



**President**  
Ms. Elizabeth Ehrenstrom  
City of Oroville

**Vice President**  
Ms. Kristine Haile  
City of Folsom

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

**Secretary**  
Ms. Gina Will  
Town of Paradise

---

**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
EXECUTIVE COMMITTEE MEETING  
VIA TELECONFERENCE  
AGENDA**

**DATE / TIME:** Wednesday, December 4, 2019 at 10:00 a.m.

**LOCATION:** Teleconference - Multiple Locations

**This meeting agenda shall be posted at the address of the teleconference locations shown below with access for the public via phone/speakerphone.**

1. City of Folsom - 50 Natoma Street, Folsom, CA 95630
2. City of Gridley - 685 Kentucky Street, Gridley, CA 95948
3. City of Nevada City - 317 Broad Street, Nevada City, CA 95959
4. City of Oroville - 1735 Montgomery Street, Oroville, CA 95965
5. Town of Paradise - 5555 Skyway, Paradise, CA 95969
6. City of Willows - 201 North Lassen Street, Willows, CA 95988

**A - Action**  
**I - Information**

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

**MISSION STATEMENT**

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

**A. CALL TO ORDER**

**B. ROLL CALL**

**C. APPROVAL OF AGENDA AS POSTED**

**A 1**

**D. PUBLIC COMMENTS**

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

pg. 4 **E. CONSENT CALENDAR**

**A 1**

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



**President**  
Ms. Elizabeth Ehrenstrom  
City of Oroville

**Vice President**  
Ms. Kristine Haile  
City of Folsom

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

**Secretary**  
Ms. Gina Will  
Town of Paradise

pg. 5	1. Executive Committee Meeting Minutes - September 26, 2019		
pg. 14	2. FY 19/20 Liability Claims Auditing Services Agreement with Risk Management Services		
pg. 26	<b>F. GENERAL RISK MANAGEMENT ISSUES</b>	<b>I</b>	<b>4</b>
	<i>This is an opportunity for a member to discuss a topic of interest or seek guidance and input from the group about a current issue, risk management topic or exposure the member is facing.</i>		
	<b>G. ADMINISTRATION REPORTS</b>	<b>I</b>	
	1. <b>President's Report</b>		<b>4</b>
	<i>Elizabeth Ehrenstrom will address the Committee on items pertaining to NCCSIF.</i>		
	2. <b>CJPRMA Update</b>		<b>4</b>
	<i>Marcus Beverly will update the Committee on CJPRMA matters pertinent to NCCSIF. Minutes of the last meeting can be found at <a href="http://www.cjprma.org">http://www.cjprma.org</a>.</i>		
	3. <b>Program Administrator's Report</b>		<b>1</b>
pg. 27	<i>Alliant will address the Committee on items pertaining to NCCSIF.</i>		
	a. Alliant Service Team Transition - Michael Simmons Letter		
	<b>H. JPA BUSINESS</b>		
pg. 28	1. <b>Bylaws Amendment - Terms of Officers</b>	<b>A</b>	<b>1</b>
	<i>The Committee will review and may recommend an amendment to the Bylaws to change the terms of Officers from calendar year to fiscal year to align with the recently changed Executive Committee terms of office.</i>		
pg. 45	2. <b>Policy and Procedure Revisions</b>	<b>A</b>	<b>1</b>
	<i>The Committee will review and may recommend or provide direction on revisions to the following Policies:</i>		
pg. 47	a. A-16: Segregation of Accounting Duties		
pg. 48	b. A-4: Quarterly Financial Statements		
pg. 49	c. A-18: Finance Committee Composition and Duties		
pg. 51	d. A-13: Review and Control of Investment Activities		



**President**  
Ms. Elizabeth Ehrenstrom  
City of Oroville

**Vice President**  
Ms. Kristine Haile  
City of Folsom

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

**Secretary**  
Ms. Gina Will  
Town of Paradise

---

pg. 53	<b>3. January 2020 Long Range Planning and Board Meeting Draft Agenda</b>	<b>A</b>	<b>1</b>
	<i>The Committee to review the draft meeting agenda and recommend additional topics for the LRP session.</i>		
	<b>I. INFORMATION ITEMS</b>	<b>I</b>	<b>1</b>
pg. 59	1. NCCSIF Organizational Chart		
pg. 60	2. NCCSIF 2020 Meeting Calendar		
	<b>J. ADJOURNMENT</b>		

**UPCOMING MEETINGS**

- Long Range Planning and Board of Directors Meeting - January 16, 2020
- Police Risk Management Committee Meeting - February 6, 2020
- Claims Committee Meeting - March 26, 2020
- Executive Committee Meeting - March 26, 2020
- Risk Management Committee Meeting - April 23, 2020

*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 Executive Committee less than 72 hours prior to a regular meeting will be available for public inspection and copying at 2180 Harvard Street, Suite 460, Sacramento, CA 95815.*

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



BACK TO AGENDA

**Northern California Cities Self Insurance Fund  
Executive Committee Meeting  
December 4, 2019**

**Agenda Item E.**

**CONSENT CALENDAR**

**ACTION ITEM**

**ISSUE:** The Executive Committee reviews items on the Consent Calendar, and if any item requires clarification or discussion a Member should ask that it be removed for separate action. The Committee should then consider action to approve the Consent Calendar excluding those items removed. Any items removed from the Consent Calendar will be placed later on the agenda in an order determined by the President.

**RECOMMENDATION:** Adoption of the Consent Calendar after review by the Committee.

**FISCAL IMPACT:** None.

**BACKGROUND:** Routine items that generally do not require discussion are regularly placed on the Consent Calendar for approval.

**ATTACHMENT(S):**

1. Executive Committee Meeting Minutes - September 26, 2019
2. FY 19/20 Liability Claims Auditing Services Agreement with Risk Management Services



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
EXECUTIVE COMMITTEE MINUTES  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
SEPTEMBER 26, 2019**

---

**COMMITTEE MEMBERS PRESENT**

Liz Ehrenstrom, City of Oroville - President (**Chair**)  
Kristine Haile, City of Folsom - Vice President  
Tim Sailsbery, City of Willows - Treasurer  
Gina Will, Town of Paradise - Secretary and CJPRMA Board Representative  
Joanne Narloch, City of Galt  
Elisa Arteaga, City of Gridley  
Veronica Rodriguez, City of Lincoln  
Loree' McCay, City of Nevada City  
Jen Lee, City of Rio Vista

**CONSULTANTS & GUESTS**

Marcus Beverly, Alliant Insurance Services  
Michael Simmons, Alliant Insurance Services  
Raychelle Maranan, Alliant Insurance Services  
Nicole Rushing, James Marta & Company  
Dori Zumwalt, Sedgwick

**A. CALL TO ORDER**

Chair Liz Ehrenstrom called the meeting to order at 11:30 a.m.

**B. APPROVAL OF AGENDA AS POSTED**

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

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, McCay, Lee

**Nays:** None

**C. PUBLIC COMMENTS**

There were no public comments.

**D. CONSENT CALENDAR**

1. Executive Committee Meeting Minutes - May 30, 2019 (Draft)
2. Check Register from May 1, 2019 to August 31, 2019
3. Investment Reports
  - a. Chandler Asset Management Short/Long Term - May 2019 to August 2019
  - b. Chandler Asset Management GASB 40 Reports as of June 30, 2019



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
EXECUTIVE COMMITTEE MINUTES  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
SEPTEMBER 26, 2019**

---

- c. Chandler Asset Management GASB 72 Reports as of June 30, 2019
- d. Local Agency Investment Fund (LAIF) Report as of June 30, 2019
- e. Treasurer's Report as of June 30, 2019
- 4. Police Risk Management Grant Funds Utilization Report as of September 2019
- 5. PMIA Performance Report & LAIF Performance Report QE June 30, 2019

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

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, McCay, Lee

**Nays:** None

*Veronica Rodriguez arrived at 11:32 am.*

**E. GENERAL RISK MANAGEMENT ISSUES**

Mr. Michael Simmons brought up a coverage issue regarding affording liability coverage under the Memorandum of Coverage (MOC) to city employees administering prescription drugs. This is a new exposure that widely affects municipality particularly dealing with homeless camps, police agencies handling Narcan (antidote to opioid overdose), and parks and recreation department handling of EpiPen. The insurance industry is still in research stage in determining coverage for those that are not medical professional administering prescription drugs. The incidental medical malpractice coverage is intended for organization outside of the health care industry who have a medical exposure for operations that are incidental that could apply to Emergency Medical Technician (EMT). NCCSIF follows form to CJPRMA MOC. Alliant will review the coverage language with CJPRMA on this issue.

Mr. Marcus Beverly indicated that Union City, CA just had a Cyber-attack a day ago. Members were reminded that Cyber threats are common occurrences and to exercise precautionary measures by signing up to Beazley's site for cyber risk management resources available to members.

Mr. Beverly mentioned that the City of Placerville plans to demolish a public restroom that was taken over by illicit activity. This is another sign of the times facing municipalities dealing with homelessness crisis.

**F. ADMINISTRATION REPORTS**

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

Chair Ehrenstrom acknowledged Dave Warren of City of Placerville for his work in developing the new logos. Chair Ehrenstrom also recognized Tim Sailsbery of City of Willows for his long-



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
EXECUTIVE COMMITTEE MINUTES  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
SEPTEMBER 26, 2019**

---

time contribution as Treasurer for the JPA. Also, thanked Raychelle Maranan for doing a great job and as the go-to person for NCCSIF.

**F.2. CJPRMA Update**

Chair Ehrenstrom reported that CJPRMA is financially doing ok but had to liquidate some assets to payout huge claims.

Mr. Beverly indicated that CJPRMA plans to recommend members move to higher SIR (Self-Insured Retention) of \$750,000 or \$1 million, and will have more updates at their October Board meeting.

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

Mr. Beverly indicated that NCCSIF will have a special luncheon at the October 24, 2019 Board meeting in celebration of the JPA's 40<sup>th</sup> Anniversary.

**G. FINANCIAL REPORTS**

**G.1. Quarterly Financial Report for Period Ending June 30, 2019**

Ms. Nicole Rushing handed out a revised financial report reflecting the following correction:

- Lexipol Fire Services cost was moved to pass through line item.
- Lexipol Law Enforcement entire cost was moved under the Workers' Compensation program.

Ms. Rushing reviewed the Quarterly Financial Report for period ending June 30, 2019, and presented the highlights of the report.

Ms. Rushing will follow up with Chair Ehrenstrom via e-mail on the Safety Services line item on the financial.

