



NCCSIF EXECUTIVE COMMITTEE AGENDA

Date: Thursday, July 19, 2012
Time: 10:30 a.m.

A – Action
I – Information

Location: Meeting via Teleconference at the following locations:

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

1. City of Anderson, 1887 Howard Street, Anderson, CA 96007
2. City of Corning, 794 Third Street, Corning, CA 96021
3. City of Gridley, 685 Kentucky Street, Gridley, CA 95948
4. City of Oroville, 1735 Montgomery Street, Oroville, CA 95965
5. City of Red Bluff, 555 Washington Street, Red Bluff, CA 96080
6. City of Willows, 201 North Lassen Street, Willows, CA 95988
7. City of Yuba City, 1201 Civic Center Boulevard, Yuba City, CA 95993
8. Town of Paradise, 5555 Skyway, Paradise, CA 95969
9. Alliant Insurance Services, Inc., 1792 Tribute Road #450, Sacramento, CA 95815

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 Johnny Yang at Alliant Insurance at (916) 643-2712.

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 1792 Tribute Road, Suite 450, Sacramento, CA 94111.

A. CALL TO ORDER

B. 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.

C. APPROVAL OF AGENDA AS POSTED

pg. 01 **D. CONSENT CALENDAR**

A 1

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

- pg. 02 1. Draft Minutes of the Executive Committee meeting – May 10, 2012
- pg. 07 2. Check Register at June 30, 2012
- pg. 09 3. Investment Reports
- a. Chandler Asset Management – Short/Long Term as of June 30, 2012



E. JPA BUSINESS

- pg. 15 **1. Appointment of NCCSIF President** **A 1**
The Executive Committee will be asked to appoint a new NCCSIF President as Mr. Steve Kimbrough has resigned from the office of NCCSIF President.
- pg. 17 **2. Check Signing Authority** **A 1**
The Executive Committee will be asked to review and approve recommending to the Board, that the NCCSIF Bylaws Section 19 Disbursement of Funds be amended as respects check signing.

F. ADJOURNMENT

UPCOMING MEETINGS

Police Risk Management Committee – August 23, 2012 – Yuba City
Executive Committee – September 13, 2012
Claims Committee – September 13, 2012
Risk Management Committee – October 18, 2012
Board of Directors – October 18, 2012



**Agenda Item D.
Executive Committee
July 19, 2012**

CONSENT CALENDAR

ACTION ITEM

ISSUE: The Executive Committee should review items on the Consent Calendar and, if there is any item requiring clarification or amendment, such item(s) should be pulled from the agenda for separate discussion. The Executive Committee should approve the Consent Calendar excluding those items pulled. Any items removed from Consent will be agendaized later during the meeting as recommended by the President and approved by the Committee.

RECOMMENDATION: It is the recommendation of Staff to approve the Consent Calendar after review by the Executive Committee.

FISCAL IMPACT: Unknown.

BACKGROUND: The Committee places the following items on the Consent Calendar for approval. The Committee may approve the Consent Calendar items as presented, or any individual may request that an item be pulled for discussion and separate action during the meeting. Remaining items would then be approved by action of the Committee.

ATTACHMENT(S):

1. Draft Minutes of the Executive Committee Meeting – May 10, 2012
2. Check Register at June 30, 2012
3. Investment Reports
 - a. Chandler Asset Management – Short/Long Term as of June 30, 2012



**MINUTES OF THE
NCCSIF EXECUTIVE COMMITTEE MEETING
RESIDENCE INN MARRIOTT, CHICO CALIFORNIA
MAY 10, 2012**

MEMBERS PRESENT

Steve Kimbrough, City of Corning
Karin Helvey, City of Gridley
Liz Ehrenstrom, City of Oroville
Gina Will, Town of Paradise
Sandra Ryan, City of Red Bluff
Tim Sailsbery, City of Willows
Steve Kroeger, City of Yuba City

MEMBERS ABSENT

John Blacklock, City of Anderson
Paula Islas, City of Galt

GUESTS & CONSULTANTS

Michael Simmons, Alliant Insurance Services
Susan Adams, Alliant Insurance Services
Johnny Yang, Alliant Insurance Services
Jim Marta, James Marta & Company
Marcus Beverly, York Insurance Services
Craig Wheaton, York Insurance Services

A. CALL TO ORDER

The meeting was called to order at 10:32 a.m.

