it holds until claims payments come due. Assuming a long-term average annual return on investments of 1.5%, we estimate the impact of investment income earnings to be about 3% if the program is funded within the range indicated in the graphs, resulting in a discounted liability for outstanding claims of \$9,670,000, \$2,604,000 for the banking layer, and \$7,066,000 for the shared layer as of June 30, 2016.

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.

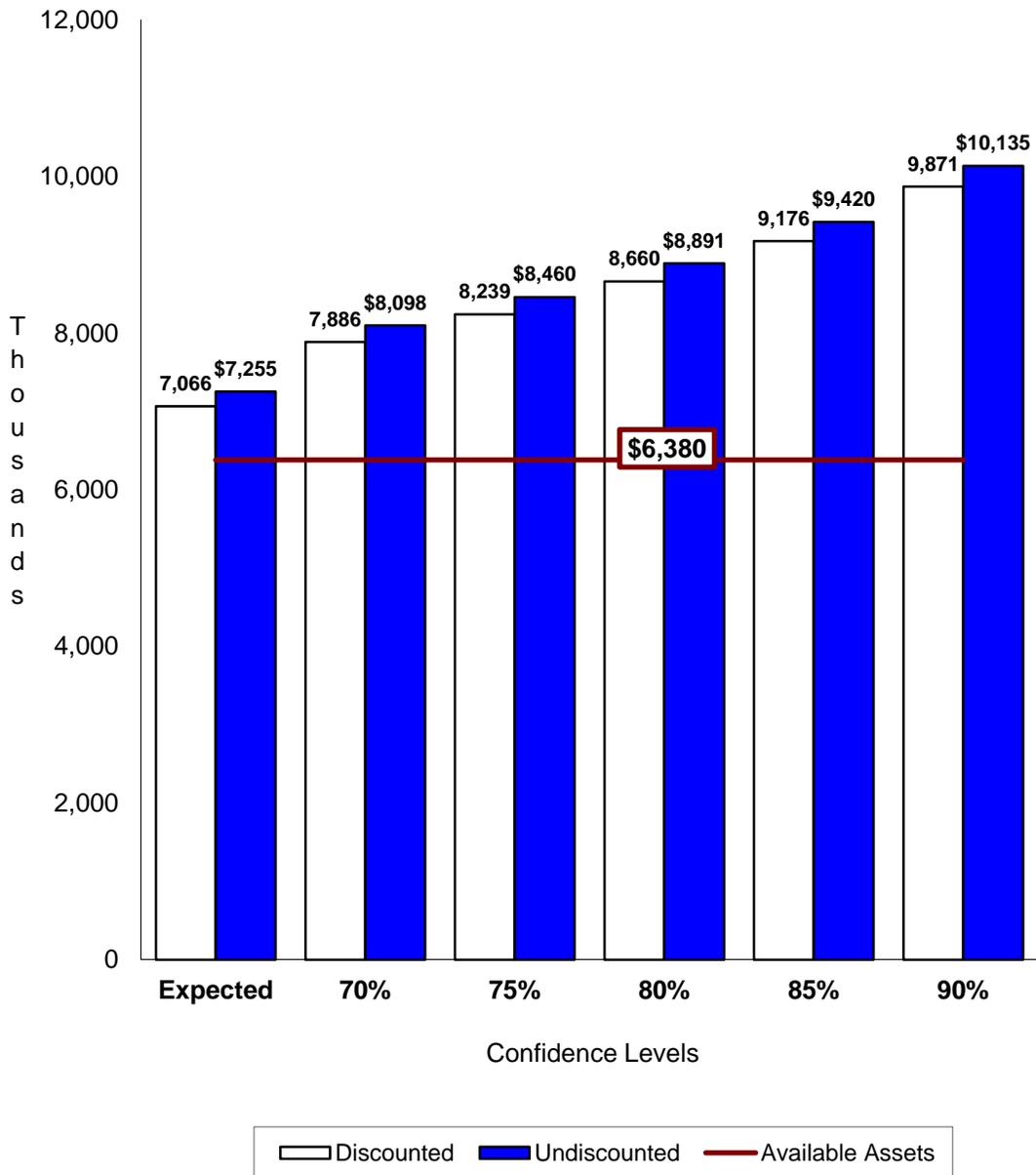
NCCSIF - Liability  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2016  
Banking and Shared Layers Combined



NCCSIF - Liability  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2016  
Banking Layer



NCCSIF - Liability  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2016  
Shared Layer



**DRAFT**

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, 2016, 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, 2016

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$0	\$0	\$0
2007-08	122,223	11,337	133,560
2008-09	\$321,658	\$19,318	\$340,976
2009-10	778,864	49,977	828,841
2010-11	42,503	71,967	114,470
2011-12	819,849	128,661	948,510
2012-13	759,435	166,927	926,362
2013-14	1,265,844	295,677	1,561,521
2014-15	1,736,955	625,979	2,362,934
2015-16	647,532	2,062,822	2,710,354
Loss and ALAE	\$6,494,863	\$3,432,665	\$9,927,528
ULAE		0	0
Total	\$6,494,863	\$3,432,665	\$9,927,528

**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.

## DRAFT

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.

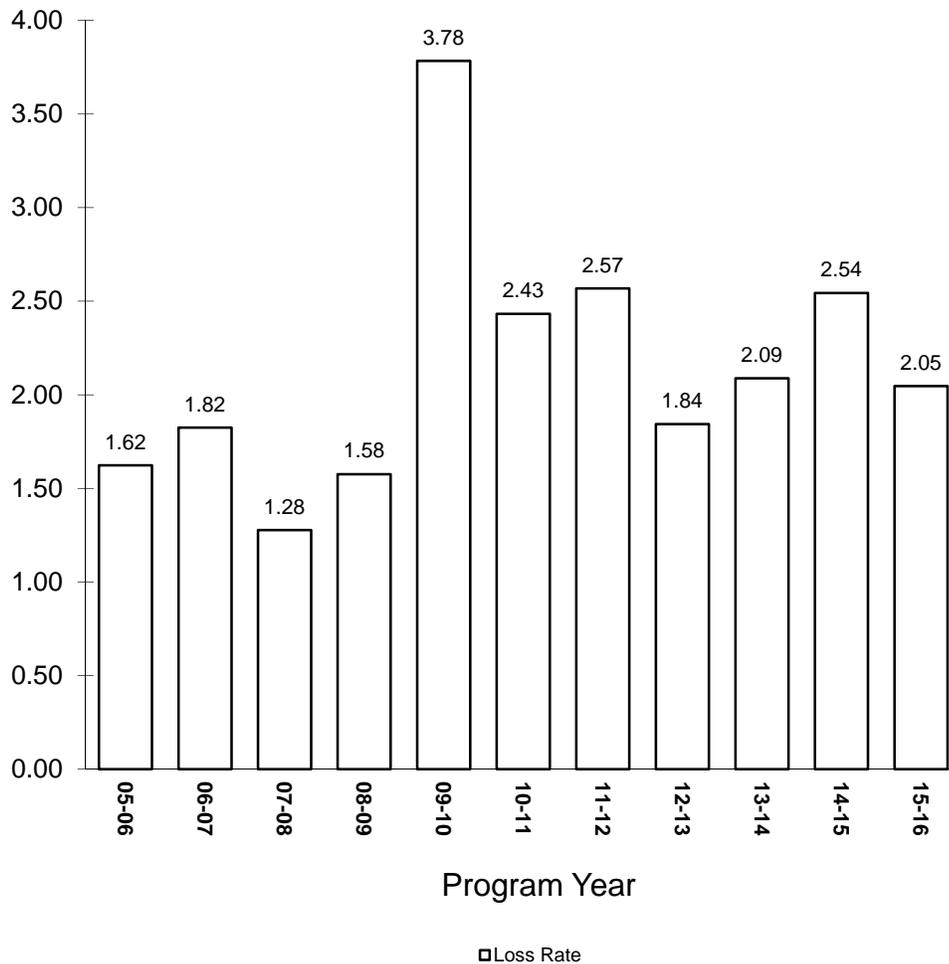
It is estimated that program assets will be \$11,489,000 at June 30, 2016, \$5,109,000 for the banking layer and \$6,380,000 for the shared layer, resulting in the banking layer being funded between the 75% and 80% confidence levels on a combined basis. The banking layer is expected to be funded above the 90% confidence level. The shared layer is expected to be funded below the expected level..

### 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 followed a generally increasing trend. Losses during the 2007-08 to 2012-13 years reflect the higher pool limit of \$1,000,000. Effective 7/1/2013, 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

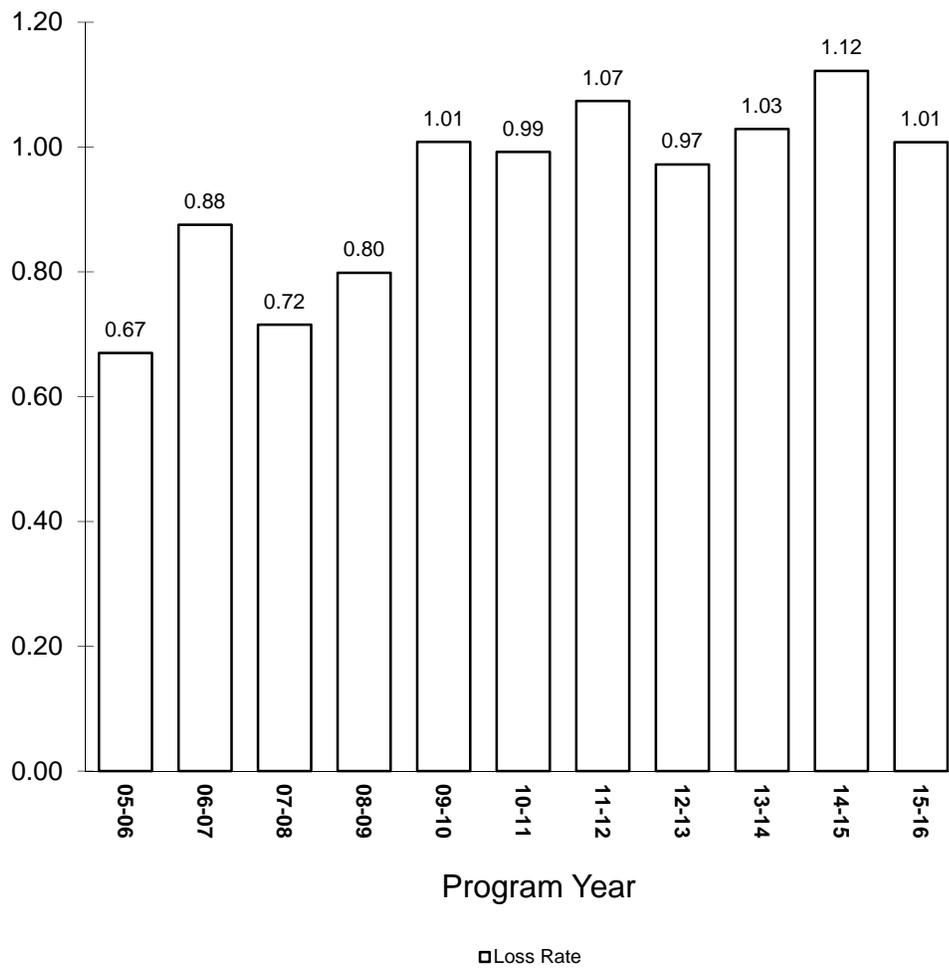


**DRAFT**

The banking loss rate per \$100 payroll has followed a generally increasing trend over the past ten years. Losses for 2007-08 and after reflect the new higher banking limit of \$50,000. See Graph 2b below.

Graph 2b

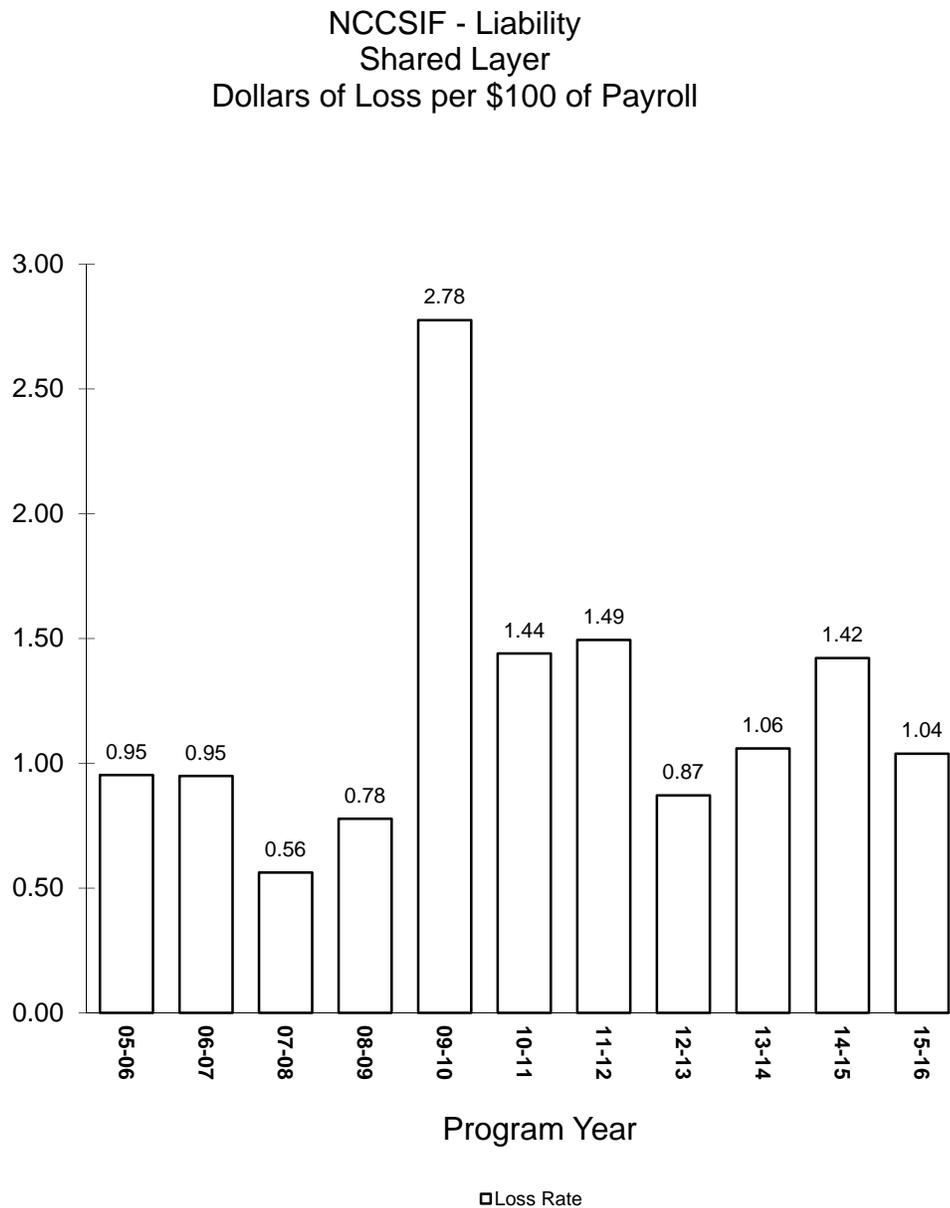
NCCSIF - Liability  
Banking Layer  
Dollars of Loss per \$100 of Payroll



**DRAFT**

The shared layer loss rate per \$100 payroll has varied over the past ten years, typical for excess layers, with no apparent trend. The 2005-06 and 2006-07 years reflect the shared layer from \$25,000 to \$500,000 per occurrence, while the 2007-08 to 2012-13 years reflect the shared layer from \$50,000 to \$1,000,000 per occurrence. The 2013-14 to 2015-16 years reflect the shared layer from \$50,000 to \$500,000 per occurrence. See Graph 2c below.