**A motion was made to accept and file the Quarterly Financial Report for the period ending June 30, 2019.**

**MOTION:** Gina Will                      **SECOND:** Loree McCay                      **MOTION CARRIED UNANIMOUSLY**  
**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee  
**Nays:** None



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
EXECUTIVE COMMITTEE MINUTES  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
SEPTEMBER 26, 2019**

---

**G.2. Budget-to-Actual as of June 30, 2019**

Mr. Beverly indicated that the NCCSIF final year-end administrative expenses is 5% below the budgeted amount. This is due to improvement with OSIP (Office of Self-Insurance Plans) annual Workers' Compensation assessment.

**G.3. FY 18/19 Financial Audit Update**

Ms. Rushing indicated that Crowe LLP will have a draft of the FYE June 30, 2019 audit report by October 11, 2019. Thus far, there were no recommended adjustments. Crowe will present the audit findings at the October 24, 2019 Board meeting.

Mr. Beverly noted that Crowe reassigned a new manager, Jennifer Hall, on this year's audit. The Program Administrators have also prepared to issue a Request for Proposals for a financial auditor for FY 19/20 and beyond based on previous direction of the Committee.

**G.4. Corridor Deductible - CJPRMA**

Mr. Beverly reported that the pool entered in to a Corridor Deductible arrangement with CJPRMA for Fiscal Years, 13/14, 14/15 and 15/16. Mr. Beverly reviewed the corridor deductible calculation with the Committee and noted that additional cost due to CJPRMA is estimated at \$88,895.60 to be confirmed with updated loss data by year-end, December 31, 2019.

Mr. Simmons reminded the Committee why the pool made the deal and it turned out to be advantageous arrangement for NCCSIF.

**A motion was made to approve the additional reimbursement to CJPRMA per the terms of the corridor deductible agreement.**

**MOTION:** Gina Will

**SECOND:** Kristine Haile

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

**H. CLAIMS SERVICES**

**H.1. FY 19/20 Liability Claims Audit Agreement**

Mr. Beverly indicated that NCCSIF is scheduled to conduct the Liability Claims Audit this year. Alliant has requested proposal from Ken Maiolini of Risk Management Services (RMS). Mr. Beverly suggested to do a full-blown Request for Proposal (RFP) in two years.



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
EXECUTIVE COMMITTEE MINUTES  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
SEPTEMBER 26, 2019**

---

Mr. Tim Sailsbery stated to stagger RFP per the contract schedule timeline previously approved to ensure manageability of the RFP process.

**A motion was made to approve Risk Management Services proposal as the Liability Claims Auditor for FY 19/20 as presented and authorized Marcus Beverly to sign the agreement on behalf of NCCSIF.**

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

**H.2. Approval of NCCSIF Defense Attorney List for Liability**

Mr. Beverly indicated that the Claims Committee recommended addition of these attorneys at their meeting held that morning. It was noted direction was given to Program and Claims Administrators to review the legal panel to make sure it is accurate and up to date based on utilization and include the City that is using the firm on the panel list.

**A motion was made to approve the addition of Melissa D. Culp, Ruben Escobedo, Courtney L. Hylton, and Norman J. Watkins from Lynberg & Watkins to the Liability Counsel Approved List.**

**MOTION:** Gina Will

**SECOND:** Kristine Haile

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

**I. JPA BUSINESS**

**I.1. Draft Board Meeting Agendas**

**I.1.a. October 24, 2019 Board of Directors Meeting Agenda**

**I.1.b. January 16, 2020 Long Range Planning (LRP) and Board of Directors Meeting Agenda**

The above items were reviewed altogether.

Mr. Beverly reviewed the draft agenda for the upcoming October 24, 2019 Board of Directors meeting. The JPA's 40th Anniversary Celebration is also scheduled on this day with past Board members and past service providers invited to attend. It was noted that members are allowed to extend invitation to other city employees.



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
EXECUTIVE COMMITTEE MINUTES  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
SEPTEMBER 26, 2019**

---

Mr. Beverly reviewed the draft agenda for the upcoming Long-Range Planning (LRP) and Board of Directors meeting in January.

Mr. Simmons indicated that the Committee may need to schedule another meeting between the BOD meetings in October and January to vet the items on the LRP topics and any follow up from the October Board meeting. Suggested the first or second week of December via teleconference.

The Executive Committee is in agreement scheduling a teleconference meeting the first or second week of December.

**A motions was made to approve the draft agendas for the October 24, 2019 Board meeting and the January 16, 2020 Long-Range Planning and Board meeting as presented.**

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

**I.2. 40<sup>th</sup> Anniversary Rebranding**

Mr. Beverly indicated that Dave Warren of City of Placerville worked with a graphic artist to come up with a modern logo to update the pools image and to commemorate the JPA's fortieth anniversary. The anniversary represents a good time to assess the branding of the pool as NorCal Cities.

The Committee provided their feedback and suggested to keep the state within the circle and include more of the state so it is clear it is the State of California.

**A motion was made to approve the logos with recommend changes keeping the state within the circle and include more of the state so it is recognizable that it is the State of California and for the Program Administrators to e-mail the revised logos to the Executive Committee for final approval prior to the October Board meeting.**

**MOTION:** Kristine Haile

**SECOND:** Loree McCay

**MOTION CARRIED**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, McCay, Lee

**Nays:** Rodriguez

**I.3. Policy and Procedure Revisions**

**I.3.a. A-4: Quarterly Financial Statements**

**I.3.b. A-16: Segregation of Accounting Duties**

**I.3.c. A-18: Finance Committee Composition and Duties**

**I.3.d. A-13: Review and Control of Investment Activities**



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
EXECUTIVE COMMITTEE MINUTES  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
SEPTEMBER 26, 2019**

---

These above items were reviewed all together.

Mr. Beverly indicated that the Program Administrators are undertaking a review of NCCSIF Policies and Procedures and the following Administrative Policies relating to the Treasurer's responsibility, preparation of quarterly financial statements and segregation of accounting duties are out of date and will need to bring current:

- a. A-4: Quarterly Financial Statement - principal change is to replace references to the Treasurer's preparation of the financial statements with the Financial Consultant. Suggested addition of, "Claims Administrators to send check register to Financial Consultant."
- b. A-16: Segregation of Accounting Duties - introduces the role of the Financial Consultant as distinct from the Treasurer.
- c. A-18: Finance Committee Composition and Duties - being updated to note that the Executive Committee performs the duties on a regular basis and convenes the Finance Committee as needed.
- d. A-13: Review and Control of Investment Activities - references the Executive Committee's normal role in review and control of investment activities. The Committee questioned whether it is necessary to name a specific bank on the policy

As additional clarification is needed on A-4 to clearly identify the role of the Treasurer and the Financial Consultant, James Marta & Company, the Committee tabled these items for further review at the next Executive Committee meeting.

The Committee directed the Program Administrators to review the policies to ensure they are in alignment with governing documents.

#### **I.4. Legal Services Agreement with Gibbons & Conley**

Mr. Beverly indicated that Gibbons and Conley, Board Legal Counsel, have requested an increase in their fees for the next three years. The request is reasonable, especially given the excellent work the firm has provided in coverage-issue claims and the recent landmark inverse claim precedent in successfully defending a sewer claim against the City of Oroville.

**A motion was made to approve Gibbons & Conley Legal Services Agreement as presented and authorized Marcus Beverly to sign the agreement on behalf of NCCSIF.**

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
EXECUTIVE COMMITTEE MINUTES  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
SEPTEMBER 26, 2019**

---

**Nays:** None

**I.5. Appointment of CJPRMA Board Representative**

Mr. Beverly indicated the Committee is asked to appoint a new Board Representative to the California Joint Powers Risk Management Authority (CJPRMA). It was noted that Liz Ehrenstrom has filled in as CJPRMA Alternate Board Rep in the past year when Gina Will, CJPRMA Board Rep, was not able to fulfill the role due to the unfortunate event with Camp Fire that monopolized her time.

Ms. Veronica Rodriguez of City of Lincoln volunteered to serve as CJPRMA Board Representative.

**A motion was made to recommend appointment of Veronica Rodriguez as CJPRMA Board Representative to the Board.**

**MOTION:** Gina Will                      **SECOND:** Kristine Haile                      **MOTION CARRIED  
UNANIMOUSLY**  
**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee  
**Nays:** None

Chair Ehrenstrom indicated she is willing to remain as CJPRMA Alternate Board Representative.

**I.6. 2020 NCCSIF Officers**

Mr. Beverly indicated the Executive Committee (EC) rotates annually, on a calendar-year rotation, with each Member serving a two-year term. The Program Administrators suggested changing the EC term of office from calendar-year to fiscal-year basis to align with NCCSIF's operations. In order to move forward with the change beginning July 1, 2020, the transitional period can be done by truncating the terms for some members by six months and/or extending the terms for additional six months for some members.

The Committee discussed and is in agreement with aligning the EC terms of office to NCCSIF's fiscal-year operation. The Committee directed the Program Administrators to check the Bylaws for any conflicts and provide a clear report on how to undertake this change for approval at the October Board meeting.

Mr. Simmons indicated will present option extending office terms for those ending December 31, 2019 to June 30, 2020.

Mr. Tim Sailsbery indicated that he is willing to serve as Treasurer for continuity.

**A motion was made to nominate Tim Sailsbery as Treasurer.**



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
EXECUTIVE COMMITTEE MINUTES  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
SEPTEMBER 26, 2019**

---

**MOTION:** Liz Ehrenstrom

**SECOND:** Gina Will

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

**I.7. Preliminary 2020 Meeting Calendar**

Mr. Beverly asked the Committee to review the dates and advise if there are any conflicts. The proposed dates were changed to work around the CJPRMA meeting dates to lessen conflict for the CJPRMA Board Representative.

**A motion was made to recommend the Preliminary 2020 Meeting Calendar to the Board as presented.**

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

**J. INFORMATION ITEMS**

1. NCCSIF Organizational Chart
2. NCCSIF 2019 Meeting Calendar
3. NCCSIF Travel Reimbursement

There was no discussion on these items.

**K. ADJOURNMENT**

The meeting was adjourned at 1:19 p.m.

Respectfully Submitted,

\_\_\_\_\_  
Gina Will, Secretary

\_\_\_\_\_  
Date

## CLAIMS AUDITING SERVICES AGREEMENT

By this Agreement dated November 21, 2019, NCCSIF and Risk Management Services ("Contractor") mutually agree:

### 1. PURPOSE

The NCCSIF is in need of services of Contractor for a claim audit of its liability program.