B. PUBLIC COMMENTS

There were no public comments made.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Liz Ehrenstrom **SECOND:** Tim Sailsbery **MOTION CARRIED**

D. CONSENT CALENDAR

1. Draft Minutes of the Executive Committee Meeting – March 22, 2012
2. Check Register at March 31, 2012
3. Investment Reports
 - a. LAIF as of March 31, 2012
 - b. Chandler Asset Management – Short/Long Term as of April 30, 2012
4. Treasurer’s Report as of March 31, 2012
5. Budget to Actual Report as of March 31, 2012

Mr. Steve Kroeger asked that Item D5. Budget to Actual Report be pulled from the Consent Calendar for the opportunity for staff to comment.

Mr. Jim Marta explained that Budget to Actual Report is on target with the exception of a few Safety Items. Claims expense is an area difficult to Budget as it reflects increases of prior claims estimates.

Mr. Kimbrough suggested taking the Budget to Actual Report and moving it to the Financial Report section in future meetings to present staff with an opportunity to update the Committee on a regular basis.

Mr. Marta noted the large increase in Lexipol’s budget and Ms. Susan Adams also noted the increase in the State Fund Assessments of \$23,000.

A motion was made to approve the consent calendar.

MOTION: Steve Kroeger **SECOND:** Steve Kimbrough **MOTION CARRIED**

E. COMMITTEE REPORTS

Ms. Adams explained that the Action List for the last Risk Management Committee and Board of Directors meeting has been provided updating the Committee on the items.

Mr. Kimbrough asked that once the Risk Management P&P for the use of volunteers is drafted, it should be provided to members as a model rather than making it mandatory. Mr. Kimbrough requested the Policy and Procedure to include items that are essential in protecting members from possible liabilities arising out of the use of volunteers.

There was further discussion on the Lexipol Fire Manual and whether it was worth the estimated price. Ms. Adams noted that TargetSolutions though CSAC-EIA provides Online Fire Training and asked if members would be interested in the program. Ms. Adams will contact TargetSolutions to possibly set up a trial membership.



F. FINANCIAL REPORTS

F1. Quarterly Financial Report for the Period Ending March 31, 2011

Mr. Jim Marta from James Marta & Company presented the Executive Committee with a review of the Quarterly Financial Report as of March 31, 2012 explaining that the Report reflects the New Actuarial numbers.

Mr. Marta noted that due to the increase in claim growth the Shared Risk layer is currently in a deficit of \$340,000. There was discussion regarding the possibility of a Catastrophic Loss Fund being created to help stabilize the impact of large claims in the Shared Risk layer.

A motion was made to approve the Quarterly Financial Report for Period Ending March 31, 2012 as presented.

MOTION: Steve Kroeger **SECOND:** Steve Kimbrough **MOTION CARRIED**

G. JPA BUSINESS

G1. Review of NCCSIF Bylaws regarding Powers of the Executive Committee

Mr. Simmons advised that this item was brought to Marilyn Kelley for her summarization of the Powers of the Executive Committee. Ms. Adams explained that this item was brought up at the last Board of Directors meeting as a member did not believe the Executive Committee had the authority to enter into contracts on behalf of the organization when a Budget has not been approved yet. Susan suggested looking into amending the "Budgetary Constraints" wording in the Bylaws. The Executive Committee decided to bring the discussion of the NCCSIF Bylaws regarding Powers of the Executive Committee as an item at the 2012 Strategic Planning meeting.

G2. "Revised" Liability Actuarial Study FY 2012/2013

Ms. Adams explained that Mike Harrington has revised the Liability Actuarial Study for FY 2012/2013 at a discount factor of 2% which increased the outstanding liabilities by \$186,000 and \$22,118 in the 2012/2103 funding.

A motion was made to approve the Revised Liability Actuarial Study as presented.