Graph 2c

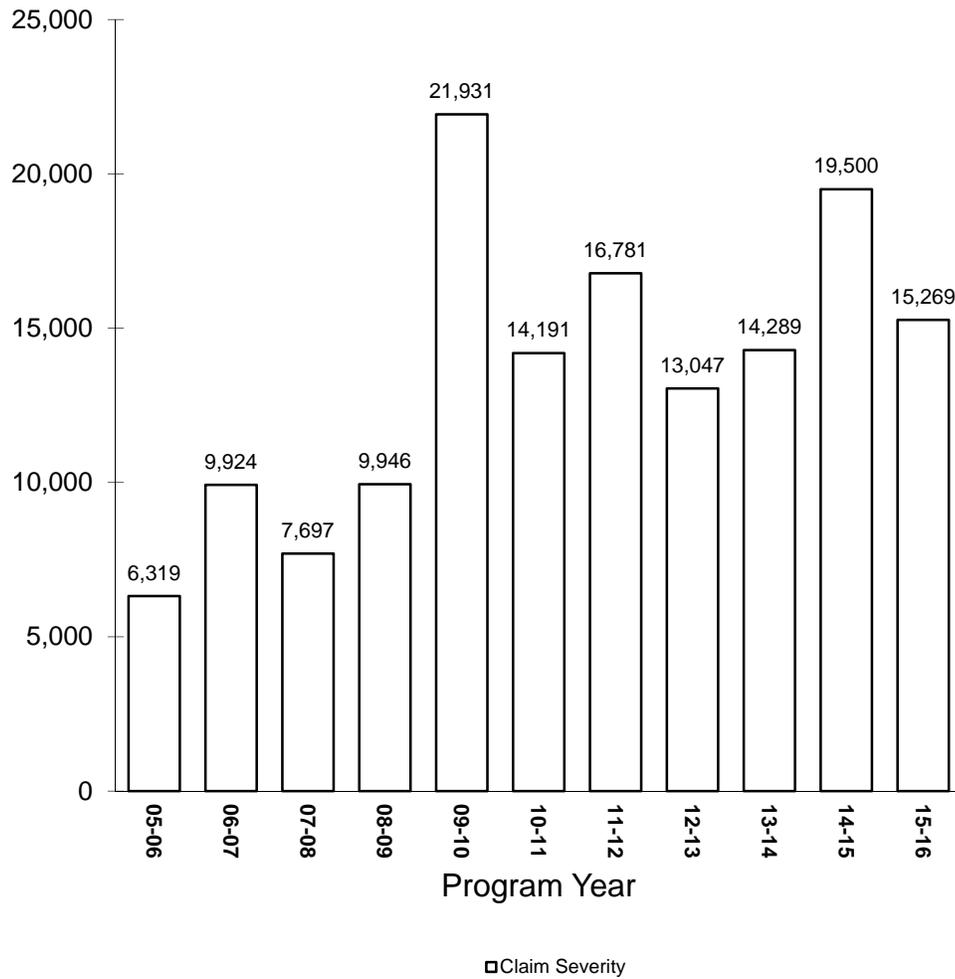


**DRAFT**

The program's average cost per claim, or severity, has followed a generally increasing trend over the past ten years, with recent years coming in particularly high. See Graph 3a below.

Graph 3a

**NCCSIF - Liability  
Banking and Shared Layers Combined  
Dollars of Loss per Claim**

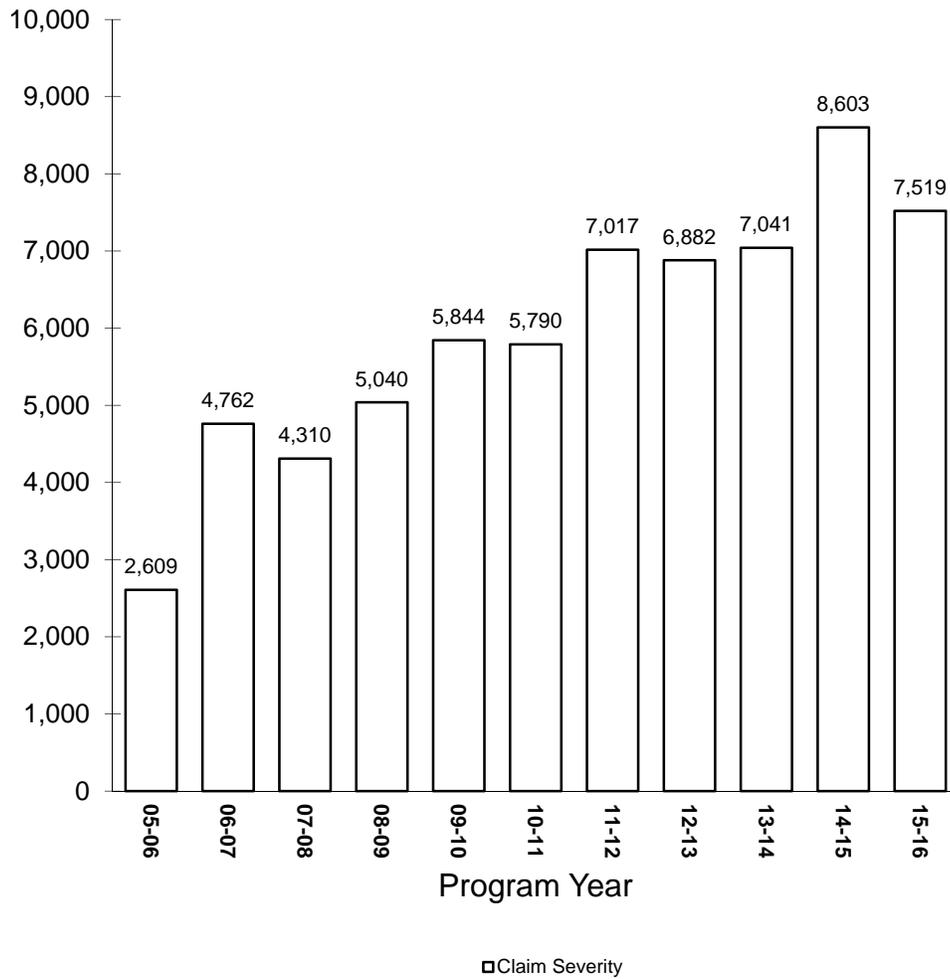


**DRAFT**

The banking layer average cost per claim, or severity, has followed a generally increasing trend over the past ten years. The projected 2015-16 severity reflects that increasing trend. See Graph 3b below.

Graph 3b

NCCSIF - Liability  
Banking Layer  
Dollars of Loss per Claim

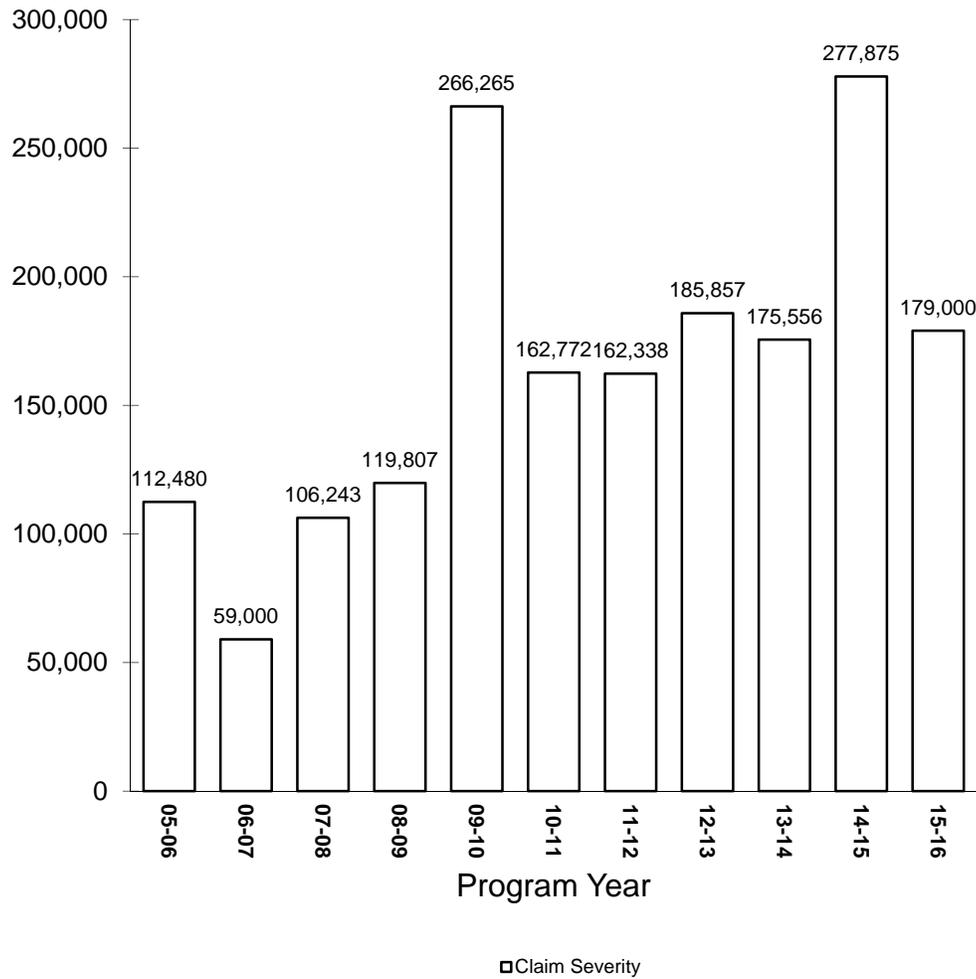


**DRAFT**

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**

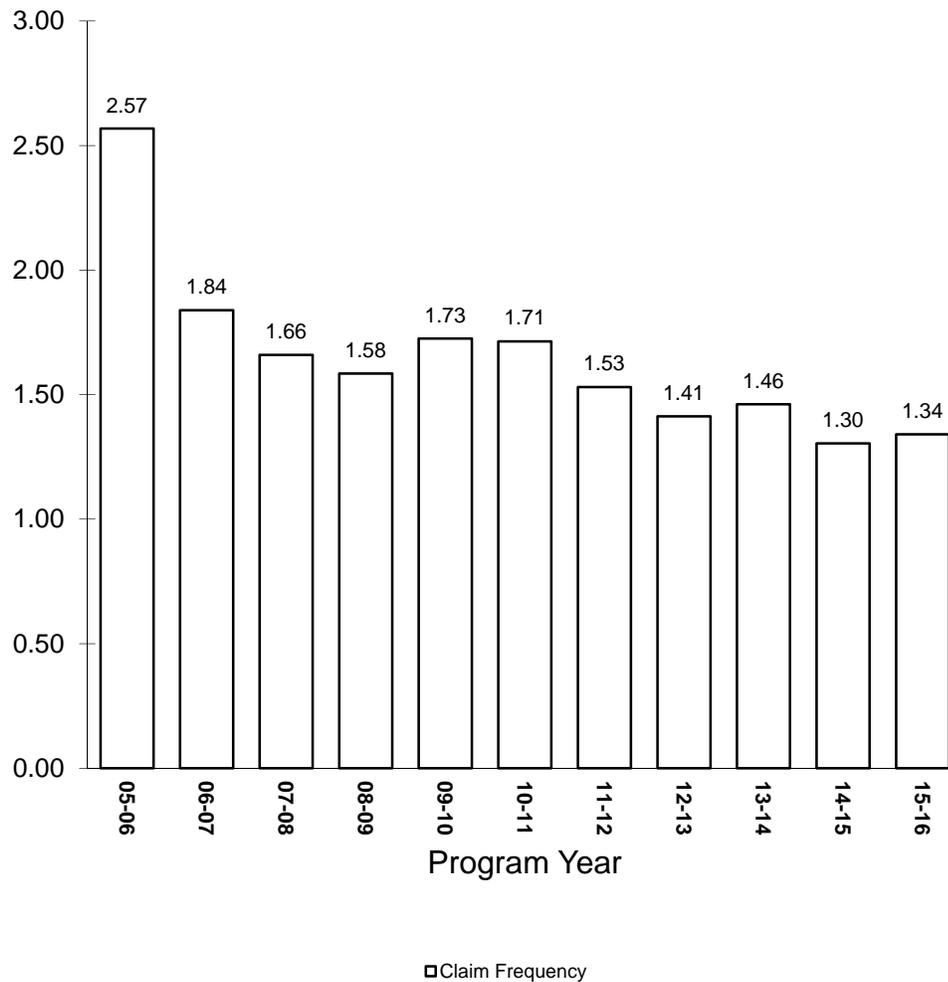


**DRAFT**

The program's frequency of claims per \$1 million payroll has been generally decreasing over the past ten years. The projected 2015-16 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**

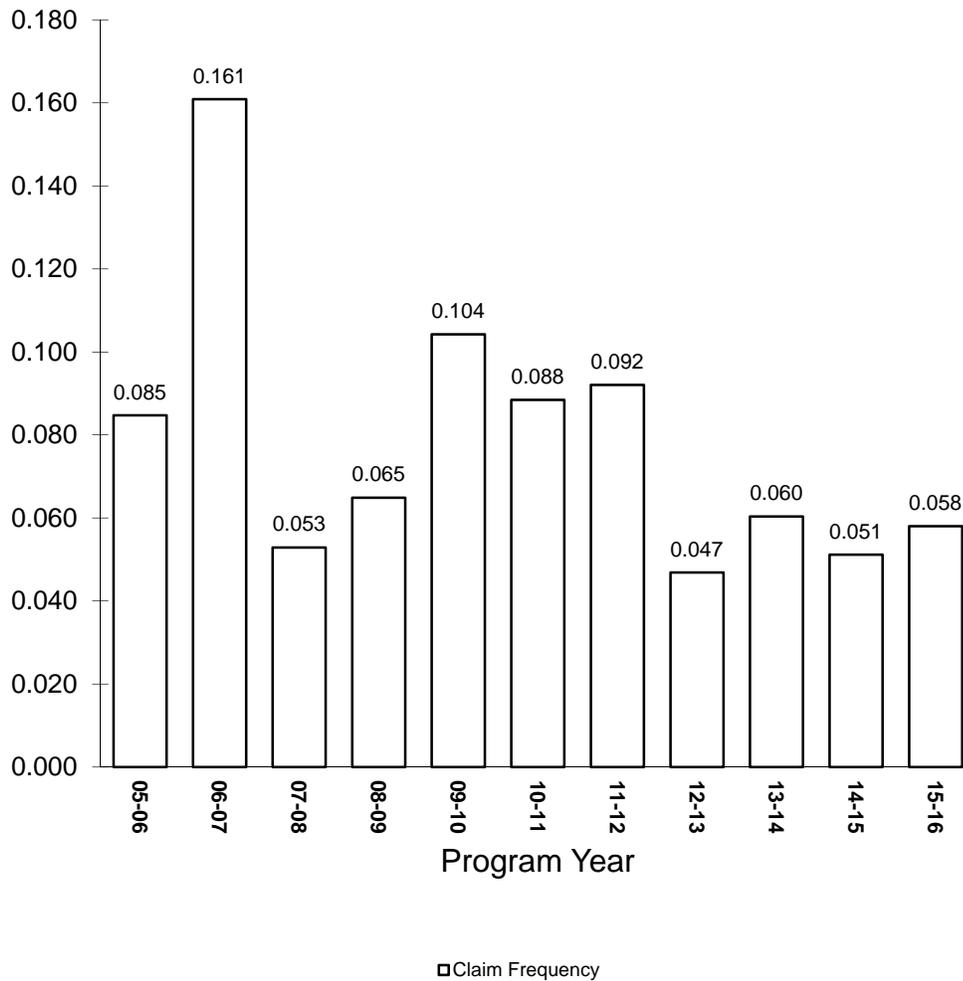


**DRAFT**

The shared program's frequency of claims per \$1 million payroll has been generally decreasing over the past ten years. See Graph 4b below.