### 2. CONTRACTOR'S OBLIGATIONS

Contractor shall perform audit services on behalf of NCCSIF as identified and as requested by the NCCSIF Program Director and/or designee(s). Contractor is qualified and competent to provide claims auditing services. Contractor shall utilize its professional knowledge and skills in the evaluation of reserves, settlements and other matters relating to claims. Any additional work required as identified by Contractor must have prior approval of the NCCSIF Program Director and/or designee(s).

### NCCSIF'S OBLIGATIONS

In consideration for providing auditing services, compensation shall be based upon the proposal provided by Contractor in August 2019, attached as Exhibit A. Contractor agrees to audit a maximum of 60 open claims and 20 closed claims at a total cost not to exceed \$6,625.00. In the event that NCCSIF requires additional work not subject to the proposal submitted, Contractor will be required to request additional funding prior to performing the additional work.

NCCSIF agrees to produce all final copies of all reports to NCCSIF Members. Contractor agrees to attend and present their finding at the Board of Directors Meeting.

NCCSIF, and its staff will provide Contractor with a formal list of all claims to be audited and will provide to Contractor all appropriate policies and procedures pertaining to the claims management function for the organization. NCCSIF will provide Contractor with all documents that define the requirements of the audit process and will identify all data collection requirements and reporting requirements for the process.

NCCSIF and its members shall cooperate fully with the Contractor by providing, at no expense to Contractor such reports, investigations, records, maps and other documents as may be reasonably necessary to perform the audit.

### 3. TERM

The project shall be completed by December 31 and presented to the NCCSIF Board after that date. The project may be terminated by either party upon written notice. Contractor shall be paid for all fees and costs that have accrued up to the time of termination.

Contractor and NCCSIF each agree to sign any documents reasonably necessary to complete Contractor's discharge or withdrawal.

### 4. INDEPENDENT CONTRACTOR STATUS

In performing the audit services herein agreed upon, Contractor shall have the status of an independent contractor and shall not be deemed to be an officer, employee or agent of NCCSIF or its members.

### 5. SUBCONTRACT AND ASSIGNMENT

Contractor shall not subcontract any of the work or assign any of the rights or obligations without the prior written consent of NCCSIF.

6. RECORDS

Contractor agrees that all findings, records, and reports created arising out of this audit are the property of NCCSIF and shall not publish, distribute, or provide any of the findings of the audit with other agencies without the express written consent of NCCSIF. Claim records reviewed include confidential material protected by attorney-client, attorney work product, and pending litigation privileges, and review of such records is necessary in properly defending and adjusting claims against Members. Review of such records shall not constitute a waiver of confidentiality. Contractor agrees not to disclose any confidential contents except in reports to NCCSIF labeled as "confidential."

7. INDEMNITY

Contractor agrees to indemnify, defend and hold NCCSIF and its officers and employees harmless from any and all liability, claims, damages or injuries to any person, including injury to Contractor's employees and all claims which arise from or are connected with the performance of or failure to perform the work or other obligations of this Agreement, or are caused or claimed to be caused by the acts or omissions of Contractor, its agents or employees, and all expenses of investigating and defending against same; provided, however, that this indemnification and hold harmless shall not include any claim arising from the sole negligence or willful misconduct of NCCSIF, its agents, employees or members.

8. INSURANCE

During the entire term of this contract and any extension or modification thereof, the Contractor shall keep in effect insurance policies providing coverage for commercial general liability, professional liability, and workers' compensation and employers' liability exposure (if required by law) at limits described below, or as acceptable by NCCSIF, and shall provide certificates of insurance evidencing the above-required insurance coverage annually.

Minimum Limits of Insurance:

General Liability: \$1,000,000 per occurrence combined for bodily injury, property damage and person injury.

9. CONFLICTS OF INTEREST

Contractor promises and agrees that it and members of its staff shall avoid any actual or potential conflicts of interest. Contractor agrees to immediately notify NCCSIF or its designee, of any matter that may involve an actual or potential conflict of interest.

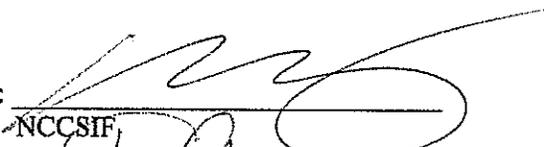
10. SIGNATURE

THESE SIGNATURES ATTEST THE PARTIES AGREEMENT HERETO:

Contractor:

Dated: 11/20/19

Dated: 11/21/19

By:   
NCCSIF

By:   
Kenneth R. Maiolini  
Risk Management Services

***Exhibit A - Risk Management Services Proposal provided in August 2019***

**NORTHERN CALIFORNIA CITIES  
SELF INSURANCE FUND  
(NCCSIF)**

**REQUEST FOR PROPOSAL LIABILITY AND  
PROPERTY PROGRAM CLAIMS AUDIT**

Submitted by:  
Kenneth R. Maiolini, ARM-P  
Risk Management Services  
8000 Old Redwood Highway  
Cotati, CA 94931  
Email: [claims@rmscotati.com](mailto:claims@rmscotati.com)  
(707) 792-4980 ph  
(707) 792-4988 fax  
August 20, 2019

## CLAIMS AUDITING PHILOSOPHY

RMS takes a diverse approach to claims audits because of its background and experience, and its belief that such an approach provides the most meaningful results for its clients.

In addition to reviewing files according to Generally Accepted Claims Handling Standards (GACHS) for addressing file management, timely investigation, adequacy of reserves, liability and damage analysis, litigation management, compliance to excess requirements and timely settlement negotiations, RMS attempts to also focus on other areas that are both helpful to the client and, if applicable, the insuring entity. RMS additionally addresses CAJPA credentialing criteria.

Because of its “hands on” claims activities, risk and loss consulting efforts, and role as a primary/excess TPA, RMS brings some unique perspectives to a claims audit. We are sensitive to the client’s need to get more out of an audit than having someone upset their files for a few days. With that in mind, we examine, in the course of the audit, areas that can improve the client’s claims handling system, trends that raise risk management issues, areas of risk transfer as it pertains to contractors, effectiveness of the insured’s TPA or in-house claims unit, comparisons of how client’s settlements compare to similar entities, suggestions on experts that may provide benefit to the defense, and assistance with politically sensitive situations.

In addition to the hard copy audit, RMS tries to do more than the traditional exit interview with the client. As logistics will allow, we attempt to speak with the client prior to the audit to check on any unusual situations or problems, and to generally discover what the client would like to accomplish in the audit.

In determining the claims sample to be audited, RMS pays close attention to the obvious indicators such as claim type, high reserves, high defense costs, etc. However, to get a feel for how claims are analyzed and handled, we also focus on recently filed claims, selected claims with no reserve, claims settling for low resolution value and claims with similar allegations having valid values. This allows us to determine trends in the claims handling that may be a positive or adverse factor to our client.

Overall, we approach audits with a constructive and friendly attitude and provide an individualized report on each entity; we do not utilize boilerplate reporting formats. Lastly, we feel a client should finish the process with a positive feeling, having obtained new knowledge that will assist in effective handling of their claims.

## PERSONNEL INFORMATION

### **Kenneth R. Maiolini, ARM-P**

Mr. Maiolini has over 30 years experience in handling of claims for both public and private clients. The last 25 years have been devoted to working with public entities in the area of claims administration, auditing and loss consulting. Mr. Maiolini has served as principle auditor in over 200 public entity claims audits.

### **Janette Brook, MBA, ARM**

Ms. Brook has over 30 years of experience handling claims for both public and private clients. The last 15 years has been devoted to exclusively working with public entities. She has adjusting, auditing and management experience. Ms. Brook will assist as the direct auditor of files.

### **Jerry Bowen, AIC**

Mr. Bowen has over 15 years of experience in handling the administration and setup of audits. Mr. Bowen is very experienced in working with claims databases and reviewing of loss information in preparation of the audit.

## SCOPE OF WORK

- Review of a maximum of 60 open claims (this would include all open claims with a total incurred of \$50K or greater) and 20 closed claims files. The review will evaluate areas of investigation, reserving, litigation management, attorney handling, liability and damage evaluation, file management and negotiation practices.
- Review of the overall claims process to include, but not limited to, internal controls, electronic data systems, payment and approval procedures and Member reporting.

RMS will require a current open and closed loss run of claims. Unless otherwise instructed by NCCSIF, claims to be reviewed would be selected from those loss runs.

Files for review will be selected by a cross-section of case type, severity, reserves/payments and department.

The selected files will be reviewed and documented on RMS's Profile Audit Review Form (**EXHIBIT A**).

**REFERENCES**

Giovanna Pratt  
Keenan and Associates  
(310) 212 – 0363 ext. 3755  
(6 years – Auditing)

Martin Brady  
Executive Director  
Schools Insurance Authority  
(916) 364-1281 ext. 224  
(12 years – Auditing, Claims Consulting)

Heather Fregeau  
Claims Manager  
CSAC-Excess Insurance Authority  
(916) 850-7329  
(24 years – Claims Administrator, Auditing and Risk Management)

Lari Camara  
Risk Manager  
County of Riverside  
(951) 955-3511  
(18 years – Claims Administrator, Auditing)

**INSURANCE INFORMATION**

Professional Liability E&O \$2M limit/\$5K deductible	U.S. Risk Underwriters, Inc.
General Liability \$1M limit	Farmers Insurance Co.
Non-Owned and Hired Auto \$1M limit	Farmers Insurance Co.
Workers' Compensation Complies with statutory requirements	Farmers Insurance Co.

Evidence of Coverage will be provided upon request.

## TIME SCHEDULE AND COST OF SERVICES

The audit of the NCCSIF claim files would be set for two and a half (2 1/2) days and conducted remotely. The timeline set in the Request for Proposal will be met, with completion of a draft audit report on or before December 31, 2019.

**Additionally, a pre-audit interview with NCCSIF and a telephonic presentation, if requested, to the appropriate NCCSIF Committee or Board would be included.**

**COSTS – The cost of services is all inclusive of the audit, presentation and expenses. The fee to perform the audit is proposed at \$6,625.00.**

# **EXHIBIT A**



**RMS**  
RISK MANAGEMENT SERVICES

**PROFILE AUDIT  
REVIEW FORM**

ENTITY REVIEWED

REVIEW DATE      REVIEWED BY

FILE NAME

FILE NUMBER

FILE STATUS

DATE OF LOSS

CLAIM DATE

REJECTION DATE

LAWSUIT DATE

CLOSED DATE

TYPE OF LOSS

LIMITS(X1000)/POLICY YEAR

CASE DESCRIPTION

**LIABILITY**

Liability review attempts to determine, through file information, degree of liability. If no information in file, the undetermined box is checked indicating a deficiency in this area.