MOTION: Tim Sailsbery **SECOND:** Steve Kroeger **MOTION CARRIED**

G3. Review of Revised Liability 2012/13 Deposit Calculations

Ms. Adams explained that the banking and shared risk layers have been updated to reflect the new actuarial rates. This increased the deposit premiums by \$22,118 for the shared risk and

banking layers combined. Currently the CJPRMA numbers are unavailable as they are marketing their program which could result in a decrease.

Mr. Kroeger noticed that the Cap Deposit calculations did not reflect the correct capped deposits for those members who are to be capped. Staff will correct the cap calculations and redistribute the Liability 2012/13 Deposit Calculations to members. Mr. Simmons recommended increasing CJPRMA's premium to \$800,000 for budgetary purposes should CJPRMA have not provided their premium prior to Board approval.

G4. Discussion regarding Payroll used in Premium Deposit Calculations

Ms. Adams explained that Board members have inquired if we can provide revised payroll numbers in the deposit calculations. NCCSIF has developed Policy and Procedures to address payroll used in deposit calculations. The Liability calculations use CY 2011/12 payroll. The Workers' Compensation P&P does not define payroll. Historically, staff used the payroll members included on their CSAC Excess Workers' Compensation applications that are completed in October.

Upon further discussion the Committee requested an Annual February 1st deadline for the submittal of payroll by members for the Workers' Compensation calculations. For Liability staff should continue using the CY 2011/12 DE-9. Ms. Adams will draft a revised P&P for WC Banking and Shared Risk Layer Deposit Calculations to be presented at the next Executive Committee meeting and recommended to the Board of Directors for approval in October.

G5. Review and Approval of Alliant Insurance Services Brokerage, Risk Management and Program Administration Services 3rd Anniversary Amendment

Ms. Adams advised that there has been no change to the contract language, services or fees explaining that the Amendment only reflects an updated list of Alliant staff which now services the account.

A motion was made to approve Alliant Insurance Services' Brokerage, Risk Management and Program Administration Services 3rd Anniversary Amendment.

MOTION: Tim Sailsbery **SECOND:** Gina Will **MOTION CARRIED**

G6. Review and Approval of James Marta & Company Contract

Mr. Marta explained how James Marta & Company's role as NCCSIF's Accountant has increased throughout the years resulting in the increase of the services provided. Mr. Marta noted that they have not had an increase since 2008/2009 policy year and asked for a 3½ percent increase resulting in a \$2,100 annual increase.



A motion was made to approve James Marta & Company's Contract with an annual increase of \$2,100.

MOTION: Liz Ehrenstrom **SECOND:** Tim Sailsbery **MOTION CARRIED**

G7. Review and Approval of Gibbons & Conley Contract for Legal Services

Ms. Adams explained that the proposed Contract for Gibbons and Conley requested a rate increase of \$175 per hour from \$170 per hour. \$10,000 has been included in the 2012/2013 budget for these services. Current expense to date for legal fees is \$1,807.

A motion was made to approve Gibbons & Conley's Contract for Legal Services with the rate increase of \$175 per hour from \$170 per hour.

MOTION: Steve Kroeger **SECOND:** Liz Ehrenstrom **MOTION CARRIED**

G8. Review and Approval of York's Workers' Compensation Claims Administration Contract

Ms. Adams explained that the current contract is for the period of 07/01/2010 – 06/30/2013. Though York's contract allows \$45,750 per month in 2012-13, they were billing \$41,000 in 2011-2012 and are proposing an increase to the same fee as the 2010-11 fiscal year of \$43,250 per month.

A motion was made to approve York's Workers' Compensation Claims Administration Contract.

MOTION: Liz Ehrenstrom **SECOND:** Karin Helvey **MOTION CARRIED**

H. INFORMATION ITEMS

H1. NCCSIF Meeting Calendar 2012

H2. NCCSIF Resource Contact Guide

The Information Items are provided as an update only.

I. ADJOURNMENT

The meeting was adjourned at 12:57 p.m.