Graph 4b

**NCCSIF - Liability  
Shared Layer  
Number of Claims per \$1 Million of Payroll**



**DRAFT**

**D. COMPARISON WITH PREVIOUS RESULTS**

The prior report for Northern California Cities Self Insurance Fund was dated March 12, 2015. In the table below we display actual versus expected development of incurred losses and ALAE by accident year between the 12/31/2014 evaluation date of the prior report and the 12/31/2015 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
1995-96	0	0	0
1996-97	1,000	0	(1,000)
1997-98	0	0	0
1998-99	0	0	0
1999-00	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	7,000	(46,000)	(53,000)
2008-09	10,000	107,000	97,000
2009-10	22,000	181,000	159,000
2010-11	66,000	35,000	(31,000)
2011-12	62,000	490,000	428,000
2012-13	334,000	(57,000)	(391,000)
2013-14	662,000	692,000	30,000
2014-15	1,076,000	2,357,000	1,281,000
Total	\$2,240,000	\$3,759,000	\$1,519,000

\* 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 \$2,240,000 between the two evaluation dates. However, actual development was approximately \$3,759,000; or about \$1,519,000 more than expected.

**DRAFT**

In the table below we display actual versus expected development of paid losses and ALAE by accident year between the 12/31/2014 evaluation date of the prior report and the 12/31/2015 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
1995-96	0	0	0
1996-97	20,000	2,000	(18,000)
1997-98	0	0	0
1998-99	0	0	0
1999-00	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	117,000	31,000	(86,000)
2008-09	161,000	65,000	(96,000)
2009-10	550,000	365,000	(185,000)
2010-11	66,000	8,000	(58,000)
2011-12	596,000	334,000	(262,000)
2012-13	893,000	269,000	(624,000)
2013-14	809,000	438,000	(371,000)
2014-15	661,000	1,050,000	389,000
Total	\$3,873,000	\$2,562,000	(\$1,311,000)

\* 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 \$3,873,000 between the two evaluation dates. However, actual development was approximately \$2,562,000; or about \$1,311,000 less than expected.

**DRAFT**

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\***

Banking and Shared Layers Combined

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	\$9,124,000	\$9,124,000	\$0
1995-96	1,334,000	1,334,000	0
1996-97	2,148,000	2,148,000	0
1997-98	2,915,000	2,915,000	0
1998-99	1,842,000	1,842,000	0
1999-00	2,774,000	2,774,000	0
2000-01	2,011,000	2,011,000	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	2,285,000	2,232,000	(53,000)
2008-09	2,667,000	2,765,000	98,000
2009-10	5,912,000	6,075,000	163,000
2010-11	3,782,000	3,789,000	7,000
2011-12	3,439,000	3,910,000	471,000
2012-13	3,117,000	2,753,000	(364,000)
2013-14	3,067,000	3,115,000	48,000
2014-15	2,875,000	3,978,000	1,103,000
Total	\$63,969,000	\$65,442,000	<b>\$1,473,000</b>

\* ULAE is included with Loss and ALAE

As shown, overall we have increased our estimated ultimates by \$1,473,000 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.

## DRAFT

At the time of the prior report, we estimated the liability for outstanding claims as of June 30, 2015 to be \$8,113,000 at the discounted, expected level. Our current estimate as of June 30, 2016, is \$9,670,000, 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, 2015	Current Report at June 30, 2016	Change
(A) Case Reserves:	\$5,282,000	\$6,495,000	\$1,213,000
(B) IBNR Reserves:	3,048,000	3,433,000	385,000
(C) Claims Administration (ULAE*):	0	0	0
(D) Total Reserves:	\$8,330,000	\$9,928,000	\$1,598,000
(E) Offset for Investment Income:	(217,000)	(258,000)	(41,000)
(F) Total Outstanding Claim Liabilities:	\$8,113,000	\$9,670,000	\$1,557,000

\* 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, 2015 and June 30, 2016 as reflected in our prior and current reports respectively.

The increase in claim reserves (case and IBNR) is driven primarily by a large increase in case reserves. Reserves for future claims administration expenses are included with Loss and ALAE, resulting in a \$1,598,000 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 \$1,557,000 in our estimate of outstanding claim liabilities for loss and LAE.

## DRAFT

At the time of the prior report, available assets were estimated to be \$9,914,000 as of June 30, 2015, which corresponded to the then-estimated discounted liability for outstanding claims at the 80% confidence level. Available assets are currently estimated to be \$11,489,000 as of June 30, 2016, which corresponds to the currently estimated liability for outstanding claims between the 75% and 80% confidence levels. It can be summarized as follows:

	Prior Report at June 30, 2015	Current Report at June 30, 2016	Change
(A) Outstanding Liability at the Discounted Expected Level:	\$8,113,000	\$9,670,000	\$1,557,000
(B) Estimated Assets At June 30:	9,914,000	11,489,000	1,575,000
(C) Surplus/(Deficit):	\$1,801,000	\$1,819,000	\$18,000

As you can see, our estimate of the program's funding margin at the discounted, expected level has increased by \$18,000 between June 30, 2015 (as previously estimated) and June 30, 2016 (as currently estimated). This is driven by an increase in the estimated fund assets between the two points, offset by an increase in the estimated outstanding liability.

## DRAFT

At the time of the prior report, our funding estimate for the 2015-16 year was \$2,910,000 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 2016-17 year is \$3,124,000 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

	Prior Report 2015-16 Pool Limit = \$500,000	Current Report 2016-17 Pool Limit = \$500,000	Change
(A) Ultimate Loss and ALAE:	\$3,003,000	\$3,227,000	\$224,000
(B) Ultimate Claims Administration (ULAE):	0	0	0
(C) Total Claim Costs:	\$3,003,000	\$3,227,000	\$224,000
(D) Offset for Investment Income:	(93,000)	(103,000)	(10,000)
(E) Total Recommended Funding:	\$2,910,000	\$3,124,000	\$214,000
(F) Funding per \$100 of Payroll:	\$1.919	\$2.029	\$0.111

\* ULAE is included with Loss and ALAE

As you can see, our funding recommendations at the discounted, expected level have increased between 2015-16 and 2016-17, as shown in our prior and current reports respectively.

Our estimates of ultimate loss and ALAE have increased by \$224,000, driven primarily by adverse loss development. Investment income is expected to be higher. The net change due to the above factors is an overall increase of \$214,000 in our annual funding estimate for loss and LAE. The average funding rate has increased by 5.8%.

## DRAFT

### 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 2015-16 and 2016-17 (See Appendix K).
- We estimated the 6/30/2016 asset balance by beginning with the 12/31/2015 asset balance, and adjusting for anticipated revenue and expense for the last six months of 2015-16 (see Appendix L).
- We received loss data evaluated as of 12/31/2015 (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 2016-17 will be \$153,940,000 and \$000,000, respectively, based upon information provided by NCCSIF (See Appendix N).

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 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 0.5% per year. We have assumed that claim severity increases at 3.0% 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.

## DRAFT

- 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 \$11,489,000 as of June 30, 2016 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.

## DRAFT

**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.)

Northern California Cities Self Insurance Fund - Liability

Funding Guidelines for Outstanding Liabilities

June 30, 2016

	Total	Banking	Shared
(A) Estimated Ultimate Losses Incurred through 6/30/16: (From Appendix G)	\$68,618,000	\$34,673,000	\$33,945,000
(B) Estimated Paid Losses through 6/30/16: (From Appendix G)	58,690,000	32,000,000	26,690,000
(C) Estimated Liability for Claims Outstanding at 6/30/16: (From Appendix G)	\$9,928,000	\$2,673,000	\$7,255,000
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/16: (From Appendix F)	0	0	0
(E) Total Outstanding Liability for Claims at 6/30/16: ((C) + (D))	\$9,928,000	\$2,673,000	\$7,255,000
(F) Anticipated Investment Income: ((E) x [1 - Appendix I, Page 1, (H)])	258,000	69,000	189,000
(G) Discounted Outstanding Liability for Claims at 6/30/16: ((E) - (F))	\$9,670,000	\$2,604,000	\$7,066,000
(H) Confidence Level Factor: (From Appendix J)			
60%	1.029	1.025	1.030
65%	1.068	1.060	1.071
70%	1.111	1.097	1.116
75%	1.159	1.140	1.166
80%	1.216	1.190	1.226
85%	1.286	1.252	1.299
90%	1.380	1.334	1.397
(I) Total Required Available Funding at June 30, 2016 ((G) * (H))			
60%	\$9,950,000	\$2,669,000	\$7,281,000
65%	10,328,000	2,760,000	7,568,000
70%	10,743,000	2,857,000	7,886,000
75%	11,208,000	2,969,000	8,239,000
80%	11,759,000	3,099,000	8,660,000
85%	12,436,000	3,260,000	9,176,000
90%	13,345,000	3,474,000	9,871,000
(J) Available Assets at June 30, 2016	\$11,489,000	\$5,109,000	\$6,380,000
(K) Funding Surplus/(Deficit) at June 30, 2016 ((J) - (I))			
Expected	\$1,819,000	\$2,505,000	(\$686,000)
60%	1,539,000	2,440,000	(901,000)
65%	1,161,000	2,349,000	(1,188,000)
70%	746,000	2,252,000	(1,506,000)
75%	281,000	2,140,000	(1,859,000)
80%	(270,000)	2,010,000	(2,280,000)
85%	(947,000)	1,849,000	(2,796,000)
90%	(1,856,000)	1,635,000	(3,491,000)

Northern California Cities Self Insurance Fund - Liability

Funding Options for Program Year 2016-2017

Banking Layer Retention: \$50,000 (Folsom: \$100,000)

Shared Layer Retention: \$500,000 (Including Folsom From \$100,000 - \$500,000)

	Total	Banking	Excl. Folsom	Folsom Only	Shared
(A) Estimated Ultimate Losses Incurred in Accident Year 2016-2017:	\$3,227,000	\$1,559,000	\$1,136,000	\$423,000	\$1,668,000
(B) Estimated Claims Administration Fees Incurred in Accident Year 2016-2017:	0	0	0	0	0
(C) Total Claims Costs Incurred in Accident Year 2016-2017: ((A) + (B))	\$3,227,000	\$1,559,000	\$1,136,000	\$423,000	\$1,668,000
(D) Anticipated Investment Income: ((C) x Average Discount Factor at 1.5%.	103,000	30,000	21,000	9,000	73,000
(E) Discounted Total Claims Costs Incurred in Accident Year 2016-2017: ((C) - (D))	\$3,124,000	\$1,529,000	\$1,115,000	\$414,000	\$1,595,000
(F) Rate per \$100 2016-2017 Payroll:	\$2.029	\$0.993	\$0.957	\$1.107	\$1.036
	Total	Banking	Banking ex Folsom	Banking Folsom	Shared
(G) Confidence Level Factor:					
60%	1.034	1.034	1.033	1.037	1.034
65%	1.098	1.098	1.093	1.112	1.098
67.5%	1.133	1.133	1.125	1.154	1.134
70%	1.169	1.168	1.158	1.195	1.170
75%	1.249	1.247	1.231	1.290	1.251
80%	1.344	1.341	1.319	1.401	1.347
85%	1.463	1.458	1.427	1.541	1.468
90%	1.621	1.615	1.573	1.728	1.627
(H) Total Required Funding for 2016-2017 Incurred Claims Costs ((E) * (G))					
60%	\$3,230,000	\$1,581,000	\$1,152,000	\$429,000	\$1,649,000
65%	3,430,000	1,679,000	1,219,000	460,000	1,751,000
67.5%	3,541,000	1,732,000	1,254,000	478,000	1,809,000
70%	3,652,000	1,786,000	1,291,000	495,000	1,866,000
75%	3,902,000	1,907,000	1,373,000	534,000	1,995,000
80%	4,199,000	2,051,000	1,471,000	580,000	2,148,000
85%	4,570,000	2,229,000	1,591,000	638,000	2,341,000
90%	5,064,000	2,469,000	1,754,000	715,000	2,595,000
(I) Funding Rates for 2016-2017 Incurred Claims Costs					
60%	\$2.098	\$1.027	\$0.988	\$1.148	\$1.071
65%	\$2.228	\$1.091	\$1.046	\$1.230	\$1.137
67.5%	\$2.300	\$1.125	\$1.076	\$1.279	\$1.175
70%	\$2.372	\$1.160	\$1.108	\$1.324	\$1.212
75%	\$2.535	\$1.239	\$1.178	\$1.428	\$1.296
80%	\$2.728	\$1.332	\$1.262	\$1.551	\$1.395
85%	\$2.969	\$1.448	\$1.365	\$1.707	\$1.521
90%	\$3.290	\$1.604	\$1.505	\$1.913	\$1.686

Rates based on 2016-2017 payroll of \$153,940,400



Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016

Agenda Item I.2.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 attached recommended dividend and assessment calculations for the Workers' Compensation Program.