CLEAR     PROBABLE     QUESTIONABLE     DOUBTFUL     UNDETERMINED     N/A

Audit reviews the current reserves and paid amounts - if adjustments are needed, they are indicated in the recommended reserves section. Additional comments would be noted in the "Reserving" section below.

**CURRENT RESERVES**

**PAID TO DATE**

**RECOMMENDED RESERVES**

LOSS

LOSS

LOSS

EXPENSE

EXPENSE

EXPENSE

RATING GUIDE 1 = BELOW STANDARDS 2 = MEETS STANDARDS 3 = EXCEEDS STANDARDS

**RATING**  **INVESTIGATION**  
Review examines the investigation process - request for information, interviews, photos, obtaining and preserving evidence, timeliness, pro-active approach, and thoroughness of the investigation are evaluated.

**RATING**  **RESERVING**  
Review examines the timeliness and basis for file reserves. The areas of indemnity and expense are examined as to past and future costs. Litigation expenses are evaluated in respect to other factors (liability, damages, etc.).

**RATING**  **LITIGATION MANAGEMENT/ATTORNEY HANDLING**  
Review examines the management of defense counsel and individual attorney performance. Areas such as timely assignment, reporting, case handling, and litigation strategy are reviewed.

**RATING**  **LIABILITY/DAMAGE EVALUATION**  
Review examines basis for determining if liability exists and to what degree. Also file information on damages is reviewed, as well as, the analysis of the damage components.

**RATING**  **FILE MANAGEMENT**  
This area includes physical file management, statutory management, risk transfer, diary, excess reporting, and overall file coordination/handling.

**RATING**  **TIMELY NEGOTIATIONS**  
Review examines settlement practices and file resolution through the use of negotiations. Proactive use of informal negotiations and voluntary mediations are examined.

**COMMENTS**

N/A = NOT APPLICABLE WHEN INDICATED



BACK TO AGENDA

**Northern California Cities Self Insurance Fund  
Executive Committee Meeting  
December 4, 2019**

**Agenda Item F.**

**GENERAL RISK MANAGEMENT ISSUES**

**INFORMATION ITEM**

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

**RECOMMENDATION:** None.

**FISCAL IMPACT:** None.

**BACKGROUND:** This is an opportunity for Committee members to ask questions or raise issues on risk exposures common to the members.

**ATTACHMENT(S):** None.

Public Entity Group



November 27, 2019

NCCSIF Executive Committee  
Via EC Agenda Packet

## ALLIANT SERVICE TEAM TRANSITION

Dear NCCSIF Members:

As many of you know, Marcus and I have now worked together in the NCCSIF Program Administrator role since 2014 as we both have continued honing our skills. I originally began working with NCCSIF Members in 1982 and we formed the self-funded programs beginning in 1986. Like a few of you who started your careers in the late 1970s, I look forward to retirement at some point in the near future. Although that date is still a couple years down the road, I am slowly begin to transition my responsibilities to the other very capable Alliant colleagues who have gained significant experience with California self-insurance pools.

In addition to consulting with NCCSIF, I am involved in the training and growth of Alliant's public entity practice colleagues to assure that our team will continue to perform in the same fashion once I am no longer involved. With NCCSIF and all of Alliant's larger accounts, Alliant has developed an effective *process to assure quality* and to maintain both continuity and experience. It's this **Peer Advisor** role that I've been increasingly assuming during these past years as Marcus has taken on overall responsibility. But this important process is more than just Peer Review or account oversight; the *process* makes it clear to clients that two senior colleagues are assigned to their account with active participation. The **Peer Advisor** constantly engages with the team, discussing strategies in advance of meetings and developing concise agenda material so the Board can understand the importance of issues being debated.

I will slowly cut back hours with NCCSIF in 2020 and Marcus and I will begin introducing Conor Boughey in this **Peer Advisor** role. Conor will work closely with Marcus and Ray developing the agendas and reviewing the items, programs, policies and services. He will begin acting as back-up to Marcus to replace my role. This process has already begun in the background, involving much of the program administration Members don't see on a daily basis. Over time you will see more of Conor to assure you he is clearly capable to step in at a moment's notice!

Conor serves as key Program Administrator with me for similar municipal risk sharing pools (ACCEL & MBASIA) and those accounts have also begun this same transition with Marcus filling my **Peer Advisor** roll with Conor. So they are, in essence, both working parallel as we develop similar program administration tools and techniques. During 2020 Conor will begin attending some Board meetings to interact with the NCCSIF Member. His role will increase as I continue to reduce my hours in 2021.

I plan to hang around a while longer; but both Alliant and NCCSIF will be fortunate to have a very smooth transition and also the benefit of truly dedicated and talented colleagues who have successfully worked with our JPA clients for years. We remain well-positioned to continue this ongoing success into the future. If you have any questions or concerns about this transition, please contact me or Marcus Beverly.

Sincerely,

A handwritten signature in black ink that reads "Michael Simmons". The signature is written in a cursive, flowing style.

Mike Simmons, Vice Chairman - Public Entities  
Cell: 925.708.3374 [msimmons@alliant.com](mailto:msimmons@alliant.com)

cc: Marcus Beverly, First Vice President  
Conor Boughey, First Vice President [cboughey@alliant.com](mailto:cboughey@alliant.com)  
Raychelle Maranan, Account Manager



**Northern California Cities Self Insurance Fund  
Executive Committee Meeting  
December 4, 2019**

**Agenda Item H.1.**

**BYLAWS AMENDMENT – TERMS OF OFFICERS**

**ACTION ITEM**

**ISSUE:** The Board changed the terms of the Executive Committee (EC) from a calendar year to a fiscal year rotation at their last meeting in October. They also agreed to change the terms of the Officers of the JPA from a calendar year to a fiscal year, but that change requires an amendment to the Bylaws.

The change is slight and straightforward to Section 5 of the Bylaws, as illustrated below:

**Section 5 – Officers of the Authority**

B. The President, Vice President and Secretary shall be elected by the Board of Directors and shall serve two (2) year terms. No officer shall serve for more than two (2) complete consecutive terms in his or her respective office. The terms of each office will ordinarily commence on ~~January~~ **July** 1st of each calendar year, except that if an election has not been conducted by that date, the terms shall commence as soon as the election has been held. The terms of each office shall end on ~~December 31st~~ **June 30th** of the calendar year, except that if the election of the officers to serve the next succeeding term has not been conducted, the incumbent officers shall continue to hold their offices until the election has been conducted.

The Program Administrators reviewed the Bylaws for other potential changes, particularly Section 11 regarding funds and property, but have no further recommendations at this time.

**RECOMMENDATION:** Approve a 30-day notice of an amendment to the Bylaws to change the Officer's terms of office from calendar year to fiscal year.

**FISCAL IMPACT:** None.

**BACKGROUND:** The calendar-year rotation is based on the need to have Officers of the JPA at its inception on January 1, 1979. Since those early days the group's operational timeline has shifted to a July 1 fiscal year. In addition to the EC assignments, this rotation was used in establishing the Service and Meeting Calendars and at times they are out of sync when coordinating with partner JPAs on a July 1 fiscal-year calendar. The change would also eliminate the current need to split the committee assignments and officer appointments by calendar and fiscal year in the annual report.

**ATTACHMENT(S):**

1. Draft Resolution approving Bylaw Amendment
2. Draft Bylaws with recommended change to terms of officers



**RESOLUTION 20-01**

**RESOLUTION AMENDING THE BYLAWS  
OF  
NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND**

**WHEREAS**, The Northern California Cities Self Insured Fund (NCCSIF) Board of Directors finds and determines as follows:

Section 5 – Officers of the Authority, B., will be amended to reflect changes to the terms of each office.

**NOW THEREFORE, BE IT RESOLVED**, by the NCCSIF Board of Directors, as follows:

Section 5 – Officers of the Authority

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

\*\*\*\*\*

I hereby certify that the foregoing is a full, true and correct copy of Resolution No. 20-10 duly and regularly adopted and passed at a regular meeting of the Board of Directors of the Northern California Cities Self Insurance Fund held on the 16th day of January 2020, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
**NCCSIF President**

\_\_\_\_\_  
**NCCSIF Secretary**

**NCCSIF**  
**BYLAWS**

**NCCSIF BYLAWS**  
**Table of Contents**

	<u>Page</u>
Preamble .....	1
Section 1 The Authority .....	1
Section 2 Definitions .....	2
Section 3 Meetings of the Board of Directors.....	2
Section 4 Executive Committee .....	3
Section 5 Officers of the Authority .....	5
Section 6 Committees .....	5
Section 7 Program Director and Other Staff.....	5
Section 8 Responsibilities of the Authority.....	6
Section 9 Insurance Coverage.....	6
Section 10 Accounts and Records .....	7
Section 11 Responsibilities for Funds and Property .....	7
Section 12 Development, Implementation & Funding of Coverage Program .....	8
Section 13 New Members.....	9
Section 14 Withdrawal .....	10
Section 15 Termination and Distribution .....	10
Section 16 Effect of Withdrawal or Termination .....	11
Section 17 Claims Administration.....	11
Section 18 Budget .....	12
Section 19 Disbursement of Funds.....	12
Section 20 Separation of Programs .....	12
Section 21 Program Deposits.....	13
Section 22 Program Year Adjustments .....	13
Section 23 Coverage Documents.....	13
Section 24 Amendments .....	13

**BYLAWS  
OF THE  
NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
(RESTATED AS OF OCTOBER 5, 1999)  
(AMENDED AS OF JUNE 16, 2000)  
(AMENDED AS OF JANUARY 24, 2013)  
(AMENDED AS OF DECEMBER 12, 2013)  
(AMENDED AS OF NOVEMBER 19, 2015)  
(AMENDED AS OF DECEMBER 14, 2017)**

**PREAMBLE**

These Bylaws are adopted pursuant to the "Joint Exercise of Powers Agreement of the Northern California Cities Self Insurance Fund (Restated as of October 5, 1999 ("the Agreement")). These Bylaws, supersede the Bylaws of the Northern California Cities Self Insurance Fund ("NCCSIF") which were adopted by a resolution of NCCSIF's Board of Directors on December 8, 1987, and which were subsequently amended as of April 22, 1988. Because of a contemporaneous restatement of the Agreement due to restructuring of the NCCSIF organization, the need to make additional amendments to NCCSIF's Bylaws and the desirability of incorporating all changes in a single instrument, NCCSIF's Bylaws are restated as of October 5, 1999.