Northern California Cities Self Insurance Fund
 Check/Voucher Register - '
 From 4/1/2012 Through 6/30/2012

Check Number	Check Description	Vendor Name	Effective Date	Check Amount
7602	System Generated Check/Voucher	City of Folsom	4/26/2012	(2,097.03) *
7662	System Generated Check/Voucher	City of Placerville	4/23/2012	(21,336.00) *
7832	System Generated Check/Voucher	York Insurance Service	4/5/2012	0.00 *
7833	System Generated Check/Voucher	James Marta	4/5/2012	0.00 *
7834	System Generated Check/Voucher	AGRIP	4/5/2012	0.00 *
7835	System Generated Check/Voucher	Alliant Insurance Servic	4/5/2012	0.00 *
7836	System Generated Check/Voucher	Bickmore Risk Services	4/5/2012	0.00 *
7837	System Generated Check/Voucher	Future Industrial Techn	4/5/2012	0.00 *
7838	System Generated Check/Voucher	York Insurance Service	4/5/2012	49,240.71
7839	System Generated Check/Voucher	James Marta	4/5/2012	5,204.90
7840	System Generated Check/Voucher	AGRIP	4/5/2012	500.00
7841	System Generated Check/Voucher	Alliant Insurance Servic	4/5/2012	23,554.00
7842	System Generated Check/Voucher	Bickmore Risk Services	4/5/2012	17,628.33
7843	System Generated Check/Voucher	Future Industrial Techn	4/5/2012	1,972.27
7844	System Generated Check/Voucher	Chandler Inc.	4/23/2012	4,862.00
7845	System Generated Check/Voucher	York Insurance Service	4/23/2012	41,000.00
7846	System Generated Check/Voucher	Gibbons & Conley	4/23/2012	355.69
7847	System Generated Check/Voucher	Occu-Med Inc.	4/23/2012	1,500.00
7848	System Generated Check/Voucher	Future Industrial Techn	4/23/2012	805.02
7849	System Generated Check/Voucher	Professional Dynamics	4/23/2012	1,000.00
7850	System Generated Check/Voucher	DKF Solutions Group, L	4/23/2012	700.00
7851	To reissue voided check #7662	City of Placerville	4/23/2012	21,336.00
7852	System Generated Check/Voucher	Chandler Inc.	5/11/2012	4,870.00
7853	System Generated Check/Voucher	York Insurance Service	5/11/2012	77,703.62
7854	System Generated Check/Voucher	James Marta	5/11/2012	0.00 *
7855	System Generated Check/Voucher	Alliant Insurance Servic	5/11/2012	0.00 *
7856	System Generated Check/Voucher	Bickmore Risk Services	5/11/2012	0.00 *
7857	System Generated Check/Voucher	MICHAEL DALY	5/11/2012	0.00 *
7858	System Generated Check/Voucher	Future Industrial Techn	5/11/2012	0.00 *
7859	System Generated Check/Voucher	Carla Soracco	5/11/2012	0.00 *
7860	System Generated Check/Voucher	Liz Ehrenstrom	5/11/2012	0.00 *
7862	System Generated Check/Voucher	James Marta	5/11/2012	5,055.49
7863	System Generated Check/Voucher	Alliant Insurance Servic	5/11/2012	22,500.00
7864	System Generated Check/Voucher	Bickmore Risk Services	5/11/2012	8,628.33
7865	System Generated Check/Voucher	MICHAEL DALY	5/11/2012	101.57
7866	System Generated Check/Voucher	Future Industrial Techn	5/11/2012	2,897.83
7867	System Generated Check/Voucher	Carla Soracco	5/11/2012	101.57
7868	System Generated Check/Voucher	Liz Ehrenstrom	5/11/2012	53.69
7869	System Generated Check/Voucher	Professional Dynamics	5/11/2012	1,000.00
7870	System Generated Check/Voucher	Russell Hildebrand	5/11/2012	21.65
7871	System Generated Check/Voucher	Future Industrial Techn	5/24/2012	0.00 *
7872	System Generated Check/Voucher	Susan Adams	5/24/2012	1,131.74
7873	System Generated Check/Voucher	James Marta	6/5/2012	5,100.00
7874	System Generated Check/Voucher	Alliant Insurance Servic	6/5/2012	45,000.00
7875	System Generated Check/Voucher	City of Gridley	6/5/2012	150,957.00
7876	System Generated Check/Voucher	City of Folsom	6/5/2012	1,200.00
7877	System Generated Check/Voucher	City of Dixon	6/5/2012	152,791.00
7878	System Generated Check/Voucher	City of Jackson	6/5/2012	450.00

