



**MINUTES OF THE  
NCCSIF BOARD OF DIRECTORS MEETING  
BONANZA INN CONFERENCE CENTER, YUBA CITY, CA  
OCTOBER 18, 2012**

**MEMBERS PRESENT**

John Brewer, City of Corning  
Bruce Kline, City of Folsom  
Paula Islas, City of Galt  
Karin Helvey, City of Gridley  
Michael Daly, City of Jackson  
Sheila Vanzandt, City of Lincoln  
Matt Michaelis, City of Marysville  
Catrina Olson, City of Nevada City  
Liz Ehrenstrom, City of Oroville  
Dave Warren, City of Placerville  
Sandy Ryan, City of Red Bluff  
Russell Hildebrand, City of Rocklin  
Steve Kroeger, City of Yuba City  
Gina Will, Town of Paradise

**MEMBERS ABSENT**

Jeff Kiser, City of Anderson  
Andy Heath, City of Auburn  
Shelly Kittle, City of Colusa  
Steve Johnson, City of Dixon  
Jane Wright, City of Ione  
Marni Rittburg, City of Rio Vista  
Tim Sailsbery, City of Willows

**GUESTS & CONSULTANTS**

Susan Adams, Alliant Insurance Services, Inc.  
Johnny Yang, Alliant Insurance Services, Inc.  
Laurence Voiculescu, Alliant Insurance Services, Inc.  
Craig Wheaton, York Risk Services  
Marcus Beverley, York Risk Services  
James Marta, James Marta & Company  
Matt Nethaway, Crowe Horwath  
Jennifer Hill, Crowe Horwath



**A. CALL TO ORDER**

The meeting was called to order at 12:01 p.m.

**B. PUBLIC COMMENTS**

Mr. Steve Kroeger shared information on a recent ADA related claim against the City of Yuba City which was pushed forward to trial.

**C. APPROVAL OF AGENDA AS POSTED**

A motion was made to approve the Agenda as posted.

**MOTION:** Dave Warren    **SECOND:** Steve Kroeger    **MOTION CARRIED**

**LUNCHTIME SPEAKER – The Board will receive a presentation on Alliant’s Special Events Program**

Mr. Johnny Yang gave a presentation to the Board of Directors regarding Alliant’s Special Events Program. This program is designed to assist members in obtaining liability coverage for specific events.

**D. CONSENT CALENDAR**

1. Draft minutes of the Board of Directors Meeting June 14, 2012
2. Check Register at September 30, 2012
3. Investment Reports
  - a. Chandler Asset Management Report June, July, August, September 2012 - Short/Long Term
4. Budget to Actual Report as of September 30, 2012

Mr. Kroeger requested to have Item D4 pulled for separate discussion.

A motion was made to approve the remaining items on the Consent Calendar.

**MOTION:** Dave Warren    **SECOND:** Catrina Olson    **MOTION CARRIED**

**D4. Budget to Actual Report as of September 30, 2012**

Mr. Kroeger asked that, going forward, this item be presented as a separate discussion item giving staff the opportunity to discuss and/or update the Board regarding budget concerns. There were no updates from staff regarding the Budget to Actual Report as presented.

A motion was made to approve Item D4. Budget to Actual Report as of September 30, 2012.

**MOTION:** Steve Kroeger    **SECOND:** Catrina Olson    **MOTION CARRIED**



**E. ACTION TAKEN BY THE EXECUTIVE COMMITTEE**

**E1. Approval of December 2012 Long Range Planning Meeting**

**E2. Approved AssetWorks Contract for Property Appraisal Services**

Ms. Susan Adams explained that the Executive Committee approved entering into a 2 year agreement with AssetWorks for Property Appraisal Services for NCCSIF members who are in the Property Program.

**E3. Approved Continuation of Police Risk Management Committee Meetings**

Ms. Adams advised that the Executive Committee approved the continuation of Quarterly Police Risk Management Committee Meetings with the next meeting in January.

**E4. Approval of the Board of Directors Lunchtime Presentation Topics**

**F. MINUTES AND REPORTS**

**F1. Risk Management Meeting October 18, 2012 – Verbal Report**

Ms. Liz Ehrenstrom gave a verbal report to the Board regarding the Risk Management Committee advising that the committee requested to adjust the start time of the Board of Directors meeting depending on the length of the Risk Management Committee Agenda. The option of teleconferences was also discussed depending on the Agenda. She also noted the great attendance received during the Police Risk Management Committee meeting.

Ms. Adams advised that Henri began the Risk Assessments process explaining that the process is taking more time due to the large reports, upon which Action Plans will be provided to the member cities. She then discussed upcoming regional trainings that will be held during the year. E-mails will be sent out to member cities when training sessions are made available.

**F2. Draft Minutes – Executive Committee Meeting September 13, 2012**

There was no discussion on this item.

**F3. Draft Minutes – Police Risk Management Committee Meeting August 23, 2012**

There was no discussion on this item.

**F4. Minutes – Risk Management Committee Meeting June 14, 2012**

There was no discussion on this item.



## **G. ADMINISTRATION REPORTS**

### **G1. President's Report**

Ms. Ehrenstrom had no items to report pertaining to matters of NCCSIF.