**SECTION 1  
The Authority**

A. - Name of Authority. The name of the Authority created by the Agreement shall be the Northern California Cities Self Insurance Fund (the "Authority").

B. - Office of Authority.

The principal office of the Authority shall be fixed and located at:

Alliant Insurance Services, Inc.  
2180 Harvard Street, Suite 460  
Sacramento, CA 95815

or at such other location as the Board of Directors may designate by resolution.”

C. - Fiscal Year. The fiscal year for the Authority shall commence July 1 of each calendar year and end June 30 of the following calendar year.

**SECTION 2**  
**Definitions**

- A. "Agreement" shall mean the restated Joint Exercise of Powers Agreement creating the Northern California Cities Self Insurance Fund.
- B. "Authority" shall mean the Northern California Cities Self Insurance Fund (sometimes also referred to in the Agreement as the "NCCSIF") created by and existing under the Agreement.
- C. "Board of Directors" shall mean the principal governing body of the Authority.
- D. "Bylaws" shall mean the adopted Bylaws of the Authority as amended and/or restated in their latest approved form.
- E. "Deposit" shall mean all the components comprising the annual costs of each program including: banking fund deposits, Shared Risk Layer deposits, administrative costs, excess premiums, taxes and fees.
- F. "Executive Committee" shall mean the Executive Committee of the Authority's Board of Directors.
- G. "Coverage Program" shall mean any program of the Authority providing coverage against losses to Member Entities who are participants in the program whether the coverage is based upon purchased insurance, self-insurance, pooled funding or any other similar mechanism, instrument or facility.
- H. "Member Entity" shall mean a city government which is party to the Agreement.
- I. "Program Director" shall mean the individual or firm retained by the Board of Directors to administer the Authority.

**SECTION 3**  
**Meetings of the Board of Directors**

- A. A majority of the membership of the Board of Directors shall constitute a quorum for the transaction of business. Each member of the Board shall have one vote. Except as otherwise provided in these Bylaws or any other duly executed agreement of the members, action of the Board shall require the affirmative vote of a majority of the members present and voting.
- B. The Board shall hold at least one regular meeting each year and shall provide for such other regular meetings and for such special meetings as it deems necessary.
- C. The Secretary of the Authority shall provide for the keeping of minutes of regular and special meetings of the Board, and shall endeavor to provide a copy of the minutes to each member of the Board prior to the next scheduled meeting.

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

#### **SECTION 4** **Executive Committee**

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

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

C. - Powers, Duties and Responsibilities.

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

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

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

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

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

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

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

#### D. - Meetings

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

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

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

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

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

a. Death of a Committee member;

b. Voluntary resignation;

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

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

**SECTION 5**  
**Officers of the Authority**

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

B. The President, Vice President and Secretary shall be elected by the Board of Directors and shall serve two (2) year terms. No officer shall serve for more than two (2) complete consecutive terms in his or her respective office. The terms of each office will ordinarily commence on ~~January~~ ~~July~~ 1st of each calendar year, except that if an election has not been conducted by that date, the terms shall commence as soon as the election has been held. The terms of each office shall end on ~~December~~ ~~31st~~ ~~June~~ 30th of the calendar year, except that if the election of the officers to serve the next succeeding term has not been conducted, the incumbent officers shall continue to hold their offices until the election has been conducted.

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

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

**SECTION 6**  
**Committees**

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

**SECTION 7**  
**Program Director and Other Staff**

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

B. Subject to the direction of the Board of Directors, the Executive Committee shall provide for the appointment of such other staff of the Authority as may be necessary for the administration of the Authority. Supervision of staff is delegated to the Executive Committee.

C. The Program Director and other staff of the Authority shall have such powers, duties and obligations as are established by the Agreement, these Bylaws, the policies, procedures and rules promulgated by the Authority and any contractual arrangements which may exist between the Authority and the respective party.

D. Subject to any applicable contractual arrangement which may take precedence, the Program Director shall serve at the will and pleasure of the Board of Directors.

## **SECTION 8 Responsibilities of the Authority**

The Authority shall perform the following functions in discharging its responsibilities under this agreement:

- A. Develop, implement and maintain coverage programs;
- B. Assist each Member Entity's designated risk manager with the risk management functions including: loss control, risk transfer, and employee safety programs.
- C. Provide loss prevention and safety services to the Member Entities;
- D. Provide claims adjusting and claims management services as required;
- E. Provide statistical reports to the Member Entities;
- F. Recommended standard contract clauses relating to indemnity, hold harmless, insurance and other similar matters affecting Members Entities; and
- G. Provide other services consistent with purposes of the Authority as may be deemed necessary, advisable and beneficial to the Member Entities.

## **SECTION 9 Insurance Coverage**

The Authority shall maintain insurance coverage on its activities as determined by the Executive Committee to be necessary and adequate.

**SECTION 10**  
**Accounts and Records**

A. Annual Budget - The Authority shall adopt an annual budget that shall include a separate budget for each separate coverage program under development or adopted and implemented by the Authority. The Executive Committee shall cause to be prepared, shall review and approve and shall recommend a proposed annual budget to the Board of Directors for its consideration. The recommended budget shall be submitted to the members of the Board of Directors not later than seventy-two (72) hours prior to the Board of Directors' spring meeting.

B. Funds and Accounts - As directed by the Executive Committee, the Treasurer of Authority shall establish and maintain such funds and accounts as may be required by law and generally accepted accounting principles. Separate accounts shall be established and maintained for each coverage program under development or adopted and implemented by the Authority. Books and records of the Authority in the hands of the Treasurer shall be open to inspection at all reasonable times by authorized representatives of Member Entities. A quarterly unaudited financial statement will be produced and distributed to all Member Entities. The Authority shall adhere to the standard of strict accountability for funds set forth in Government Code Section 6505 and Governmental Accounting Standards Board (GASB) Statement No. 10.

C. Treasurer's Report - The Treasurer, within one hundred and twenty (120) days after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to the Board and to each Member Entity.

D. Annual Audit - Pursuant to Government Code Section 6505, the Authority shall contract with an independent certified public accountant to make an annual fiscal year audit of all accounts and financial statements of the Authority, conforming in all respects with the requirements of that section. A report of the audit shall be filed as a public record with the County Auditor of each Member Entity within six (6) months of the end of the fiscal year under examination. Costs of the audit shall be considered a general expense of the Authority.

**SECTION 11**  
**Responsibilities for Funds and Property**

A. The Treasurer shall have custody of and disburse the Authority's funds. The Treasurer may direct the activities of the accounting function.

B. Pursuant to Government Code Section 6505.5, the Treasurer shall:

1. Receive and acknowledge receipt for all funds of the Authority and place them in the treasury of the Treasurer to the credit of the Authority;

2. Be responsible upon his or her official bond for the safekeeping and disbursement of all Authority funds so held by him or her;

3. Pay any sums due from the Authority, as approved for payment by the Board of Directors or by any body or person to whom the Board has delegated approval authority, making such payments from Authority funds upon warrants drawn by the Treasurer and signed by persons designated in Section 20 of these Bylaws;

4. Verify and report in writing to the Authority and to Member Entities, as of the first day of each quarter of the fiscal year, the amount of money then held for the Authority, the amount of receipts since the last report, and the amount paid out since the last report.

C. Pursuant to Government Code Section 6505.1, the Program Director, the Treasurer and such other persons as the Board of Directors may designate shall have charge of, handle and have access to the property of the Authority.

D. The Authority shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in form specified by the Board of Directors, covering the Treasurer and all other officers and staff of the Authority who are authorized to hold or disburse funds of the Authority, and all other officers and staff who are authorized to have charge of, handle, and have access to property of the Authority.

E. The Treasurer shall invest funds in accordance with the approved investment policy of the Authority.

## **SECTION 12**

### **Development, Implementation and Funding of Coverage Program**

A. Program Coverage - The Authority may develop and implement Coverage Programs, which the Authority deems necessary, advisable and beneficial to Member Entities. Subject to any Coverage Program's applicable underwriting rules and other qualifying conditions, each Member Entity shall be eligible to apply for membership and participation in any Coverage Program conducted by the Authority.

B. Coverage Program and Authority Funding - The Member Entities developing or participating in a Coverage Program shall fund all costs of that program, including administrative costs, as hereinafter provided. Costs of staffing and supporting the Authority, hereinafter called Authority general expenses, shall be equitably allocated among the various programs and shall be funded by the Member Entities developing or participating in such programs in accordance with such allocations, as hereinafter provided.

1. Development Charge. Development cost of a coverage program shall be funded by a development charge as fixed by the Executive Committee. The development charge shall be paid by each Member Entity which wishes to join in development of the program, after receipt of information as estimated on the cost and scope of the program and thereby reserve the option to participate in the program following its adoption by the Board of Directors. Development costs are those costs incurred by the Authority in developing a coverage program for review and adoption by the Board of Directors, including but not limited to: research, feasibility studies, information and liaison work among Entities, preparation and review of documents, and actuarial and risk

management consulting services. The development charge may also include an equitable share of Authority general expenses incurred in the development functions. Upon the conclusion of program development: any deficiency in development funds shall be billed to all Member Entities which have paid the development charge, on a pro-rata or other equitable basis, as determined by the Executive Committee; and any surplus in such funds shall be transferred into the loss reserve fund for the program, or, if the program is not implemented, into the Authority's general fund. Future Members may be charged a Fee for development as part of the Entry Fee determined by the Executive Committee.

2. Deposits. Except as provided in Item 3 below, all post development costs of a Coverage Program shall be funded by annual deposits charged to the Member Entities participating in the Coverage Program each policy year, and by interest earnings on the fund so accumulated. Deposits shall be determined annually by the Executive Committee and based upon policy and procedures developed by the Authority with the assistance of an actuary at least every other year, and risk management consultant or other qualified person. The deposit for each participating Member Entity shall include the Member Entity's share of expense program losses, program excess insurance or reinsurance costs, and program administrative costs for the year plus that Member Entity's share of Authority general expense allocated to the program. Deposits shall be billed by the Authority at the beginning of each policy year and shall be payable as set forth in Section 22 of these Bylaws. Any deficiency or surplus in the deposit paid by a participating Entity shall be adjusted pursuant to policy and procedures adopted by the Authority.