**RECOMMENDATION:** Review, discuss and develop a recommendation for 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:** Total recommended dividend is \$524,914, with assessments of \$357,373.

**BACKGROUND:** On an annual basis, in accordance with Policy and Procedure A-1, Banking Plan Fund Adjustments, the NCCSIF Board of Directors annually 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 Adjustments

NCCSIF

Banking Layer Targeted Equity and Dividend and Assessment Worksheet

Workers Compensation Banking Layer as of 12/31/15

	EQUITY				LIABILITIES					Evaluation of Equity by member above 90% confidence level					Assessment
	Adjusted Net Position at 12/31/15 <b>A</b>	Adjusted O/S Claims Liability at 12/31/15 <b>B</b>	O/S @ Exp times 90% Factor <b>C</b> (B x 1.186)	margin to 90% claims <b>D</b> (C - B)	10 x SIR \$1M Layer Allocated <b>E</b> (C MEMBER / C TOTALx \$1M)	Net Margin above (below) 90% and 10xSIR <b>F</b> (A-D-E)	Members above target Amount Available <b>G</b> (Positive Col F only)	Limited Amount Available Above target <b>H</b> (G MEMBER / G TOTAL x AMT ABOVE MARGIN)	35% Net Equity above pool 10xsir and 90% conf. level <b>I</b> (H x 35%)	Assessment <b>J</b> (Negative Col F only x 20% or 100% under \$10K)					
ANDERSON	(95,974)	376,277	446,265	69,988	25,726	(191,688)	-	-	-	(38,338)					
AUBURN	257,546	434,298	515,077	80,779	29,693	147,074	147,074	67,154	23,504	-					
COLUSA	64,155	80,431	95,391	14,960	5,499	43,696	43,696	19,952	6,983	-					
CORNING	128,967	151,192	179,314	28,122	10,337	90,508	90,508	41,326	14,464	-					
DIXON	95,815	745,031	883,607	138,576	50,938	(93,699)	-	-	-	(18,740)					
ELK GROVE	(135,555)	1,114,337	1,321,604	207,267	76,188	(419,010)	-	-	-	(83,802)					
FOLSOM	2,469,264	3,476,237	4,122,817	646,580	237,674	1,585,010	1,585,010	723,718	253,301	-					
GALT	263,554	778,771	923,622	144,851	53,245	65,458	65,458	29,888	10,461	-					
GRIDLEY	330,120	154,097	182,759	28,662	10,536	290,922	290,922	132,835	46,492	-					
IONE	61,868	42,356	50,234	7,878	2,896	51,094	51,094	23,330	8,166	-					
JACKSON	108,281	151,177	179,296	28,119	10,336	69,826	69,826	31,883	11,159	-					
LINCOLN	509,725	386,374	458,240	71,866	26,417	411,442	411,442	187,865	65,753	-					
MARYSVILLE	221,231	612,559	726,495	113,936	41,881	65,414	65,414	29,868	10,454	-					
NEVADA CITY	102,540	201,795	239,329	37,534	13,797	51,209	51,209	23,382	8,184	-					
OROVILLE	51,422	484,908	575,101	90,193	33,154	(71,925)	-	-	-	(14,385)					
PARADISE	72,825	698,680	828,634	129,954	47,769	(104,898)	-	-	-	(20,980)					
PLACERVILLE	286,477	409,352	485,491	76,139	27,988	182,350	182,350	83,261	29,141	-					
RED BLUFF	(388,517)	1,089,985	1,292,722	202,737	74,523	(665,777)	-	-	-	(133,155)					
RIO VISTA	136,321	94,828	112,466	17,638	6,483	112,200	112,200	51,231	17,931	-					
ROCKLIN	386,361	1,481,646	1,757,232	275,586	101,302	9,473	9,473	4,325	1,514	-					
WILLOWS	148,429	155,298	184,183	28,885	10,618	108,926	108,926	49,736	17,408	-					
YUBA CITY	145,351	1,506,470	1,786,673	280,203	102,999	(237,851)	-	-	-	(47,570)					
	5,220,206	14,626,099	17,346,552	2,720,453	999,999	1,499,754	3,284,602	1,499,754	524,915	(356,970)					

TARGET EQUITY CONSIDERATIONS----->

Total	
Margin to 90%	2,720,453
Plus 10x SIR	1,000,000
Total Target Margin	<u>3,720,453</u>
Amount above (below) Margin	<u>1,499,754</u>



Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016

**Agenda Item I.2.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.

Based on the review as of 12/31/15, the Fund has \$561,621 in excess of the minimum required assets, defined as outstanding liabilities at the 90% Confidence Level or five times the SIR of \$400,000 (\$2,000,000).

**RECOMMENDATION:** Refund no more than 50% of the available amount, \$280,811, per the attached breakdown by member.

**FISCAL IMPACT:** T.B.D., reduction of Net Position by amount of dividend approved.

**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 excess Shared Risk Layer Funds to the members or if assessments need to be declared.

Please refer to the attached for details and discussion points, including how much of the available funds to disburse to each member.

**ATTACHMENT(S):** Workers' Compensation Shared Risk Layer Plan Fund Adjustments

**Shared Risk Layer Plan Fund Adjustments - Workers' Compensation for 2016 Distribution**

Total Assets at 12/31/15	Previous Assessment (Refund)			Discounted Outstanding Liabilities @ Expected	Outstanding Liabilities @ 80%	Outstanding Liabilities @ 90%	5 times SIR	Available Refund
A	B			C	D	E	F	A-(C+G) or A-F
\$19,475,621	Available = \$1,132,829 in 2015/16			\$14,173,000	\$16,930,000	\$18,914,000	\$2,000,000	\$561,621
			Net Position =	\$5,302,621				
						<b>Recommended Refund 50% =</b>		<b>\$280,810.50</b>
Members	Historical Shared Layer Contributions 1991-2015	Total %	Available Refund	Assessment	50% of Available Refund			
Anderson	\$1,061,994	2.75%	\$15,455		\$7,727			
Auburn	\$1,278,622	3.31%	\$18,607		\$9,304			
Colusa	\$784,734	2.03%	\$11,420		\$5,710			
Corning	\$808,122	2.09%	\$11,760		\$5,880			
Dixon	\$1,590,238	4.12%	\$23,142		\$11,571			
Elk Grove	\$1,307,431	3.39%	\$19,026		\$9,513			
Folsom	\$8,584,134	22.24%	\$124,920		\$62,460			
Galt	\$2,442,498	6.33%	\$35,544		\$17,772			
Gridley	\$967,924	2.51%	\$14,086		\$7,043			
Ione	\$169,915	0.44%	\$2,473		\$1,236			
Jackson	\$623,756	1.62%	\$9,077		\$4,539			
Lincoln	\$1,597,829	4.14%	\$23,252		\$11,626			
Maysville	\$1,267,584	3.28%	\$18,446		\$9,223			
Nevada City	\$631,126	1.64%	\$9,184		\$4,592			
Oroville	\$1,813,502	4.70%	\$26,391		\$13,195			
Placerville	\$1,510,235	3.91%	\$21,978		\$10,989			
Paradise	\$1,634,984	4.24%	\$23,793		\$11,896			
Red Bluff	\$1,698,579	4.40%	\$24,718		\$12,359			
Rio Vista	\$904,666	2.34%	\$13,165		\$6,583			
Rocklin	\$3,422,287	8.87%	\$49,803		\$24,901			
Willows	\$1,028,601	2.67%	\$14,969		\$7,484			
Yuba City	\$3,464,157	8.98%	\$50,412		\$25,206			
<b>Total</b>	<b>\$38,592,918</b>	<b>100.00%</b>	<b>\$561,621</b>		<b>\$280,811</b>			

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



Agenda Item I.2.c.

**WORKERS' COMPENSATION PROGRAM  
PRELIMINARY FY 16/17 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.

- Total funding at the current 67.5% Confidence Level (CL) for FY 16/17 is estimated at \$10,931,548, compared to \$9,234,638 for FY 15/16, an increase of 18.38%. Payroll has remained essentially unchanged.
- Total funding at a 70% CL, the funding goal members have set, is estimated at \$11,075,270; an increase of 19.93% and \$143,722 more than total funding at the 67.5% CL. *Individual member increases are capped at 40% for the 67.5% CL and 42% for the 70% CL.*

**RECOMMENDATION:** The Executive Committee recommends increasing funding from the 67.5% CL to 70% CL to achieve funding goal for FY 16/17.

**FISCAL IMPACT:** TBD, based on chosen funding Confidence Level.

**BACKGROUND:** Members have steadily increased the Confidence Level of annual funding from 60% to 65% to the current 67.5% CL, with a goal of 70% 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.

**ATTACHMENTS:** Preliminary FY 16/17 Workers' Compensation Deposit Calculations, at 70% CL, with comparisons to funding at 67.5% CL and FY 15/16 funding

NCCSIF FY 2016/17 Workers' Compensation Allocation

70% Confidence Level			Total Admin = \$1,200,868						
A	B	C	D	E	F	G	H	I	J
Formula/Allocation		Member Weighted Share Last 5 Years 25% Payroll, 75% WCIRB Premium	Member Share of EX MOD Adjusted Payroll	Member Weighted Share Last 5 Years 75% Payroll, 25% WCIRB Premium	Member Share of Banking, Shared & Excess Premium	22 Equal Shares	C+D+E+F+G		
Member Entity	2015 PAYROLL (P)	BANKING LAYER \$0 to \$100K	SHARED LAYER \$100K to \$500K	CSAC-EIA CONTRIBUTION	Variable ADMIN EXPENSE 65%	Fixed ADMIN EXPENSE 35%	FY 16-17 DEPOSIT	FY 15-16 DEPOSIT	% Change DEPOSIT
Rate/Amount	Exposure Base	\$ 5,843,000	\$ 2,884,000	\$ 1,166,536	\$ 780,564	\$ 420,304	70% CL	67.5% CL	
Anderson	\$ 3,421,849	\$ 172,679	\$ 62,319	\$ 24,804	\$ 20,497	\$ 19,105	\$ 299,404	\$ 261,078	14.68%
Auburn	\$ 5,350,303	\$ 198,914	\$ 91,755	\$ 36,746	\$ 25,832	\$ 19,105	\$ 372,352	\$ 402,986	-7.60%
Colusa	\$ 1,995,302	\$ 75,542	\$ 32,278	\$ 15,743	\$ 9,749	\$ 19,105	\$ 152,417	\$ 116,768	30.53%
Corning	\$ 2,661,307	\$ 74,006	\$ 42,358	\$ 16,081	\$ 10,449	\$ 19,105	\$ 162,000	\$ 155,445	4.22%
Dixon	\$ 6,453,021	\$ 323,435	\$ 129,668	\$ 52,138	\$ 39,862	\$ 19,105	\$ 564,208	\$ 398,513	41.58%
Elk Grove	\$ 34,306,335	\$ 577,803	\$ 534,683	\$ 140,721	\$ 98,874	\$ 19,105	\$ 1,371,185	\$ 1,632,005	-15.98%
Folsom	\$ 37,383,759	\$ 1,063,429	\$ 476,900	\$ 225,756	\$ 139,338	\$ 19,105	\$ 1,924,528	\$ 2,076,937	-7.34%
Galt	\$ 10,000,000	\$ 252,192	\$ 130,403	\$ 51,707	\$ 34,265	\$ 19,105	\$ 487,672	\$ 437,948	11.35%
Gridley	\$ 3,449,882	\$ 62,881	\$ 53,046	\$ 17,328	\$ 10,513	\$ 19,105	\$ 162,873	\$ 129,437	25.83%
Ione	\$ 1,240,720	\$ 9,621	\$ 17,022	\$ 5,607	\$ 2,544	\$ 19,105	\$ 53,900	\$ 52,642	2.39%
Jackson	\$ 1,943,950	\$ 74,310	\$ 29,225	\$ 15,530	\$ 9,394	\$ 19,105	\$ 147,564	\$ 102,972	43.30%
Lincoln	\$ 13,634,854	\$ 341,773	\$ 171,916	\$ 76,822	\$ 46,589	\$ 19,105	\$ 656,205	\$ 721,955	-9.11%
Marysville	\$ 3,067,166	\$ 159,809	\$ 51,135	\$ 24,995	\$ 18,615	\$ 19,105	\$ 273,659	\$ 280,322	-2.38%
Nevada City	\$ 2,257,901	\$ 66,925	\$ 31,756	\$ 13,718	\$ 8,868	\$ 19,105	\$ 140,371	\$ 132,854	5.66%
Oroville	\$ 7,330,628	\$ 165,778	\$ 94,131	\$ 39,925	\$ 23,656	\$ 19,105	\$ 342,594	\$ 318,481	7.57%
Paradise	\$ 3,943,744	\$ 200,175	\$ 83,508	\$ 26,055	\$ 24,437	\$ 19,105	\$ 353,281	\$ 230,624	53.18%
Placerville	\$ 6,257,702	\$ 148,058	\$ 74,727	\$ 35,073	\$ 20,344	\$ 19,105	\$ 297,307	\$ 326,973	-9.07%
Red Bluff	\$ 5,733,593	\$ 384,772	\$ 112,588	\$ 50,792	\$ 43,247	\$ 19,105	\$ 610,504	\$ 458,149	33.25%
Rio Vista	\$ 3,781,426	\$ 68,765	\$ 40,163	\$ 20,845	\$ 10,239	\$ 19,105	\$ 159,116	\$ 150,473	5.74%
Rocklin	\$ 19,651,915	\$ 482,130	\$ 231,877	\$ 107,228	\$ 64,792	\$ 19,105	\$ 905,131	\$ 786,627	15.06%
Willows	\$ 1,920,986	\$ 117,959	\$ 33,421	\$ 17,231	\$ 13,303	\$ 19,105	\$ 201,019	\$ 154,726	29.92%
Yuba City	\$ 20,975,994	\$ 822,041	\$ 359,120	\$ 151,691	\$ 105,157	\$ 19,105	\$ 1,457,114	\$ 1,284,845	13.41%
<b>Total:</b>	<b>\$ 196,762,337</b>	<b>\$ 5,843,000</b>	<b>\$ 2,884,000</b>	<b>\$ 1,166,536</b>	<b>\$ 780,564</b>	<b>\$ 420,304</b>	<b>\$ 11,094,404</b>	<b>\$ 10,612,761</b>	<b>4.54%</b>
Actuary/Verification	\$ 196,762,000.0	\$ 5,843,000	\$ 2,884,000						
Total Payroll Less Capped Members	\$ 190,874,643								