## **H. PRESENTATION**

### **H1. Presentation and Acceptance of the CAJPA Accreditation with Excellence**

Mr. James Marta presented the CAJPA Accreditation with Excellence plaque to Ms. Ehrenstrom.

## **I. FINANCIAL REPORTS**

### **I1. Quarterly Financial Report for the Period Ending June 30, 2012**

Mr. Marta gave a report to the Board on the Quarterly Financials for the period ending June 30, 2012 explaining that claims liabilities have increased and operating expenses have decreased.

A motion was made to approve the Quarterly Financial Report for the Period Ending June 30, 2012.

**MOTION:** Karin Helvey    **SECOND:** Russell Hildebrand    **MOTION CARRIED**

### **I2. Draft Financial Audit Year Ending June 30, 2012**

Mr. Matt Nethaway from Crowe Horwath provided members with copies of the Final Financial Audit for Year Ending June 30, 2012. He explained to the Committee that there were no Audit Adjustments found in the Financial Audit.

### **I3. Annual Shared Risk Layer Target Equity Ratio Review**

Ms. Adams advised that on an annual basis, NCCSIF compares the current claims and financial experience with the Target Equity Plan as stated in Administrative Policy and Procedure A-17, *Shared Risk Layer Plan Target Equity*.

Mr. Marta explained that Expected Liabilities currently exceed Net Assets. The Liability Shared Risk Equity is currently at -\$865,191. He advised that NCCSIF should come up with a plan to recover the Liability Shared Equity in the next three years. Mr. Marta also noted an increasing trend of Employment Practice claims in larger pools.

There was further discussion rather options which consisted of borrowing from other programs, different Self Insured Retentions and lesser to no dividend distributions. This is provided as



information only as further discussion will action will take place during the Long Range Planning Session in December.

#### **I4. NCCSIF Investment Policy**

Ms. Adams explained the NCCSIF Investment Policy has been reviewed by Chandler Asset Management and James Marta and Company. Mr. Marta explained that NCCSIF's policy follows California Government Code, but within the existing policy, the summary table for permitted investments was not fully descriptive with what could be invested per state code. The proposed Revised Investment Policy includes the permitted investment table within the Appendix.

A motion was made to approve the NCCSIF Investment Policy as provided.

**MOTION:** Dave Warren    **SECOND:** Matt Michaelis    **MOTION CARRIED**

#### **J. JPA BUSINESS**

##### **J1. SB 863 – Workers' Compensation Reform Summary**

Mr. Marcus Beverly gave a presentation regarding Workers' Compensation Reform Senate Bill SB 863. SB 863 was signed into law on September 19, 2012 to be effective January 1, 2013.

##### **J2. PEPPI Polltution Coverage Best Reporting Practices**

Ms. Adams advised that Public Entities Property Insurance Program has developed a PEPPI Best Practices for Loss Reporting. This document outlines the steps that should be taken at the time of an environmental incident to assure that the Pollution coverage offered by ACE through PEPPI is fully available for claims payment.

##### **J3. NCCSIF Long Range Planning**

###### **J3a. Long Range Planning Items List**

Ms. Adams explained that the Long Range Planning Items List provides members with a working document detailing items that have developed from Long Range Planning meetings, the action to be taken and who are responsible for the status. Member Orientation visits will also be included in the future.

###### **J3b. NCCSIF Long Range Planning Session Update**

Ms. Adams advised that at the last Executive Committee meeting the Committee decided to have a separate Long Range Planning Session separate to the Board of Directors. Ms. Adams advised that the Risk Management Committee meeting directed staff to hold an entire day dedicated to the Long Range Planning Session.



Upon further discussion the Board directed staff to hold a Long Range Planning Session on December 13, 2012 with Risk Management Committee/Board of Directors Meeting to follow on January with the location open for discussion.

#### **J4. CSAC EIA Payroll Audit 11/12 Assessment**

Ms. Adams explained that CSAC EIA conducted a payroll audit for the 2011/2012 policy year and an Assessment is due to CSAC EIA for NCCSIF. She advised that there are two options available to members. One would be to have the assessments billed during the current year or to have the Assessment billed to the 13/14 CSAC EIA premium.

Mr. Marta suggested having the 11/12 Assessments adjusted to member's banking layers accordingly for the current year.

A motion was made to have the 11/12 Assessments adjusted to each member's banking layer accordingly.

**MOTION:** Russell Hildebrand      **SECOND:** Gina Will      **MOTION CARRIED**

#### **J5. Preliminary 2013 Meeting Calendar**

Ms. Adams advised that during the Risk Management Committee meeting members discussed having a full day devoted for the Long Range Planning Session.

Staff was directed to hold a Long Range Planning Session on December 13, 2012 moving the Risk Management Committee and Board of Directors meeting to January, 2013.

#### **K. INFORMATION ITEMS**

**K1. NCCSIF Board Members and Alternates**

**K2. NCCSIF Meeting Calendar 2012**

**K3. NCCSIF Travel Reimbursement Form**

**K4. NCCSIF Resource Contact Guide**

**K5. Annual PARMA Conference – February 3 – 6, 2013 – Rancho Mirage, CA**

The meeting was adjourned at 2:10 p.m.