3. Assessability. For any program year, the Board of Directors may impose assessments on the program members for that year which, in total amount, will assure adequate funds to the Authority for the payment of all losses.

This applies whether a member has subsequently withdrawn or been expelled from the Authority.

### **SECTION 13 New Members**

A city which is not a Member Entity may become a party to the Agreement only upon approval of two-thirds (2/3) of the Board of Directors and by paying an appropriate entry fee or charge as established by the Executive Committee. The Board of Directors may condition its approval upon the proposed new member's ability to satisfy the underwriting criteria and other qualifying conditions which may then be in effect for any coverage program in which the proposed new Member Entity wishes to participate. The Board may prorate deposits and/or the coverage period for entities entering any coverage program at other than the beginning of the Authority's program year.

## **SECTION 14**

### **Withdrawal**

A. An Entity which enters any coverage program shall not withdraw from that program or as a party to the Agreement or the Authority for a three-year period commencing with its entrance into said program.

B. After the initial three (3) year noncancellable commitment to any coverage program, a Member Entity may withdraw only at the end of the Program Year, provided it has given the Authority a six (6) month written notice of its intent to withdraw from the program. The written notice of its intent to withdraw from the program is non-revocable.”

C. Any member Entity which withdraws as a participant of any coverage program pursuant to item B of this Section shall not be reconsidered for participation in the program until the expiration of three (3) years from the Member Entity's withdrawal.

D. Member Agencies that withdraw from NCCSIF's Liability and/or Worker's Compensation plans agree that any available funds' allocated to them in the Shared Risk Layer, will remain with NCCSIF until such time as the "Program Year" is closed. This includes funds allocated to them via the "Shared Risk Plan Layer Adjustment" or any other manner of distribution other than the declaration of a dividend by the Board or in accordance with distribution described in the Joint Powers Agreement upon the dissolution of NCCSIF. Funds available from the Banking Layer to these Members are available for distribution.

If a "Program Year" is not yet closed and the "Participating Member" would otherwise be eligible for a distribution, a Member that has withdrawn from the "Authority" may annually, in writing, request a early release of their funds for consideration by the Board of Directors. This action will require approval of the Board of Directors as specified in the JPA Bylaws, Section 3, paragraph A.

## **SECTION 15**

### **Termination and Distribution**

A. This Agreement may be terminated by the written consent of three-fourths (3/4) of the Member Entities; provided, however, that the Agreement and the Authority shall continue to exist for the purpose of disposing of all claims, distribution of assets and any other functions necessary to wind up the affairs of the Authority.

B. Upon termination of the Agreement, all assets of the Authority shall be distributed only among the parties which have been participants in its Coverage Programs, including any of those parties which previously withdrew pursuant to Section 15 of these Bylaws and in accordance with the terms and conditions of these Bylaws. Distribution will be made within six (6) months after the last pending claims or covered loss subject to the Agreement has been finally resolved and will be in proportion to the contributions made.

C. The Board is vested with all powers of the Authority for the purpose of concluding and dissolving the business affairs of the Authority. These powers shall include the power to require Member Entities, including those which were program participants at the time the claims arose or at the time the covered loss was incurred, to pay their share of any cash assessment deemed necessary by the Board for final disposition of all such claims and covered losses subject to the Agreement.

## **SECTION 16**

### **Effect of Withdrawal or Termination**

A. The expulsion or withdrawal of any member Entity after the inception of its participation in any coverage program shall not terminate its responsibility to:

1. Cooperate fully with the Authority in determining the cause of losses and in the settlement of claims, as defined in the coverage Agreement;
2. Pay any Deposit increases or assessments determined by the Board to be due and payable for each coverage program to which it participated;
3. Provide the Authority with such statistical and loss experience data and other information as may be necessary for the Authority to carry out the purposes of the Agreement; and
4. Cooperate with and assist the Authority and any insurer, claims adjuster or legal counsel retained by the Authority, in all matters relating to the Agreement.

Withdrawal of a member shall not be considered as a completion of the purpose of this agreement and shall not require the repayment or return to the withdrawing member agency of all or any part of any contributions, payments or advances made by the parties unless the agreement is rescinded or terminated as to all parties; however, when funds earmarked for program years in which the member agency participated are returned, the member will be entitled to its pro rata share (as determined by the Board of Directors) for its years of participation.

## **SECTION 17**

### **Claims Administration**

A. All claims shall be reported to the Claims Administrator in accordance with the Coverage Program claims reporting procedures.

B. All claims with potential penetration into the risk sharing portion of the Authority's programs will be presented to the Board (or claims committee) by the Claims Administrator and updates provided at regularly scheduled Board (or committee) meetings. The Authority has the right and power to direct the adjustment and settlement of a claim(s) penetrating the risk sharing layer which in the opinion of the Board or Claims Committee, have a reasonable probability of penetrating the risk sharing layer.

C. All claims with potential penetration into any excess coverage joint powers authority

or excess insurance carrier shall be reported in accordance with their guidelines.

D. Claims administration shall be audited at least every other year.

E. Member entities shall be responsible to maintain the confidentiality of any records which are privileged from disclosure under California law. This shall include taking reasonable steps to prevent the inadvertent disclosure of confidential records.

## **SECTION 18 Budget**

The budget shall be presented at the spring meeting and adopted by the Board on or before June 30 of each year and shall separately show the following:

- A. General and administrative costs;
- B. Loss Control/Risk Management costs;
- C. Deposits, projected interest income, and other income; and
- D. The estimated claims and allocated claims adjustment expense.

## **SECTION 19 Disbursement of Funds**

All disbursements under \$5,000 shall have approval and signature of the Treasurer, or the President in the Treasurer's absence. All disbursements over \$5,000 shall require two (2) of the four (4) officers' signatures. A register of all checks issued since the last Board meeting shall be provided as a part of the Treasurer's report at the subsequent Board meeting and approved by the Board.

The Workers Compensation Claims Administrator shall have the responsibility and authority to issue checks from the Authority's trust account in satisfaction of legal requirements to pay benefits to industrially injured workers of the member cities. The Administrator will issue checks for state mandated benefits including Indemnity, Medical, Rehabilitation and Expense categories. For checks below \$5,000, one authorized signature or stamp from the administrator is required. For checks above \$5,000, two signatures are required.

The Liability Claims Administrator shall have the responsibility and authority to issue checks from the Authority's trust account to pay liability claims and defense costs as agreed upon and approved by the Member City and/or the Claims Committee, as appropriate. For checks below \$5,000, one authorized signature or stamp from the administrator is required. For checks above \$5,000, two signatures are required.

## **SECTION 20 Separation of Programs**

Each coverage program of the Authority shall be autonomous. Members shall participate only in the coverage programs so authorized by City Council resolution.

**SECTION 21**  
**Program Deposits**

Program deposits shall be sufficient to cover the budget for each fiscal year of the program. Program deposits for each fiscal year shall be calculated according to the deposit calculation formulas adopted by the Board.

Deposits are due and payable immediately upon commencement of the Liability Plan year and quarterly for the Workers' Compensation Plan. Deposits are considered delinquent if not received by the Treasurer within thirty (30) days.

**SECTION 22**  
**Program Year Adjustments**

Prior to the beginning of each program year, adjustments shall be calculated in accordance with the policy and procedure adopted by the Board of Directors.

**SECTION 23**  
**Coverage Documents**

Each Member Entity participating in a coverage program of the Authority shall be provided with either a Memorandum of Coverage or an insurance policy, as the case may be, which shall describe in detail the nature of the applicable coverage, including dollar amounts, together with any deductibles, exclusions, limitations or other provisions of the coverage.

**SECTION 24**  
**Amendments**

A. These Bylaws may be amended by a two-thirds vote of the Board of Directors present and voting at a regular meeting provided that any amendment is compatible with the purposes of the Authority, is not in conflict with the Agreement and has been submitted to the Board at least 30 days in advance. Any such amendment shall be effective immediately, unless otherwise designated.



BACK TO AGENDA

**Northern California Cities Self Insurance Fund  
Executive Committee Meeting  
December 4, 2019**

**Agenda Item H.2.a.-d.**

**POLICY AND PROCEDURE REVISIONS**

**ACTION ITEM**

**ISSUE:** NCCSIF Policies and Procedures regarding Segregation of Accounting Duties and Quarterly Financial Statements are out of date in that they refer to duties of the Treasurer at a time when that person also performed accounting functions. Two other policies related to investment activities and the Finance Committee are also presented for more minor revisions to bring them current. The current policies with red-lined changes are attached and presented in descending order of the changes:

- a. Segregation of Accounting Duties (P&P #A-16):** The revised policy introduces the role of the Financial Consultant as distinct from the Treasurer and outlines the responsibilities and procedures for the routine control, reporting, and payment of JPA funds. Section 3. regarding check signatures is new but taken from the Bylaws and is consistent with current practice.
- b. Quarterly Financial Statements (P&P #A-4):** Again the principal change is to replace references to the Treasurer's preparation of the statements with the Financial Consultant. A new section 3. is added to specify additional reports that are currently being produced.
- c. Finance Committee Composition and Duties (P&P #A-18):** This policy is being updated to note that the Executive Committee performs the duties on a regular basis and convenes the Finance Committee as needed. A few additional duties related to the oversight of the auditor and review of the audit are also added to reflect the routine duties currently performed by the Committee.
- d. Review and Control of Investment Activities (P&P #A-13):** This policy requires just a minor change to reference the Executive Committee's normal role in review and control of investment activities, consistent with the changes to the Duties above.

The Committee reviewed these policies at their last meeting and provided feedback but they were not approved pending additional revisions to P&P #A-4 to clean up outdated references to the Treasurer.

**RECOMMENDATION:** Review and recommend Board approval of changes as presented or revised.

**FISCAL IMPACT:** None



BACK TO AGENDA

**Northern California Cities Self Insurance Fund  
Executive Committee Meeting  
December 4, 2019**

**Agenda Item H.2.a.-d. (continued)**

**BACKGROUND:** NCCSIF has four sets of Policies and Procedures: Administration, Risk Management, Liability and Workers' Compensation. The Risk Management policies were expanded in 2016. Other policies for Work Comp and Liability have been updated within the last 4-5 years. The Administration policies have been expanded in the last few years to add an Underwriting Policy, with others relating to funding and claims procedures updated in the last 2-3 years. However, there are other policies, mostly administrative, that have not been reviewed in the last five years and will be brought to the appropriate committees for review.