A	K	L	M		O	P	Q
Formula/Allocation	Member % of Total Deposit Without Capped Members x Capped Amount						
<b>Member Entity</b>	<b>Cap 42% Increase*</b>	<b>FY 16-17 FINAL DEPOSIT 70% CL</b>	<b>% CHANGE Final Deposit</b>		<b>FY 16-17 FINAL DEPOSIT 67.5% CL</b>	<b>\$ Increase from 67.5% to 70% CL</b>	<b>% Increase from 67.5% to 70% CL</b>
Rate/Amount	\$ 27,138						
Anderson	\$487	\$ 299,890	14.87%		\$ 296,165	\$ 3,726	1.26%
Auburn	\$761	\$ 373,113	-7.41%		\$ 368,309	\$ 4,803	1.30%
Colusa	\$284	\$ 152,700	30.77%		\$ 150,946	\$ 1,755	1.16%
Corning	\$378	\$ 162,378	4.46%		\$ 160,379	\$ 1,999	1.25%
Dixon	\$917	\$ 565,126	41.81%		\$ 557,814	\$ 7,311	1.31%
Elk Grove	\$4,878	\$ 1,376,063	-15.68%		\$ 1,355,148	\$ 20,915	1.54%
Folsom	\$5,315	\$ 1,929,843	-7.08%		\$ 1,904,573	\$ 25,269	1.33%
Galt	\$1,422	\$ 489,094	11.68%		\$ 482,647	\$ 6,447	1.34%
Gridley	\$490	\$ 163,364	26.21%		\$ 161,224	\$ 2,139	1.33%
Ione	\$176	\$ 54,077	2.73%		\$ 53,521	\$ 556	1.04%
Jackson	(\$1,344)	\$ 146,220	42.00%		\$ 144,161	\$ 2,059	1.43%
Lincoln	\$1,939	\$ 658,143	-8.84%		\$ 649,541	\$ 8,602	1.32%
Marysville	\$436	\$ 274,095	-2.22%		\$ 270,821	\$ 3,274	1.21%
Nevada City	\$321	\$ 140,692	5.90%		\$ 139,055	\$ 1,637	1.18%
Oroville	\$1,042	\$ 343,637	7.90%		\$ 339,187	\$ 4,450	1.31%
Paradise	(\$25,794)	\$ 327,487	42.00%		\$ 322,874	\$ 4,612	1.43%
Placerville	\$890	\$ 298,197	-8.80%		\$ 294,467	\$ 3,730	1.27%
Red Bluff	\$815	\$ 611,319	33.43%		\$ 603,699	\$ 7,621	1.26%
Rio Vista	\$538	\$ 159,654	6.10%		\$ 157,785	\$ 1,869	1.18%
Rocklin	\$2,794	\$ 907,925	15.42%		\$ 896,069	\$ 11,856	1.32%
Willows	\$273	\$ 201,292	30.10%		\$ 198,987	\$ 2,305	1.16%
Yuba City	\$2,982	\$ 1,460,096	13.64%		\$ 1,440,770	\$ 19,326	1.34%
<b>Total:</b>	<b>\$0</b>	<b>\$ 11,094,404</b>	<b>4.54%</b>		<b>\$ 10,948,141</b>	<b>\$ 146,263</b>	<b>1.34%</b>

Actuary/Verification  
Total Payroll Less  
Capped Members

\*Cap Increased to 42% to reflect increase in Confidence Level from 67.5% to 70%  
Total Funding Increase = \$8,727,000 - \$8,580,000 = \$147,000 or 1.7% increase



Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016

Agenda Item I.3.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.

**RECOMMENDATION:** Review, discuss and develop a recommendation for 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:** Total recommended dividend is \$392,021, with assessments of \$110,145.

**BACKGROUND:** On an annual basis, in accordance with Policy and Procedure A-1, Banking Plan Fund Adjustments, the NCCSIF Board of Directors annually 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 Adjustments

NCCSIF Banking Layer Targeted Equity and Dividend and Assessment Worksheet Liability Banking Layer as of 12/31/15				Evaluation of Equity by member above 90% confidence level						Assessment
EQUITY		LIABILITIES		10 x SIR Layer Allocated E (C MEMBER / C TOTALx \$500k)	Net margin above (below) 90% & 10 x SIR F (A-D-E)	Members above target amount Available G (Positive Col F only)	Limited Amount Available Above Target H (G MEMBER / G TOTAL x AMT ABOVE MARGIN)	35% Net Equity above pool 10xsir and 90% conf. level I (H x 35%)	Assessment \$10,000 or less assess 100%, else 20% Expected Assessment J (Negative Col F only x 20% or 100% under \$10K)	
Adjusted Net Position at 12/31/15 A	Adjusted O/S Claims Liability at 12/31/15 B	O/S @ Exp times 90% Factor C (B x 1.334)	margin to 90% claims D (C - B)							
ANDERSON	94,060	57,465	76,658	19,193	10,769	64,098	64,098	45,618	15,966	-
AUBURN	(33,755)	196,351	261,932	65,581	36,797	(136,133)	-	-	-	(27,227)
COLUSA	(24,595)	20,402	27,216	6,814	3,823	(35,232)	-	-	-	(7,046)
CORNING	(14,450)	79,376	105,888	26,512	14,876	(55,838)	-	-	-	(11,168)
DIXON	169,858	17,010	22,691	5,681	3,188	160,989	160,989	114,574	40,101	-
FOLSOM	1,049,257	762,938	1,017,759	254,821	142,979	651,457	651,457	463,633	162,272	-
GALT	127,324	179,520	239,480	59,960	33,643	33,721	33,721	23,999	8,400	-
GRIDLEY	128,310	15,647	20,873	5,226	2,932	120,152	120,152	85,510	29,929	-
IONE	8,588	15,573	20,774	5,201	2,918	469	469	334	117	-
JACKSON	(7,005)	3,102	4,138	1,036	581	(8,622)	-	-	-	(8,622)
LINCOLN	193,139	172,099	229,580	57,481	32,252	103,406	103,406	73,593	25,758	-
MARYSVILLE	5,338	199,337	265,916	66,579	37,357	(98,598)	-	-	-	(19,720)
OROVILLE	29,849	129,445	172,680	43,235	24,259	(37,645)	-	-	-	(7,529)
PARADISE	58,647	227,848	303,949	76,101	42,700	(60,154)	-	-	-	(12,031)
RED BLUFF	161,461	94,749	126,395	31,646	17,756	112,059	112,059	79,751	27,913	-
RIO VISTA	44,807	12,033	16,052	4,019	2,255	38,533	38,533	27,423	9,598	-
ROCKLIN	103,760	240,286	320,542	80,256	45,031	(21,527)	-	-	-	(4,305)
WILLOWS	37,091	54,983	73,347	18,364	10,304	8,423	8,423	5,995	2,098	-
YUBA CITY	379,487	189,845	253,253	63,408	35,578	280,501	280,501	199,629	69,870	-
	2,511,171	2,668,009	3,559,123	891,114	499,998	1,120,059	1,573,808	1,120,059	392,022	(97,648)

TARGET EQUITY CONSIDERATIONS-->	Margin to 90% conf. level	891,114
	Plus 10x SIR	500,000
	Total target equity	1,391,114
	Amount above/(below) margin	1,120,057



Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016

Agenda Item I.3.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.

Based on the review as of 12/31/15, the Fund has assets of \$6,380,000. This is \$686,000 below Outstanding Liabilities at the Expected Confidence Level (CL) and well below the two benchmarks used to evaluate Shared Layer adjustments, liabilities at a 90% CL (\$3,491,000 below that mark) or *5 times the SIR of \$450,000 (\$2,250,000, or \$2,936,000 below that benchmark).*

**Members previously agreed to assess themselves \$600,000 per year for up to five years** to increase assets to meet target funding goals, and that is planned to continue this year. The attached provides the allocation of the assessment among the members, assuming members will agree to allocate all of this year's refund of \$274,337 from CJPRMA to the assessment.

**RECOMMENDATION:** The Executive Committee recommends continuing the assessment of \$600,000, offset by the \$274,337 CJPRMA refund.

**FISCAL IMPACT:** Total assessment of \$600,000, including use of the CJPRMA refund.

**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 Fund Adjustments

**NCCSIF Shared Risk Layer Plan Fund Adjustments - LIABILITY for 2016/17 Funding**

Total Assets as of 12/31/15		Outstanding Liabilities @ Expected	Outstanding Liabilities @ 70%	Outstanding Liabilities @ 80%	Outstanding Liabilities @ 90%	
A	B	C	D	E	F	A-(C+G) or A-F
\$6,380,000		\$7,066,000	\$7,886,000	\$8,660,000	\$9,871,000	(\$3,491,000)
		(\$686,000)				
		-\$				<b>No refund available</b>
Members	Historical Shared Layer Deposits 2000-2015	Total %		Assessment Allocation	Less CJPRMA Refund	Assessment Amount
				\$600,000	\$ (274,337)	
Anderson	\$538,681	2.46%		\$14,743	-6,741	\$8,002
Auburn	\$1,262,284	5.76%		\$34,548	-15,796	\$18,752
Colusa	\$423,448	1.93%		\$11,589	-5,299	\$6,290
Corning	\$544,727	2.48%		\$14,909	-6,817	\$8,092
Dixon	\$1,092,150	4.98%		\$29,891	-13,667	\$16,224
Folsom	\$3,805,405	17.36%		\$104,151	-47,621	\$56,530
Galt	\$1,515,112	6.91%		\$41,467	-18,960	\$22,507
Gridley	\$565,592	2.58%		\$15,480	-7,078	\$8,402
Ione	\$73,932	0.34%		\$2,023	-925	\$1,098
Jackson	\$427,584	1.95%		\$11,703	-5,351	\$6,352
Lincoln	\$1,731,444	7.90%		\$47,388	-21,667	\$25,721
Marysville	\$1,019,391	4.65%		\$27,900	-12,757	\$15,143
Oroville	\$1,455,712	6.64%		\$39,842	-18,217	\$21,625
Paradise	\$946,518	4.32%		\$25,905	-11,845	\$14,061
Red Bluff	\$1,340,003	6.11%		\$36,675	-16,769	\$19,906
Rio Vista	\$498,759	2.28%		\$13,651	-6,241	\$7,409
Rocklin	\$2,005,511	9.15%		\$54,889	-25,097	\$29,792
Willows	\$261,153	1.19%		\$7,148	-3,268	\$3,879
Yuba City	\$2,415,036	11.02%		\$66,098	-30,222	\$35,876
<b>Total</b>	<b>\$21,922,444</b>	<b>100.00%</b>		<b>\$600,000</b>	<b>-274,337</b>	<b>\$325,663</b>

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.



Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
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Agenda Item I.3.c.

**LIABILITY PROGRAM  
PRELIMINARY FY 16/17 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.

- Total funding at the current 67.5% Confidence Level (CL) for FY 16/17 is estimated at \$5,083,606, compared to \$4,590,942 for FY 15/16 (an increase of 10.73%, or \$492,664). Payroll for the liability program remains flat.
- Total funding at a 70% CL, the funding goal members have set, is estimated at \$5,194,606; an increase of 13.15% and \$111,000 more than total funding at the 67.5% CL. *Individual member increases are capped at 25% for the 67.5% CL and 28% for the 70% CL.*

**RECOMMENDATION:** Executive Committee recommend funding from 67.5% CL to 70% CL to achieve funding goal for FY 16/17.

**FISCAL IMPACT:** TBD, based on chosen funding Confidence Level, per above options.

**BACKGROUND:** Members have steadily increased the Confidence Level of annual funding from 60% to 65% to the current 67.5% CL, with a goal of 70% 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.

**ATTACHMENTS:** Preliminary FY 16/17 Liability Deposit Calculations, at 70% CL, with comparisons to funding at 67.5% CL and FY 15/16 funding

NCCSIF FY 2016/17 General Liability Funding Allocation

70% Confidence Level			Total Administration Expense				\$ 506,155			
A	B	C	D	E	F	G	H	I	J	K
Formula/Allocation	Payroll (P)	Weighted Share Last 5 Years 25% Payroll, 75%	of EX MOD Adjusted Payroll X Total Funding	Weighted Share Last 5 Years 75% Payroll,	(Admin/2) X Member % of Total Payroll	(Admin/2) ÷ 19 Equal Shares				
Member Entity	2015 Calendar Year Payroll	BANKING LAYER \$0 to \$50K	SHARED LAYER \$50K to \$500K	EXCESS LAYER \$500k to \$40M	ADMIN EXPENSE 50%	ADMIN EXPENSE 50%	FY 16-17 TOTAL DEPOSIT	FY 15-16 TOTAL DEPOSIT	\$ Change Overall	% Change Overall
Rate/Amount	Exposure Base	\$ 1,869,000	\$ 1,954,000	\$ 1,042,606	\$ 253,078	\$ 253,078	70% CL			
Anderson	\$3,305,222	\$ 29,438.07	\$ 40,780	\$19,166	\$5,187	\$13,320	\$ 107,890	\$98,795	\$ 9,095	9.21%
Auburn	\$5,653,881	\$ 106,933.96	\$ 88,267	\$45,717	\$8,872	\$13,320	\$ 263,110	\$211,810	\$ 51,300	24.22%
Colusa	\$2,097,489	\$ 35,964.40	\$ 30,981	\$15,815	\$3,291	\$13,320	\$ 99,371	\$58,717	\$ 40,654	69.24%
Corning	\$3,143,603	\$ 36,979.91	\$ 40,032	\$20,651	\$4,933	\$13,320	\$ 115,916	\$93,423	\$ 22,493	24.08%
Dixon	\$7,587,776	\$ 27,415.98	\$ 69,382	\$36,837	\$11,907	\$13,320	\$ 158,862	\$156,861	\$ 2,001	1.28%
Elk Grove										
Folsom*	\$39,004,513	\$ 531,867.50	\$ 496,225	\$268,688	\$61,207	\$13,320	\$ 1,371,307	\$1,080,718	\$ 290,589	26.89%
Galt	\$10,165,171	\$ 118,827.87	\$ 127,964	\$64,735	\$15,951	\$13,320	\$ 340,798	\$333,194	\$ 7,604	2.28%
Gridley	\$3,546,767	\$ 35,725.12	\$ 51,822	\$31,524	\$5,566	\$13,320	\$ 137,957	\$118,594	\$ 19,363	16.33%
Ione	\$1,314,753	\$ 13,858.53	\$ 16,476	\$8,728	\$2,063	\$13,320	\$ 54,446	\$42,730	\$ 11,716	27.42%
Jackson	\$2,153,191	\$ 65,138.73	\$ 35,831	\$21,670	\$3,379	\$13,320	\$ 139,338	\$94,084	\$ 45,254	48.10%
Lincoln	\$12,244,823	\$ 142,858.32	\$ 162,126	\$77,656	\$19,215	\$13,320	\$ 415,174	\$370,600	\$ 44,574	12.03%
Marysville	\$3,018,124	\$ 112,611.39	\$ 55,613	\$33,231	\$4,736	\$13,320	\$ 219,511	\$168,568	\$ 50,943	30.22%
Nevada City										
Oroville	\$7,573,439	\$ 55,282.24	\$ 85,574	\$41,851	\$11,884	\$13,320	\$ 207,911	\$199,284	\$ 8,627	4.33%
Paradise	\$4,151,985	\$ 63,448.10	\$ 66,409	\$29,101	\$6,515	\$13,320	\$ 178,793	\$134,981	\$ 43,812	32.46%
Placerville										
Red Bluff	\$5,197,790	\$ 109,056.67	\$ 84,662	\$43,097	\$8,156	\$13,320	\$ 258,292	\$279,102	\$ (20,810)	-7.46%
Rio Vista	\$3,740,217	\$ 21,734.71	\$ 33,627	\$19,568	\$5,869	\$13,320	\$ 94,119	\$84,630	\$ 9,489	11.21%
Rocklin	\$22,504,609	\$ 191,427.15	\$ 239,561	\$128,161	\$35,315	\$13,320	\$ 607,783	\$493,550	\$ 114,233	23.15%
Willows	\$2,021,558	\$ 12,775.05	\$ 24,207	\$12,184	\$3,172	\$13,320	\$ 65,658	\$57,912	\$ 7,746	13.38%
Yuba City	\$22,850,858	\$ 157,656.29	\$ 204,462	\$124,226	\$35,858	\$13,320	\$ 535,522	\$513,388	\$ 22,134	4.31%
<b>Total:</b>	<b>\$161,275,769</b>	<b>\$ 1,869,000</b>	<b>\$ 1,954,000</b>	<b>\$ 1,042,606</b>	<b>\$ 253,078</b>	<b>\$ 253,078</b>	<b>\$ 5,371,761</b>	<b>\$4,590,942</b>	<b>\$ 780,819</b>	<b>17.01%</b>
Verification/Actuary Payroll Less Capped Members	\$ 149,854,980									
Don't Participate In GL Program										

A	L	M	N	O	P	Q
Formula/Allocation	Total Payroll Without Capped Members X					
<b>Member Entity</b>	<b>Cap 28%*</b>	<b>FY 16/17 Final Deposit 70% CL</b>	<b>FY 16/17 Final Deposit % Increase</b>	<b>FY 16-17 FINAL DEPOSIT 67.5% CL</b>	<b>\$ Increase from 67.5% to 70% CL</b>	<b>% Increase from 67.5% to 70% CL</b>
Rate/Amount	\$52,887					
Anderson	\$ 1,166	\$ 109,056	10%	\$ 107,187	\$ 1,869	1.74%
Auburn	\$ 1,995	\$ 265,106	25%	\$ 259,523	\$ 5,582	2.15%
Colusa	(\$24,214)	\$ 75,158	28%	\$ 73,396	\$ 1,762	2.40%
Corning	\$ 1,109	\$ 117,026	25%	\$ 114,949	\$ 2,077	1.81%
Dixon	\$ 2,678	\$ 161,540	3%	\$ 158,975	\$ 2,565	1.61%
Elk Grove						
Folsom*	\$ 13,765	\$ 1,385,072	28%	\$ 1,350,898	\$ 34,175	2.53%
Galt	\$ 3,587	\$ 344,385	3%	\$ 337,357	\$ 7,029	2.08%
Gridley	\$ 1,252	\$ 139,209	17%	\$ 136,819	\$ 2,390	1.75%
Ione	\$ 248	\$ 54,694	28%	\$ 53,413	\$ 1,282	2.40%
Jackson	(\$18,911)	\$ 120,428	28%	\$ 117,605	\$ 2,823	2.40%
Lincoln	\$ 4,321	\$ 419,496	13%	\$ 410,758	\$ 8,738	2.13%
Marysville	(\$3,744)	\$ 215,767	28%	\$ 210,710	\$ 5,057	2.40%
Nevada City						
Oroville	\$ 2,673	\$ 210,584	6%	\$ 206,687	\$ 3,897	1.89%
Paradise	(\$6,018)	\$ 172,776	28%	\$ 168,726	\$ 4,049	2.40%
Placerville						
Red Bluff	\$ 1,834	\$ 260,126	-7%	\$ 254,578	\$ 5,548	2.18%
Rio Vista	\$ 1,320	\$ 95,439	13%	\$ 94,032	\$ 1,407	1.50%
Rocklin	\$ 7,942	\$ 615,726	25%	\$ 603,448	\$ 12,278	2.03%
Willows	\$ 713	\$ 66,372	15%	\$ 65,474	\$ 898	1.37%
Yuba City	\$ 8,065	\$ 543,587	6%	\$ 533,409	\$ 10,178	1.91%
<b>Total:</b>	<b>\$ (216)</b>	<b>\$ 5,371,545</b>	<b>17%</b>	<b>\$ 5,257,942</b>	<b>\$ 113,603</b>	<b>2.16%</b>

Verification/Actuary  
Payroll Less Capped  
Members

Don't Participate In GL Progr\*Cap increased to 28% to reflect increase in Funding due to increase from 67.5%CL to 70%CL



**Northern California Cities Self Insurance Fund  
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**Agenda Item I.4.**

**FY 16/17 PROPERTY RENEWAL UPDATE**

**INFORMATION ITEM**

**ISSUE:** Members have been provided their current property schedules and asked to review and revise them as needed. Alliant is still receiving updates from members and will provide the updated schedules and rates for FY 16/17 to the Executive Committee and Board of Directors when completed.

**RECOMMENDATION:** None. This is provided as information only.

**FISCAL IMPACT:** To be determined. The property market remains soft and **rates are not expected to increase more than 5%**. Member premiums may increase or decrease based on the amount of Total Insured Values (TIV) they report.

**BACKGROUND:** NCCSIF provides optional property insurance for their members through the Alliant Property Insurance Program (APIP). This is a joint purchase insurance program currently providing members up to \$1 Billion in All Risk limits. Premiums are based on each member's exposures which are provided via a schedule of insured locations.

**ATTACHMENT(S):** None.



Northern California Cities Self Insurance Fund  
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Agenda Item I.5.

**FY 16/17 CRIME POLICY RENEWAL UPDATE**

**INFORMATION ITEM**

**ISSUE:** NCCSIF's Crime policy (Bond) expires on July 1, 2016. Members have received Crime Renewal Applications and were asked to return them by March 11, 2016. Preliminary numbers are expected to be available by mid-May and will be presented to the Board of Directors for approval. We expect to present two coverage options, each with limits at \$1 million and above.

**RECOMMENDATION:** None. But discussion and consideration of limits in excess of \$1 million should be evaluated due to recent large losses throughout the state.

**FISCAL IMPACT:** TBD.

**BACKGROUND:** The current NCCSIF Crime Policy is through National Union Fire Insurance Co. of Pittsburg, an AIG company that carries an A.M. Best rating of A, XV (\$2 billion or greater). Alliant is obtaining an alternative quote with the Alliant Crime Insurance Program (ACIP) to compare pricing and terms of coverage, including limits above the current \$1 million. The ACIP Crime Program is also with AIG though it provides numerous enhancements compared to the AIG standalone policy. ACIP program benefits will be provided to members as we progress to the indication process.

**ATTACHMENT(S):** None.



## PRELIMINARY FY 16/17 NCCSIF 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 16/17 budget.

### ADMINISTRATIVE EXPENSES

- The Claims Audits - Every year either the Liability or Workers' Compensation claims are audited. The Liability claims audit was performed in FY 15/16. Budgeted expense of \$8,000 is allocated for a Workers' Compensation Claims Audit in FY 16/17.
- The Financial Audit amount has been increased by 3% in anticipation of an increase.
- Actuarial Services are included at \$6,800 for liability and \$5,000 for WC, including the \$2,000 credit we received from CSAC EIA for the actuarial each year.
- Computer Services increased to \$8,400 based on the recommendation from James Marta and Company for new accounting software. This line item is for accounting system programming.
- NCCSIF renewed their CAJPA accreditation with excellence this year. This cost occurs every three years.
- Fidelity Bonds are reduced to a total of \$1,100 based on this year's expense. This is the bond for the JPA/Treasurer.
- Accounting Services are expected to increase 3%.
- Bickmore's services have been broken out this year and are *expected to change once we receive their proposal for continued services. Increase is estimated.*
- Claims administration fees have increased 2% in anticipation of a new contract from York.



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**Agenda Item I.6. (continued)**

- State Funding/Fraud Assessment has been estimated to increase by 5%.
- Program Administration costs have been increased 2% based on the fee schedule in the current program administration agreement.

**RECOMMENDATION:** There is no recommendation as this is an information item only.

**FISCAL IMPACT:** Total administrative expenses are estimated to be \$1,696,992, a 2% increase over FY 15/16. Last year's increase was 2.94%.

**BACKGROUND:** None

**ATTACHMENT(S):** Preliminary FY 16/17 NCCSIF Budget

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
PRELIMINARY DRAFT BUDGET  
July 1, 2016 to June 30, 2017

EXPENSES:		WORK COMP	LIABILITY	2016-17 TOTAL	2015-16 PRIOR YEAR	\$ CHANGE	% CHANGE
<b>Administrative Expenses:</b>							
Consultants							
52101	Claims Audit	8000	\$0	\$8,000	\$5,000	\$3,000	60%
52102	Financial Audit	\$13,500	\$13,500	\$27,000	\$26,100	\$900	3%
52103	Legal Services	\$3,000	\$7,000	\$10,000	\$10,000	\$0	0%
52104	Actuarial Review	\$5,000	\$6,800	\$11,800	\$11,800	\$0	0%
52105	Computer Services	\$4,200	\$4,200	\$8,400		\$8,400	n/a
52106	CAJPA Accreditation (2018)			\$0	4500	(\$4,500)	-100%
52107	Employee Dishonesty Bonds	\$550	\$550	\$1,100	\$2,200	(\$1,100)	-50%
52109	Misc. Consulting/Contingency	\$2,500	\$2,500	\$5,000	\$5,000	\$0	0%
	<b>Total Consultant Expenses</b>	<b>\$36,750</b>	<b>\$34,550</b>	<b>\$71,300</b>	<b>\$64,600</b>	<b>\$6,700</b>	<b>10%</b>
Safety Services:							
52204	Bickmore Onsite Risk Assessments	\$52,500	\$31,500	\$84,000	\$67,500	\$16,500	24%
52203	Bickmore Police Risk Mgmt Comm Training	\$3,950	\$3,950	\$7,900	\$7,900	\$0	0%
52204	Bickmore Risk Control Service Days	\$18,230	\$18,230	\$36,460	\$36,460	\$0	0%
52204	Bickmore Phone Consultation	\$9,300	\$9,300	\$18,600	\$18,600	\$0	0%
52204	Bickmore Newsletter	\$2,790	\$2,790	\$5,580	\$5,580	\$0	0%
52204	Bickmore Safety Training Coordination	\$7,440	\$7,440	\$14,880	\$14,880	\$0	0%
52204	Bickmore Meeting Preparation	\$4,650	\$4,650	\$9,300	\$9,300	\$0	0%
52214	OCCUMED Occupational Health Consulting	\$18,000	0	\$18,000	\$18,000	\$0	0%
52215	Online Risk Management Services - Target Solutions	\$7,000	\$7,000	\$14,000	\$14,000	\$0	0%
52217	ACI - Wellness Optional	\$15,072	0	\$15,072	\$15,072	\$0	0%
52201	Bickmore (Not part of contract) & Other Outside Train	\$15,000	\$15,000	\$30,000	\$30,000	\$0	0%
52202	Risk Mgmt Comm Mtg Expense	\$750	\$750	\$1,500	\$1,500	\$0	0%
52207	Seminars and PARMA	\$40,000	\$32,600	\$72,600	\$72,600	\$0	0%
52208	Lexipol Law Enforcement Policy Manual Updates DTB	\$12,400	\$93,850	\$106,250	\$106,250	\$0	0%
52209	Police Risk Management Funds	\$25,000	\$25,000	\$50,000	\$50,000	\$0	0%
	<b>Total Safety Services Expenses</b>	<b>\$232,082</b>	<b>\$252,060</b>	<b>\$484,142</b>	<b>\$467,642</b>	<b>\$16,500</b>	<b>4%</b>
Claims Administration							
52302	Claims Administration Fee (Reports, etc.)	\$29,700	\$20,900	\$50,600	\$49,500	\$1,100	2%
	Claims Adjustment Fee - WC; ** GL Billed to File	\$556,274		\$556,274	\$545,361	\$10,913	2%
52303	Fraud Hotline	0	0	\$0	\$0	\$0	
52305	MPN Services	0	0	\$0	\$0	\$0	
52304	State Funding/Fraud Assessment	\$168,000		\$168,000	\$160,000	\$8,000	5%
	<b>Total Claims Administration Expenses</b>	<b>\$753,974</b>	<b>\$20,900</b>	<b>\$774,874</b>	<b>\$754,861</b>	<b>\$20,013</b>	<b>3%</b>
Program Administration							
52401	Program Administration and Brokerage Fee	\$135,252	\$162,304	\$297,556	\$291,720	\$5,836	2%
52403	Accounting Services	\$33,810	\$33,810	\$66,962	\$65,650	\$1,312	2%
	<b>Total Program Administration Expenses</b>	<b>\$169,062</b>	<b>\$196,114</b>	<b>\$365,176</b>	<b>\$357,370</b>	<b>\$7,806</b>	<b>2%</b>
Board Expenses							
52501	Executive Committee	\$1,500	\$1,500	\$3,000	\$3,000	\$0	0%
52502	Executive Committee Member Travel	\$1,500	\$1,500	\$3,000	\$3,000	\$0	0%
52503	Board of Directors Meetings (includes Travel)	\$3,000	\$3,000	\$6,000	\$6,000	\$0	0%
XXXXX	Board of Directors Long Range Planning Session (every	\$1,000	\$1,000	\$2,000	\$2,000	\$0	0%
52504	Association Memberships (PARMA, CAJPA, AGRIP)	\$2,000	\$2,000	\$4,000	\$4,000	\$0	0%
	<b>Total Board Expenses</b>	<b>\$9,000</b>	<b>\$9,000</b>	<b>\$18,000</b>	<b>\$18,000</b>	<b>\$0</b>	<b>0%</b>
Other Administration Expenses - Not identified with above budget line items							
52000	Administrative Expense	\$0.00	\$0.00	\$0.00	\$0.00	\$0	
52001	Administration Expense - Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0	
	<b>Total Other Admin</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0</b>	
						\$0	
	<b>Total Admin Expenses</b>	<b>\$1,200,868</b>	<b>\$512,624</b>	<b>\$1,713,492</b>	<b>\$1,657,973</b>	<b>\$55,519</b>	<b>\$0</b>
	Net Loss/Admin Surplus Offset				(\$337,544)		
					\$1,320,429		



**Northern California Cities Self Insurance Fund  
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**Agenda Item I.7.**

**NCCSIF SERVICE PROVIDERS SURVEY RESULTS**

**ACTION ITEM**

**ISSUE:** The survey responses are presented to the Board for review and were generally positive for all Service Providers. The summary was taken directly from the SurveyMonkey website.