**ATTACHMENT(S):** Policies and Procedures:

1. A-16: Segregation of Accounting Duties
2. A-4: Quarterly Financial Statements
3. A-18: Finance Committee Composition and Duties
4. A-13: Review and Control of Investment Activities



# Northern California Cities Self Insurance Fund

c/o Alliant Insurance Services, Inc.  
Corporate Insurance License No. 0C36861



## ADMINISTRATIVE POLICY AND PROCEDURE #A-16

**SUBJECT: SEGREGATION OF ACCOUNTING DUTIES**

### Policy Statement:

It shall be the policy of the Northern California Cities Self Insurance Fund to promote best practices in ~~ensure the~~ segregation of duties in ~~certain~~ accounting procedures in consideration of the cost versus benefit of such controls, ~~in light of the fact that the Treasurer has sole responsibility for all such procedures.~~ The Treasurer shall be charged with the oversight of the Financial Consultant.

### Procedures:

1. The Treasurer shall be familiar with the basic control processes of the Financial Consultant and recommend changes or review changes that the Financial Consultant shall implement.
2. On a quarterly basis, at ~~At either the Executive Committee meeting or the Board of Directors meeting,~~ the Treasurer Financial Consultant shall bring various items for review by the Chairman of the Finance Committee. Those items will be the Deposit Detail, the Check Register, Treasurer Report, and the Quarterly Financial Report with schedules that may be specified by the Treasurer, Executive Committee or Program Administrator.
3. General account check payments of \$5,000 or less may be signed or approved by one authorized signor. Check amounts for greater than \$5,000 shall be signed or approved by two authorized signors.
4. If any discrepancies are noted by the CChairmancommittee, the items shall be reviewed and acted upon by the entire Finance CommitteeTreasurer.

**Effective Date:** ~~March 23, 2001~~ xxxx, 2019



Northern California Cities Self Insurance Fund

c/o Alliant Insurance Services, Inc.
Corporate Insurance License No. 0C36861



ADMINISTRATIVE POLICY AND PROCEDURE #A-4

SUBJECT: QUARTERLY FINANCIAL STATEMENTS

Policy Statement:

It shall be the policy for the Treasurer-Financial Consultant to prepare Quarterly Financial Statements for both the Liability and Workers' Compensation Funds.

Procedure:

To accomplish the issuance of the financial statements in a timely manner the following steps shall be followed:

- 1. The Claims Administrator shall send a check register to the Treasurer-Financial Consultant no later than 15 days following month end.
2. Quarterly, the Claims Administrator shall send a check register, a quarterly check register summary broken down by city, and the loss run no later than 15 days following the end of the quarter.
3. The claims administrator shall also each quarter provide:
a. The claims paid, reserved by total reports in spreadsheet Excel format by line of coverage, risk layer and by member.
b. The payment balancing report that balances payments, voids, collections, and refunds.
4. If the information to be provided by the Claims Administrator is not received by the Treasurer-Financial Consultant by the 21st day following the end of the quarter, the Treasurer-Financial Consultant shall call the Claims Administrator to follow-up. The Program Administrator shall be notified of the call and the results of the conversation.
5. The Treasurer-Financial Consultant shall provide the Quarterly Financial Statements to the Program-Administrator who shall distribute to each Member City and the Program Administrator no later than 90 days following the end of the quarter or at the next Board of Directors meeting, whichever comes first.

Effective Date: March 23, 1990
First Revision Date: December 17, 1999
Second Revision: \_\_\_\_\_xxxx xxx, 2019



**ADMINISTRATIVE POLICY AND PROCEDURE #A-18**

**SUBJECT:** FINANCE COMMITTEE COMPOSITION AND DUTIES

Policy Statement:

It shall be the policy of the Northern California Cities Self Insurance Fund Executive Committee to appoint members to the Finance Committee, as stipulated under Section 6 of the Bylaws, and to define their role and responsibilities.

The Executive Committee as a whole may fulfill the duties listed below or convene the Finance Committee as needed for ~~upon determination of~~ additional analysis or special projects.

Procedure:

A. Composition

The Finance Committee shall be composed of the treasurer and other Board members, or Alternates, as appointed by the Executive Committee. It is desired that one member of the committee shall be a finance or assistant finance director of an Authority member. The Treasurer shall act as the chairperson.

B. Duties

1. In accordance with the Investment Policy, discuss strategies with the Investment Advisors and direct overall investment strategy.
2. On at least an annual basis the Finance Committee shall review cash management requirements and give direction to the ~~accountant~~ financial consultant to make adjustments.
- ~~2-3.~~ Review and comment on the quarterly financial reports.
- ~~3-4.~~ Review the independent auditors' proposed audit scope and approach.
5. Review the performance of the independent auditor(s).
- ~~4-6.~~ Review the annual financial statements and auditor's report and make recommendations to the Executive Committee and/or Board of Directors.
- ~~5-7.~~ Recommend the appointment to the Executive Committee of Evaluate the independent auditor(s) proposal(s) and review audit fees and make recommendations to the Board as needed.
- ~~6-8.~~ At the direction of the Board or the Executive Committee, review with counsel any legal matters that could have significant impact on the financial statements.
- ~~7-9.~~ Review and make recommendations to the Board or the Executive Committee to maintain or change the Investment Policy in accordance with California Government Code.

**Commented [JM1]:** Typically the Executive Committee has address the basic investment policy, reviewed the audit draft and basic financial matters. We have setup a formal Finance committee in the past to address equity policy, dividend policy and discuss distributions.



**Northern California Cities Self Insurance Fund**  
*c/o Alliant Insurance Services, Inc.*  
*Corporate Insurance License No. 0C36861*



8-10. Advise the Board and the Executive Committee on other financial matters.

**Effective Date:** October 27, 2006

Revision Date: TBD



## Northern California Cities Self Insurance Fund

*c/o Alliant Insurance Services, Inc.  
Corporate Insurance License No. 0C36861*



---

### **ADMINISTRATIVE POLICY AND PROCEDURE # A-13**

**SUBJECT: REVIEW AND CONTROL OF INVESTMENT ACTIVITIES**

Policy Statement:

It shall be the policy of the Northern California Cities Self Insurance Fund to assign the duty and responsibility to monitor and review all investment activities for the Authority to the [Finance Executive](#) Committee of the Board.

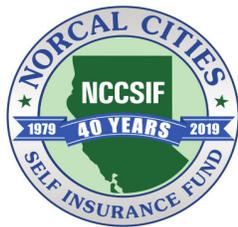
1. The [Finance Executive](#) Committee has authorized the Treasurer to invest a portion of the Authority's funds not needed for current operations in the Local Agency Investment Fund (LAIF) operated by the State of California's Controller's Office. LAIF is a permitted investment under the Authority's investment policy with no percentage restrictions.
2. The [Finance Executive](#) Committee, with the approval of the Board of Directors, has entered into a contract with Chandler Asset Management Inc. to actively manage a portion of the Authority's funds. Under the terms of this contract, Chandler has the power to buy and sell securities in the name of the Authority within the framework of the Authority's Investment Policy and the Government Code of the State of California.
  - A. All investment transactions shall be made in the name of the Authority, and all securities shall be held by a third-party custodian. Bank of New York has been designated as the third-party custodian.
  - B. Chandler shall provide a monthly report showing the month-end inventory of investments under their control and a summary of activity for the month.
  - C. Bank of New York shall provide a monthly report showing the month-end inventory of investments that they are holding and a summary of activity for the month.
  - D. The reports generated by Chandler and Bank of New York shall be forwarded directly to the Financial Consultant, (or a designated Committee member) and the Treasurer each month. The reports shall be reconciled on a monthly basis and any differences shall be immediately investigated.
  - E. The reports from the investment manager and the custodian shall be reconciled quarterly to the appropriate item on the Treasurer's Report. Any differences shall be immediately investigated.

- F. The ~~Finance~~Executive Committee shall monitor the investment portfolio as maintained by the investment manager to ascertain that the content of the portfolio is within the overall investment policy parameters.

**Effective Date:** March 24, 2000

**Amended Date:** June 26, 2009

Second Amendment TBD



BACK TO AGENDA

**Northern California Cities Self Insurance Fund  
Executive Committee Meeting  
December 4, 2019**

**Agenda Item H.3.**

**JANUARY 2020 LONG RANGE PLANNING AND  
BOARD MEETING DRAFT AGENDA**

**ACTION ITEM**

**ISSUE:** The Executive Committee is presented with Draft Agenda for Long Range Planning and Board meeting scheduled for January 16, 2020 at the Rocklin Event Center **beginning at 9:30 a.m.** A draft agenda for both meetings are attached for review and discussion.

The focus of the morning planning session will be a review of the group's current financial benchmarks and a number of additional "stress test" benchmarks relative to the liability program. The discussion will include a review of the current insurance and litigation environment in what many are considering a new normal of increased claim values and pressure to take on more risk to reduce transfer costs.

**RECOMMENDATION:** Discuss and provide direction on agenda topics.

**FISCAL IMPACT:** The cost of the meeting is included in the current NCCSIF budget for meetings.

**BACKGROUND:** Historically the Board meeting in December alternates between a Training Day and a Long Range Planning session. The planning session must be done at least every three years to meet CAJPA accreditation standards. The last planning session was in December 2017, and training session was in December 2018.