The contracts with Bickmore and York Risk Services are up for renewal on June 30, 2016 and members will need to consider where they want to renew the agreements for another year - the survey responses will help provide information for the Board to use to determine if they would like to continue using those service providers.

**RECOMMENDATION:** Review the survey responses and the Board may accept and file the results, and provide direction to address the concerns of some members noted in the survey.

**FISCAL IMPACT:** N/A

**BACKGROUND:** NCCSIF requests Members' satisfaction with its service providers every odd numbered year to rate the overall value of NCCSIF programs and services. At the October 15, 2015 meeting the Board recommended to conduct a Performance Evaluation Survey for the primary service providers. A satisfaction survey of current Service Providers - Alliant Insurance Services, York Risk Services, and Bickmore - was conducted through SurveyMonkey and was sent to all NCCSIF members in an effort to receive feedback regarding these service providers.

**ATTACHMENT(S):** 2015 NCCSIF Member Service Provider Survey Responses

# 2015 NCCSIF SERVICE PROVIDER SURVEY RESULTS

## Brokerage Risk Management & Program Administration Survey ALLIANT INSURANCE SERVICES, INC.

### 1. Responds promptly to inquiries and requests.

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	46.2%	6
Good (Meets Expectations)	53.8%	7
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>13</b>
<i>skipped question</i>		<b>0</b>

### 2. Maintains contact and keeps member apprised on all important and pertinent matters.

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	46.2%	6
Good (Meets Expectations)	53.8%	7
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>13</b>
<i>skipped question</i>		<b>0</b>

### 3. Provides high quality advice and assistance.

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	38.5%	5
Good (Meets Expectations)	61.5%	8
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>13</b>
<i>skipped question</i>		<b>0</b>

### 4. Communicates well both orally and in writing.

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	46.2%	6
Good (Meets Expectations)	46.2%	6
Fair (Below Expectations)	7.7%	1
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>13</b>
<i>skipped question</i>		<b>0</b>

**5. Handles all interactions in a professional manner.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	61.5%	8
Good (Meets Expectations)	38.5%	5
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>13</b>
<i>skipped question</i>		<b>0</b>

**6. Accomplishes goals and objectives and also provides additional value.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	38.5%	5
Good (Meets Expectations)	53.8%	7
Fair (Below Expectations)	7.7%	1
Well Below (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>13</b>
<i>skipped question</i>		<b>0</b>

**7. Overall level of satisfaction.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	38.5%	5
Good (Meets Expectations)	61.5%	8
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>13</b>
<i>skipped question</i>		<b>0</b>

**8. Comments on what doing well and/or provide suggestions for improvement:**

Answer Options	Response Count
	0
<i>answered question</i>	<b>0</b>
<i>skipped question</i>	<b>13</b>

**NCCSIF Safety and Risk Control Services Vendor Survey  
BICKMORE**

**1. Bickmore responsive to your needs and concerns, and responds promptly to inquiries and requests.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	63.6%	7
Good (Meets Expectations)	36.4%	4
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>11</b>
<i>skipped question</i>		<b>0</b>

**2. Maintains good contact and keep member apprised on all important and pertinent risk management matters.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	63.6%	7
Good (Meets Expectations)	36.4%	4
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>11</b>
<i>skipped question</i>		<b>0</b>

**3. Knowledgeable and experienced in handling member inquiries and requests.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	72.7%	8
Good (Meets Expectations)	27.3%	3
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>11</b>
<i>skipped question</i>		<b>0</b>

**4. Risk Assessments provided timely and provides sufficient information to support member cities in making informed decisions.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	45.5%	5
Good (Meets Expectations)	54.5%	6
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>11</b>
<i>skipped question</i>		<b>0</b>

**5. Do you use the Employee Safety Training Matrix?**

Answer Options	Response Percent	Response Count
Yes	90.9%	10
No	9.1%	1
Other (please specify)		0
<i>answered question</i>		<b>11</b>
<i>skipped question</i>		<b>0</b>

**6. Do you use the Employee Risk Management Vendor Matrix?**

Answer Options	Response Percent	Response Count
Yes	63.6%	7
No	36.4%	4
Other (please specify)		0
<i>answered question</i>		<b>11</b>
<i>skipped question</i>		<b>0</b>

**7. Accomplishes goals and objectives as well as provides additional value to the JPA.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	54.5%	6
Good (Meets Expectations)	45.5%	5
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>11</b>
<i>skipped question</i>		<b>0</b>

**8. Overall level of satisfaction.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	72.7%	8
Good (Meets Expectations)	27.3%	3
Fair (Below Expectations)	0.0%	0
Poor(Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>11</b>
<i>skipped question</i>		<b>0</b>

**9. Comments on what doing well and/or provide suggestions for improvement:**

Answer Options	Response Count
	2
<i>answered question</i>	<b>2</b>
<i>skipped question</i>	<b>9</b>

Number	Response Date	Response Text	Categories
1	Jan 22, 2016 7:57 PM	Henri Castro is a great asset to NCCSIF and her efforts in helping the JPA reduce its overall risk is greatly appreciated	
2	Dec 24, 2015 12:17 AM	Henri is GREAT	

**NCCSIF Third Party LIABILITY Claims Administrator Vendor Survey  
YORK RISK SERVICES**

**1. Controls the claims management process well.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	50.0%	5
Good (Meets Expectations)	40.0%	4
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	10.0%	1
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		1
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

Number	Response Date	Other (please specify)	Categories
1	Jan 14, 2016 9:22 PM	We have had problems with York providing timely reports and staying on top of claims management. They have addressed this and together we believe we have put measures in place to ensure improvements occur.	

**2. Have you had a claims review with York in the past year?**

Answer Options	Response Percent	Response Count
Yes	50.0%	5
No	50.0%	5
Other (please specify)		1
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

Number	Response Date	Other (please specify)	Categories
1	Jan 14, 2016 9:22 PM	One was scheduled but was cancelled by both the City and York due to the holidays and needs to be rescheduled still.	

**3. Are the reserves set on claims reasonable?**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	30.0%	3
Good (Meets Expectations)	70.0%	7
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

**4. Submits timely written status reports.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	30.0%	3
Good (Meets Expectations)	50.0%	5
Fair (Below Expectations)	10.0%	1
Poor (Does Not Meet Expectations)	10.0%	1
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		1
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

Number	Response Date	Other (please specify)	Categories
1	Jan 14, 2016 9:22 PM	No, this has been a problem.	

**5. Recommendations concerning claims settlement or denial are clear and generally accepted.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	40.0%	4
Good (Meets Expectations)	60.0%	6
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		1
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

Number	Response Date	Other (please specify)	Categories
1	Jan 14, 2016 9:22 PM	They are good when and if we receive them.	

**6. Maintains good contact and keeps member apprised on all important matters.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	20.0%	2
Good (Meets Expectations)	70.0%	7
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	10.0%	1
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

**7. Provides high quality advice and assistance.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	50.0%	5
Good (Meets Expectations)	50.0%	5
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

**8. Communicates well both orally and in writing.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	40.0%	4
Good (Meets Expectations)	60.0%	6
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

**9. Accomplishes goals and objectives and also provides additional value.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	40.0%	4
Good (Meets Expectations)	40.0%	4
Fair (Below Expectations)	10.0%	1
Well Below (Does Not Meet Expectations)	10.0%	1
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		1
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

Number	Response Date	Other (please specify)	Categories
1	Jan 14, 2016 9:22 PM	Improvements seem to be forthcoming in working with Cameron. We look forward to the changes. The City should have also been more involved in our own claims management rather than being reactive to reports and recommendations received which has served us fine until 2015.	

**10. Provides feedback and suggestions for mitigating claims.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	50.0%	5
Good (Meets Expectations)	50.0%	5
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

**11. Overall level of satisfaction.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	50.0%	5
Good (Meets Expectations)	40.0%	4
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	10.0%	1
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

**12. Comments on what doing well and/or provide suggestions for improvement:**

Answer Options	Response Count
	1
<i>answered question</i>	<b>1</b>
<i>skipped question</i>	<b>9</b>

Number	Response Date	Response Text	Categories
1	Jan 14, 2016 9:22 PM	We are anticipating and expecting improvements based upon commitments made by York to us.	

**NCCSIF Third Party WORKERS' COMP Claims Administrator Vendor Survey**  
**YORK RISK SERVICES**

**1. Controls the claims management process well.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	50.0%	5
Good (Meets Expectations)	40.0%	4
Fair (Below Expectations)	10.0%	1
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<b><i>answered question</i></b>		<b>10</b>
<b><i>skipped question</i></b>		<b>0</b>

**2. Have you had a claims review with York in the past year?**

Answer Options	Response Percent	Response Count
Yes	80.0%	8
No	20.0%	2
Other (please specify)		0
<b><i>answered question</i></b>		<b>10</b>
<b><i>skipped question</i></b>		<b>0</b>

**3. Are the reserves set on claims reasonable?**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	30.0%	3
Good (Meets Expectations)	70.0%	7
Fair (Below Expectations)	0.0%	0
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<b><i>answered question</i></b>		<b>10</b>
<b><i>skipped question</i></b>		<b>0</b>

**4. Submits timely written status reports.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	50.0%	5
Good (Meets Expectations)	40.0%	4
Fair (Below Expectations)	10.0%	1
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<b><i>answered question</i></b>		<b>10</b>
<b><i>skipped question</i></b>		<b>0</b>

**5. Recommendations concerning claims settlement or denial are clear and generally accepted.**

<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Very Good (Above Expectations)	40.0%	4
Good (Meets Expectations)	40.0%	4
Fair (Below Expectations)	20.0%	2
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<b>answered question</b>		<b>10</b>
<b>skipped question</b>		<b>0</b>

**6. Maintains good contact and keeps member apprised on all important matters.**

<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Very Good (Above Expectations)	50.0%	5
Good (Meets Expectations)	20.0%	2
Fair (Below Expectations)	30.0%	3
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<b>answered question</b>		<b>10</b>
<b>skipped question</b>		<b>0</b>

**7. Provides high quality advice and assistance.**

<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Very Good (Above Expectations)	60.0%	6
Good (Meets Expectations)	30.0%	3
Fair (Below Expectations)	10.0%	1
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<b>answered question</b>		<b>10</b>
<b>skipped question</b>		<b>0</b>

**8. Communicates well both orally and in writing.**

<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Very Good (Above Expectations)	40.0%	4
Good (Meets Expectations)	50.0%	5
Fair (Below Expectations)	10.0%	1
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<b>answered question</b>		<b>10</b>
<b>skipped question</b>		<b>0</b>

**9. Accomplishes goals and objectives and also provides additional value.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	40.0%	4
Good (Meets Expectations)	40.0%	4
Fair (Below Expectations)	10.0%	1
Poor (Does Not Meet Expectations)	10.0%	1
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

**10. Provides feedback and suggestions for mitigating claims.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	50.0%	5
Good (Meets Expectations)	30.0%	3
Fair (Below Expectations)	20.0%	2
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

**11. Overall level of satisfaction.**

Answer Options	Response Percent	Response Count
Very Good (Above Expectations)	50.0%	5
Good (Meets Expectations)	40.0%	4
Fair (Below Expectations)	10.0%	1
Poor (Does Not Meet Expectations)	0.0%	0
N/A (Don't have sufficient experience to evaluate)	0.0%	0
Other (please specify)		0
<i>answered question</i>		<b>10</b>
<i>skipped question</i>		<b>0</b>

**12. Comments on what doing well and/or provide suggestions for improvement:**

Answer Options	Response Count
	2
<i>answered question</i>	<b>2</b>
<i>skipped question</i>	<b>8</b>

Number	Response Date	Response Text	Categories
1	Jan 14, 2016 9:09 PM	Teresa and Ben provide great for Rocklin.	
2	Dec 28, 2015 4:33 PM	I believe NCCSIF should go out for an RFP for a new TPA. I've worked with York for years, but hear from other agencies there are more aggressive TPAs out there. We may end up with York after the RFP process, but I think we should definitely do our due diligence this year.	



BACK TO AGENDA

**Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016**

**Agenda Item J.**

**CLOSED SESSION TO DISCUSS PENDING CLAIMS**  
(Per Governmental Code Section 54956.95)

**ACTION ITEM**

**Liability**

1. Thomas vs Town of Paradise\*
2. Arp vs City of Rocklin\*

\*REQUESTING AUTHORITYJ



**Northern California Cities Self Insurance Fund  
Board of Directors Meeting  
April 28, 2016**

**Agenda Item L.**

**ROUND TABLE DISCUSSION**

**INFORMATION ITEM**

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

**RECOMMENDATION:** None.

**FISCAL IMPACT:** None.

**BACKGROUND:** The item is to the Board members for any topics or ideas that members would like to address.

**ATTACHMENT(S):** None.



**INFORMATION ITEMS**

**INFORMATION ITEM**

**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. NCCSIF Organizational Chart
2. NCCSIF 2016 Meeting Calendar
3. NCCSIF Travel Reimbursement
4. NCCSIF Resource Contact Guide

## 2016 NCCSIF Organizational Chart

MEMBER ENTITY	BOARD OF DIRECTORS	BOARD ALTERNATES	RISK MANAGEMENT COMMITTEE	POLICE RISK MANAGEMENT COMMITTEE
City of ANDERSON	Jeff Kiser	Liz Cottrell	Juanita Barnett	Chief Michael L. Johnson
City of AUBURN	Shari Harris	Tim Rundel	Shari Harris	Chief John Ruffcorn
City of COLUSA	<b>EC</b> Toni Benson	<i>Vacant</i>	<i>Vacant</i>	Chief Josh Fitch
City of CORNING	Kristina Miller	Tom Watson	Tom Watson	Chief Jeremiah Fears
City of DIXON	Michelle Pellegrino	Kim Stalie	Michelle Pellegrino	Chief Jon Cox
City of ELK GROVE	Brad Koehn	Jonathan Hobbs	Jim Ramsey	Lieutenant Art Olsen
City of FOLSOM	<b>EC</b> Jim Francis	Elaine Andersen	Kristine Haile	Chief Cynthia Renaud
City of GALT	<b>EC</b> Paula Islas	Steven Rudolph	Paula Islas	Chief Dan Drummond
City of GRIDLEY	Matt Michaelis	Elisa Arteaga	Matt Michaelis	Chief Dean Price
City of IONE	<b>EC / CC</b> Jon Hanken	Anna Daneri	Jon Hanken	Chief Tracy Busby
City of JACKSON	<b>EC / CC</b> Michael Daly	Dalacie Blankenship	Dalacie Blankenship	Chief Scott Morrison
City of LINCOLN	Astrida Trupovnieks	Sheila Van Zandt	Astrida Trupovnieks	Chief Rex Marks
City of MARYSVILLE	<b>EC</b> Satwant Takhar	Walter Munchheimer	Satwant Takhar	Chief Aaron W. Easton
City of NEVADA CITY	<b>S / EC</b> Corey Shaver	Catrina Olson	Corey Shaver	Chief Tim Foley
City of OROVILLE	Liz Ehrenstrom	<i>Vacant</i>	Liz Ehrenstrom	Asst. Chief Allen Byers
Town of PARADISE	Gina Will	Crystal Peters	Crystal Peters	Chief Gabriella Tazzari
City of PLACERVILLE	<b>VP / EC / CC</b> Dave Warren	Cleve Morris	Dave Warren	Chief Scott Heller
City of RED BLUFF	Sandy Ryan	Cheryl Smith	Sandy Ryan	Chief Kyle Sanders
City of RIO VISTA	Greg Bowman	Marni Rittburg	Marni Rittburg	Chief Greg Bowman
City of ROCKLIN	Kimberly Sarkovich	<i>Vacant</i>	Kimberly Sarkovich	Captain Chad Butler
City of WILLOWS	<b>T / EC / CC</b> Tim Sailsbery	<i>Vacant</i>	Wayne Peabody	Chief Jason Dahl
City of YUBA CITY	<b>EC / CC</b> Natalie Springer	Robin Bertagna	Natalie Springer	Chief Robert Landon

### OFFICERS

**P = President**    **VP = Vice President**  
**S = Secretary**    **T = Treasurer**

**EC = Executive Committee**  
**CC = Claims Committee**

PROGRAM ADMINISTRATORS (Alliant Insurance Services)
Marcus Beverly
Michael Simmons
Raychelle Maranan
Michelle Minnick
Joan Crossley

CLAIMS ADMINISTRATORS (York Risk Services)
Dorienne Zumwalt
Ben Burg (Workers' Comp)
Cameron Dewey (Liability)

RISK CONTROL CONSULTANTS (Bickmore)
Henri Castro
Tom Kline
Jeff Johnston

ADVISORS
Byrne Conley (Legal)
James Marta (Accounting)

# NCCSIF 2016 MEETING CALENDAR

<b>BOARD OF DIRECTORS</b> 12:00 p.m.	<b>EXECUTIVE COMMITTEE</b> 12:00 p.m.	<b>CLAIMS COMMITTEE</b> 10:30 a.m.
April 28	March 31*	March 31*
June 9	May 19*	May 19*
October 27	September 29	September 29
December 8		

<b>RISK MANAGEMENT COMMITTEE</b> 10:30 a.m.	<b>POLICE RISK MANAGEMENT COMMITTEE</b> 10:00 a.m.	<b>FINANCE COMMITTEE</b> 10:30 a.m.
April 28	February 4	As Needed
June 9	May 5*	
October 27	August 4	
December 8	November 3	

## ALL MEETINGS ARE SCHEDULED ON THURSDAYS

*Board of Directors and Risk Management Committee meetings are on the same date.*

*Executive Committee and Claims Committee meetings are on the same date.*

### MEETING LOCATION

Rocklin Event Center - Garden Room  
2650 Sunset Boulevard  
Rocklin, CA 95677

\*Rocklin Community Center - Springview Hall  
5480 5<sup>th</sup> Street  
Rocklin, CA 95677

## CJPRMA 2016 MEETING DATES

<b>EXECUTIVE COMMITTEE</b>	<b>BOARD OF DIRECTORS</b>
January 21	March 17
April 21	May 17, 18 & 19
July 21	June 16
September 13	October 26 & 27
November 17	December 15

*Updated 12/28/2015*

# Northern California Cities Self Insurance Fund

## Travel Reimbursement Expense Form

Member Representative: \_\_\_\_\_

Entity: \_\_\_\_\_

Payee Address: \_\_\_\_\_

Meeting or Committee: \_\_\_\_\_

Date of Meeting: \_\_\_\_\_

Location of Meeting: \_\_\_\_\_

Total Mileage: \_\_\_\_\_

Payment Made to: 


 \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

# 2016 NCCSIF RESOURCE CONTACT GUIDE

<p><b><u>PROGRAM ADMINISTRATION</u></b>  <b>Alliant Insurance Services, Inc.</b>                  2180 Harvard Street, Suite 460                  Sacramento, CA 95815                  Main: (916) 643-2700 Fax: (916) 643-2750  <a href="http://www.alliant.com">www.alliant.com</a></p>	
SUBJECT	MAIN CONTACT
<p><b>JPA MANAGEMENT ISSUES</b></p> <ul style="list-style-type: none"> <li>➤ <b>Governance</b> - policies and procedures, program budget/funding, financial analysis, program management, personnel, contracts, consultants.</li> <li>➤ <b>Coverage</b> - 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.</li> <li>➤ <b>Risk Management</b> - 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.</li> </ul>	<p><b>Marcus Beverly</b>                  Michael Simmons                  Raychelle Maranan                  Michelle Minnick                  Joan Crossley</p>
<p><b>JPA ADMINISTRATIVE ISSUES</b></p> <ul style="list-style-type: none"> <li>➤ <b>Meetings &amp; Compliance</b> - agendas; minutes; development/maintenance of governing documents, development/interpretation of policies &amp; procedures, JPA state compliance, Form 700, changes in Board members, website updates.</li> <li>➤ <b>Certificates</b> - certificates of coverage, additions/deletions of coverages, special events liability coverage, automobile identification cards, auto/mobile equipment physical damage programs.</li> </ul>	<p><b>Raychelle Maranan</b>                  Michelle Minnick                  Marcus Beverly                  Joan Crossley</p>
<p>Michael Simmons (415) 403-1425 / (925) 708-3374 cell                  Marcus Beverly (916) 643-2704 / (916) 660-2725 cell                  Raychelle Maranan (916) 643-2712                  Michelle Minnick (916) 643-2715                  Joan Crossley (916) 643-2708</p>	<p><a href="mailto:msimmons@alliant.com">msimmons@alliant.com</a>  <a href="mailto:Marcus.Beverly@alliant.com">Marcus.Beverly@alliant.com</a>  <a href="mailto:Raychelle.Maranan@alliant.com">Raychelle.Maranan@alliant.com</a>  <a href="mailto:Michelle.Minnick@alliant.com">Michelle.Minnick@alliant.com</a>  <a href="mailto:jcrossley@alliant.com">jcrossley@alliant.com</a></p>
<p style="text-align: center;"><b><u>ACCOUNTING SERVICES</u></b>  <b>James Marta &amp; Company CPAs</b>                  701 Howe Avenue, Suite E3                  Sacramento, CA 95825                  Main: (916) 993-9494 · Fax: (916) 993-9489  <a href="http://www.jpmpca.com">www.jpmpca.com</a></p> <p><b>Jim Marta</b> - <a href="mailto:jmarta@jpmpca.com">jmarta@jpmpca.com</a>  <b>Alana Theiss</b> - <a href="mailto:atheiss@jpmpca.com">atheiss@jpmpca.com</a></p>	<p style="text-align: center;"><b><u>SAFETY &amp; RISK CONTROL SERVICES</u></b>  <b>Bickmore</b>                  1750 Creekside Oaks Drive, Suite 200                  Sacramento, CA 95833                  Main: (800) 541-4591 Fax: (855) 242-8919  <a href="http://www.bickmore.net">www.bickmore.net</a></p> <p><b>Henri Castro</b> - <a href="mailto:hcastro@bickmore.net">hcastro@bickmore.net</a> - (916) 244-1107                  Police Risk Management  <b>Tom Kline</b> - <a href="mailto:tkline@bickmore.net">tkline@bickmore.net</a> - (916) 244-1121</p>

# 2016 NCCSIF RESOURCE CONTACT GUIDE

<p><u>CLAIMS ADMINISTRATION</u>  <b>York Risk Services Group, Inc.</b>                  P.O. Box 619079                  Roseville, CA 95661-9058                  Main: (916) 783-0100 · Fax (866) 548-2637  <a href="http://www.yorkrsg.com">www.yorkrsg.com</a></p>	<p><u>EMPLOYEE ASSISTANCE PROGRAM</u>  <b>ACI Specialty Benefits Corporation</b>                  6480 Weathers Place, Suite 300                  San Diego, CA 92121                  Main: (858) 452-1254 · Fax: (858) 452-7819  <a href="http://www.acispecialtybenefits.com">www.acispecialtybenefits.com</a>                  Kathryn Mullis - <a href="mailto:kmullis@acispecialtybenefits.com">kmullis@acispecialtybenefits.com</a></p>
<b>CLAIMS LIABILITY CONTACTS</b>	<b>CLAIMS WORKERS' COMPENSATION CONTACTS</b>
<p><b>Alex Davis</b>, Senior Adjuster                  (925) 349-3890  <a href="mailto:alex.davis@yorkrsg.com">alex.davis@yorkrsg.com</a>  <i>Handles All Cities As Needed</i></p> <p><b>D'Ana Seivert</b>, Adjuster/Subro Unit Manager                  (916) 960-0980  <a href="mailto:dana.seivert@yorkrsg.com">dana.seivert@yorkrsg.com</a>  <i>Handles All Cities As Needed</i></p> <p><b>Erica Nichols</b>, Adjuster                  (916) 960-1026  <a href="mailto:erica.nichols@yorkrsg.com">erica.nichols@yorkrsg.com</a>  <i>Folsom, Rocklin</i></p> <p><b>Irina Ganchenko</b>, Adjuster                  (916) 746-8856  <a href="mailto:irina.ganchenko@yorkrsg.com">irina.ganchenko@yorkrsg.com</a>  <i>Marysville, Yuba City &amp; All Cities As Needed</i></p> <p><b>Kathleen Turner</b>, Adjuster                  (916) 960-0953  <a href="mailto:kathleen.turner@yorkrsg.com">kathleen.turner@yorkrsg.com</a>  <i>Handles All Cities As Needed</i></p> <p><b>Kenneth Sloan</b>, Senior Adjuster                  (916) 960-0927  <a href="mailto:ken.sloan@yorkrsg.com">ken.sloan@yorkrsg.com</a>  <i>Galt, Rio Vista</i></p> <p><b>Sarah Briasco</b>, Recovery Specialist                  (916) 960-0920  <a href="mailto:sarah.briasco@yorkrsg.com">sarah.briasco@yorkrsg.com</a>  <i>Handles All Cities As Needed</i></p>	<p><b>Dan Lamb</b>, Senior Adjuster                  (209) 795-0742  <a href="mailto:dan.lamb@yorkrsg.com">dan.lamb@yorkrsg.com</a>  <i>Jackson</i></p> <p><b>Gianna Polli</b>, Subrogation Specialist                  (916) 580-2452  <a href="mailto:gianna.polli@yorkrsg.com">gianna.polli@yorkrsg.com</a>  <i>Handles All Cities As Needed</i></p> <p><b>John Tucker</b>, Senior Adjuster                  (209) 320-0804  <a href="mailto:john.tucker@yorkrsg.com">john.tucker@yorkrsg.com</a>  <i>Dixon, Galt, Ione, Rio Vista</i></p> <p><b>Kelley Winters</b>, Senior Adjuster                  (916) 960-1024  <a href="mailto:kelley.winters@yorkrsg.com">kelley.winters@yorkrsg.com</a>  <i>Auburn, Lincoln</i></p> <p><b>Sammie Curry</b>, Senior Adjuster                  (916) 960-0964  <a href="mailto:sammie.curry@yorkrsg.com">sammie.curry@yorkrsg.com</a>  <i>Handles All Cities As Needed</i></p> <p><b>Shawn Millar</b>, Senior Adjuster                  (530) 345-5998  <a href="mailto:shawn.millar@yorkrsg.com">shawn.millar@yorkrsg.com</a>  <i>Colusa, Gridley, Marysville, Oroville, Paradise, Willows, Yuba City</i></p> <p><b>Cameron Dewey</b>, Unit Manager                  (530) 243-3249  <a href="mailto:cameron.dewey@yorkrsg.com">cameron.dewey@yorkrsg.com</a>  <i>Anderson, Corning, Red Bluff</i></p>
<p><b>Teresa Utterback</b>                  Senior Claims Examiner                  (916) 960-0975  <a href="mailto:teresa.utterback@yorkrsg.com">teresa.utterback@yorkrsg.com</a>  <i>Oroville, Rocklin, Dixon</i></p> <p><b>Kara Kennedy</b>                  Senior Claims Examiner                  (916) 742-3100  <a href="mailto:kara.kennedy@yorkrsg.com">kara.kennedy@yorkrsg.com</a>  <i>Elk Grove, Yuba City, Marysville</i></p> <p><b>Cristal Rhea</b>                  Senior Claims Examiner                  (916) 746-6307  <a href="mailto:crsital.rhea@yorkrsg.com">crsital.rhea@yorkrsg.com</a>  <i>Willows</i></p> <p><b>Elaina Cordova</b>                  Medical Only Examiner                  (916) 960-0919  <a href="mailto:elaina.cordova@yorkrsg.com">elaina.cordova@yorkrsg.com</a></p>	<p><b>Lela Casey</b>                  Senior Claims Examiner                  (916) 960-0983  <a href="mailto:lela.casey@yorkrsg.com">lela.casey@yorkrsg.com</a>  <i>Red Bluff</i></p> <p><b>Sara Marshall</b>                  Claims Examiner                  (916) 960-0982  <a href="mailto:sara.marshall@yorkrsg.com">sara.marshall@yorkrsg.com</a>  <i>Folsom, Anderson, Auburn, Galt, Colusa, Corning, Placerville, Rio Vista, Gridley, Ione, Jackson, Lincoln, Nevada City, Town of Paradise</i></p> <p><b>Christine Stillwell</b>                  Future Medical Examiner                  (916) 960-0950  <a href="mailto:christine.stillwell@yorkrsg.com">christine.stillwell@yorkrsg.com</a></p> <p><b>Ben Burg</b>                  Unit Manager                  (916) 960-0946  <a href="mailto:ben.burg@yorkrsg.com">ben.burg@yorkrsg.com</a></p>
<p style="text-align: center;"><u>RESOURCES</u></p> <p><b>Mike Berndt</b>                  Assistant Vice President                  Liability                  (925) 349-3891  <a href="mailto:mike.berndt@yorkrsg.com">mike.berndt@yorkrsg.com</a></p>	<p style="text-align: center;"><u>RESOURCES</u></p> <p><b>Dori Zumwalt</b>                  Senior Account Manager                  Client Services                  (916) 960-1017  <a href="mailto:dorienne.zumwalt@yorkrsg.com">dorienne.zumwalt@yorkrsg.com</a></p> <p><b>Jeff Ponta</b>                  Regional Vice President                  Workers' Compensation                  (916) 960-0965  <a href="mailto:jeff.ponta@yorkrsg.com">jeff.ponta@yorkrsg.com</a></p>