**ATTACHMENT(S):** Draft Agenda for the January 16, 2020 LRP and BOD meeting





**President**  
Ms. Elizabeth Ehrenstrom  
City of Oroville

**Vice President**  
Ms. Kristine Haile  
City of Folsom

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

**Secretary**  
Ms. Gina Will  
Town of Paradise

	<b>E. 2020 LONG RANGE PLANNING TOPICS</b>	<b>I</b>	
	<b>Moderator - Michael Simmons</b>		
9:40 a.m. - 10:20 a.m. pg.	1. <b>State of the Insurance Market/Emerging Risks</b> <i>Conor Boughey will present an overview of the current insurance market and emerging risks.</i>		<b>4</b>
10:20 a.m. - 11:00 a.m. pg.	2. <b>NCCSIF Funding Policy Financial Performance</b> <i>Marcus Beverly will provide an overview of NCCSIF's Financial Benchmarks and position as of June 30, 2019.</i>		<b>4</b>
11:00 a.m. - 12:00 noon pg.	3. <b>Stress Test Measurements</b> <i>James Marta will present an overview of NCCSIF's financial strength when evaluated through a number of "stress test" measures.</i>		<b>4</b>
	<b>LUNCHTIME PRESENTATION - Having a Communication Strategy During a Crisis</b>	<b>I</b>	<b>2</b>
12:15 p.m. - 1:15 p.m. pg.	<i>Laura Cole, Owner of Cole Pro Media, will provide best practices for an effective communication strategy when dealing with a crisis.</i>		
1:15 p.m. pg.	<b>F. CONSENT CALENDAR</b> <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>	<b>A</b>	<b>1</b>
pg.	1. Board of Directors Meeting Minutes - October 24, 2019		
pg.	2. Check Register from September 1, 2019 to November 30, 2019		
pg.	3. Investment Reports		
pg.	a. Chandler Asset Management Short/Long Term - September 2019 to November 2019		
pg.	b. Local Agency Investment Fund (LAIF) Report as of September 30, 2019		
pg.	c. Treasurer's Report as of September 30, 2019		
pg.	<b>G. GENERAL RISK MANAGEMENT ISSUES</b> <i>This is an opportunity for a member to discuss a topic of interest or seek guidance and input from the group about a current issue, risk management topic or exposure the member is facing.</i>	<b>I</b>	<b>4</b>



**President**  
Ms. Elizabeth Ehrenstrom  
City of Oroville

**Vice President**  
Ms. Kristine Haile  
City of Folsom

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

**Secretary**  
Ms. Gina Will  
Town of Paradise

**H. ADMINISTRATION REPORTS**

**I**

- 1. **President’s Report** 4  
*Elizabeth Ehrenstrom will address the Board on items pertaining to NCCSIF.*
- 2. **CJPRMA Update** 4  
*Veronica Rodriguez will update the Board on CJPRMA matters pertinent to NCCSIF. Minutes of the last meeting can be found at <http://www.cjprma.org>*
- 3. **Program Administrator’s Report - NCCSIF Annual Report** 2  
*Alliant will present NCCSIF Annual Report.*

**I. FINANCIAL REPORTS**

- pg. 1. **Quarterly Financial Report for Period Ending September 30, 2019** A 1  
*James Marta will present the quarterly financial report ending September 30, 2019 for the Board to Receive and File.*
- pg. 2. **Budget-to-Actual as of September 30, 2019** I 1  
*The Board will receive the Budget to Actual results as of September 30, 2019.*

2:00 p.m. **J. JPA BUSINESS**

- pg. 1. **Policy and Procedure Revisions** A 1  
*The Board will review and may approve or provide direction on the following Policies:*
  - pg. a. A-16: Segregation of Accounting Duties
  - pg. b. A-4: Quarterly Financial Statements
  - pg. c. A-18: Finance Committee Composition and Duties
  - pg. d. A-13: Review and Control of Investment Activities

**K. INFORMATION ITEMS**

**I 1**

- pg. 1. PARMA 2020 Conference (February 25-28, 2020) in Monterey, CA
- pg. 2. Glossary of Terms
- pg. 3. NCCSIF Organizational Chart
- pg. 4. NCCSIF 2020 Meeting Calendar



**President**  
Ms. Elizabeth Ehrenstrom  
City of Oroville

**Vice President**  
Ms. Kristine Haile  
City of Folsom

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

**Secretary**  
Ms. Gina Will  
Town of Paradise

- 
- pg. 5. NCCSIF Resource Contact Guide  
pg. 6. York Who's Who in Claims - WC and Liability Contacts  
pg. 7. NCCSIF Travel Mileage Reimbursement Form

## **L. ADJOURNMENT**

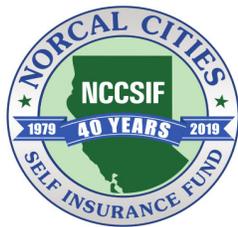
### **UPCOMING MEETINGS**

Police Risk Management Committee Meeting - February 6, 2020  
Executive Committee Meeting - March 26, 2020  
Claims Committee Meeting - March 26, 2020  
Risk Management Committee Meeting - April 23, 2020  
Board of Directors Meeting - April 23, 2020

*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.*



BACK TO AGENDA

**Northern California Cities Self Insurance Fund  
Executive Committee Meeting  
December 4, 2019**

**Agenda Item I.**

**INFORMATION ITEMS**

**ISSUE:** The following items are being presented as information for NCCSIF members.

**RECOMMENDATION:** None. This item is offered as information only.

**FISCAL IMPACT:** None.

**BACKGROUND:** None

**ATTACHMENT(S):**

1. NCCSIF Organizational Chart
2. NCCSIF 2020 Meeting Calendar

**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND**  
**2019 Organizational Chart**  
**Updated as of 11/13/2019**

MEMBER ENTITY	BOARD OF DIRECTORS	BOARD ALTERNATES	RISK MANAGEMENT COMMITTEE	POLICE RISK MANAGEMENT COMMITTEE
City of ANDERSON	Liz Cottrell	Jeff Kiser	Liz Cottrell	Chief Michael Johnson
City of AUBURN	Cristina Shafer	<i>None Appointed</i>	Shari Harris	Chief Ryan L. Kinnan
City of COLUSA	Toni Benson	<i>None Appointed</i>	Toni Benson	Chief Josh Fitch
City of CORNING	Kristina Miller	Tom Watson	Tom Watson	Chief Jeremiah Fears
City of DIXON	Rachel Ancheta	Kim Stalie	Rachel Ancheta	Chief Robert Thompson
City of ELK GROVE	Brad Koehn	Kara Reddig	Jim Ramsey Julie Rucker - Alternate Rep.	Lieutenant Jeff Scott
City of FOLSOM	*VP / *EC / *CC Jim Francis	*Kristine Haile (Vice-Chair)	Kristine Haile	Chief Rick Hillman
City of GALT	EC / CC Joanne Narloch	Tom Haglund	Joanne Narloch	Chief Tod Sockman (Vice-Chair)
City of GRIDLEY	*EC Vacant	*Elisa Arteaga	Elisa Arteaga	Chief Allen Byers
City of IONE	Jon Hanken	Lori McGraw	Jon Hanken	Chief Tracy Busby
City of JACKSON	Yvonne Kimball	Dalacie Blankenship	Yvonne Kimball	Interim Chief Chris Mynderup
City of LINCOLN	EC / CJPRMA Board Rep Veronica Rodriguez	Ruthann Codina	Veronica Rodriguez	Chief Doug Lee
City of MARYSVILLE	Jennifer Styczynski	Karen Peters	Jennifer Styczynski	Chief Chris Sachs
City of NEVADA CITY	EC Loree' McCay	Catrina Olson	Loree' McCay	Chief Chad Ellis
City of OROVILLE	P / EC / CC Liz Ehrenstrom (Chair)	<i>None Appointed</i>	Liz Ehrenstrom (Chair)	Chief Joe Deal
Town of PARADISE	S / EC / CC Gina Will	Crystal Peters	Crystal Peters	Chief Eric Reinbold
City of PLACERVILLE	Dave Warren	Cleve Morris	Dave Warren	Chief James Ortega
City of RED BLUFF	Sandy Ryan	Anita Rice	Sandy Ryan	Chief Kyle Sanders (Chair)
City of RIO VISTA	*EC Jose Jasso	*Jen Lee, CPA	Jose Jasso	<i>Vacant</i>
City of ROCKLIN	Kimberly Sarkovich	Andrew Schiltz, CPA	Kimberly Sarkovich	Chief Chad Butler
City of WILLOWS	T / EC / CC Tim Sailsbery, CPA	<i>None Appointed</i>	Wayne Peabody	N/A
City of YUBA CITY	<i>Vacant</i>	Robin Bertagna, CPA	Sheleen Loza	Chief Robert Landon

OFFICERS		
		Term of Office
President (P)	Liz Ehrenstrom	1/1/2019 - 12/31/2020
Vice President (VP)	Kristine Haile	1/1/2019 - 12/31/2020
Treasurer (T)	Tim Sailsbery	1/1/2019 - 12/31/2019
Secretary (S)	Gina Will	9/27/2018 - 12/31/2020

**Executive Committee (EC)** - membership on the EC rotates annually based on a rotation schedule and each member serves for a two-year term, with the **President** serving as **Chair of the Committee**.

**Claims Committee (CC)** - members of the CC are annually selected by the EC. CC is traditionally made up of at least five members of the EC, with the **Vice President** serving as **Chair of the Committee**.

CJPRMA Board Representative  
 Veronica Rodriguez appointed 10/24/2019

PROGRAM ADMINISTRATORS (Alliant Insurance Services)
Marcus Beverly
Michael Simmons
Raychelle Maranan

CLAIMS ADMINISTRATORS (Sedgwick formerly York)
Dorienne Zumwalt
Steven Scott (Workers' Comp)
Jill Petrarca (Liability)

RISK CONTROL CONSULTANTS (Sedgwick formerly York/Bickmore)
Enriqueta "Henri" Castro
Dave Beal
Tom Kline (Police)

ADVISORS
Byrne Conley (Board Counsel)
James Marta, CPA (Accountant)
Nicole Rushing (Accountant)



## 2020 MEETING CALENDAR

---

- Thursday, January 16, 2020 ..... Long-Range Planning and **Board of Directors** at 9:30 a.m.
- Thursday, February 6, 2020 ..... **Police Risk Management Committee** at 10:00 a.m.
- Thursday, March 26, 2020 ..... **Claims Committee** at 10:00 a.m.  
*Executive Committee* at 11:30 a.m.
- Thursday, April 23, 2020\*\* ..... **Risk Management Committee** at 10:00 a.m.  
**Board of Directors** at 12 noon
- Thursday, May 7, 2020 ..... **Police Risk Management Committee** at 10:00 a.m.
- Thursday, May 28, 2020 ..... **Claims Committee** at 10:00 a.m.  
*Executive Committee* at 11:30 a.m.
- Thursday, June 25, 2020 ..... **Board of Directors** at 10:00 a.m.
- Thursday, August 6, 2020 ..... **Police Risk Management Committee** at 10:00 a.m.
- Thursday, September 24, 2020 ..... **Claims Committee** at 10:00 a.m.  
*Executive Committee* at 11:30 a.m.
- Thursday, October 29, 2020..... **Risk Management Committee** at 10:00 a.m.  
**Board of Directors** at 12 noon
- Thursday, November 5, 2020..... **Police Risk Management Committee** at 10:00 a.m.
- Thursday, December 10, 2020 ..... **Board of Directors** at 10:00 a.m.

Meeting Location: Rocklin Event Center - Garden Room  
2650 Sunset Blvd., Rocklin, CA 95677

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

Note: Additional Claims Committee Meetings may be scheduled as needed for Claims Authority approval which will be held via teleconference.