Northern California Cities Self Insurance Fund
 Check/Voucher Register - '
 From 4/1/2012 Through 6/30/2012

Check Number	Check Description	Vendor Name	Effective Date	Check Amount
7879	System Generated Check/Voucher	Future Industrial Techn	6/5/2012	3,899.80
7880	System Generated Check/Voucher	DKF Solutions Group, L	6/5/2012	700.00
7881	System Generated Check/Voucher	Susan Adams	6/5/2012	1,131.74 *
7882	System Generated Check/Voucher	AGRIP	6/5/2012	1,011.00
7883	System Generated Check/Voucher	Chandler Inc.	6/11/2012	4,890.00
7884	System Generated Check/Voucher	York Insurance Service	6/11/2012	41,000.00
7885	System Generated Check/Voucher	Occu-Med Inc.	6/11/2012	1,500.00
7886	System Generated Check/Voucher	City of Oroville	6/11/2012	356,995.00
7887	System Generated Check/Voucher	City of Galt	6/11/2012	107,693.00
7888	System Generated Check/Voucher	City of Folsom	6/11/2012	748,878.00
7889	System Generated Check/Voucher	City of Red Bluff	6/11/2012	71,139.00
7890	System Generated Check/Voucher	Future Industrial Techn	6/11/2012	981.00
7891	System Generated Check/Voucher	Professional Dynamics	6/11/2012	1,000.00
7892	System Generated Check/Voucher	DKF Solutions Group, L	6/11/2012	700.00
7893	System Generated Check/Voucher	City of Anderson	6/20/2012	83,592.00
7894	System Generated Check/Voucher	Town of Paradise	6/20/2012	215,505.00
7895	System Generated Check/Voucher	City of Nevada City	6/20/2012	32,229.00
7896	System Generated Check/Voucher	MICHAEL DALY	6/20/2012	101.57
7897	System Generated Check/Voucher	City of Rio Vista	6/20/2012	116,348.00
7898	System Generated Check/Voucher	City of Corning	6/20/2012	5,615.00
7899	System Generated Check/Voucher	City of Placerville	6/20/2012	<u>70,175.00</u>
Report Total				<u>2,490,873.49</u>

*Checks were voided

Monthly Account Statement

Northern Cal. Cities Self Ins. Fund Long Term

June 1, 2012 through June 30, 2012

Chandler Team

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

Custodian

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

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



PORTFOLIO CHARACTERISTICS

Average Duration	3.65
Average Coupon	3.38 %
Average Purchase YTM	2.48 %
Average Market YTM	0.92 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	4.01 yrs
Average Life	4.00 yrs

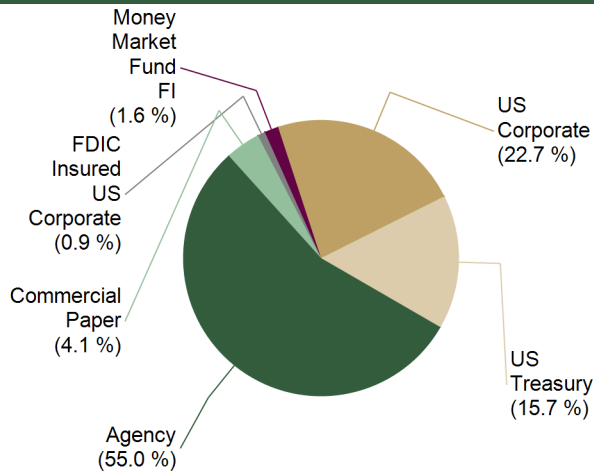
ACCOUNT SUMMARY

	Beg. Values as of 5/31/12	End Values as of 6/30/12
Market Value	24,528,324	23,095,886
Accrued Interest	219,655	164,322
Total Market Value	24,747,979	23,260,207
Income Earned	49,565	47,479
Cont/WD		-1,500,000
Par	22,545,592	21,186,182
Book Value	23,204,050	21,836,182
Cost Value	23,587,976	22,199,183

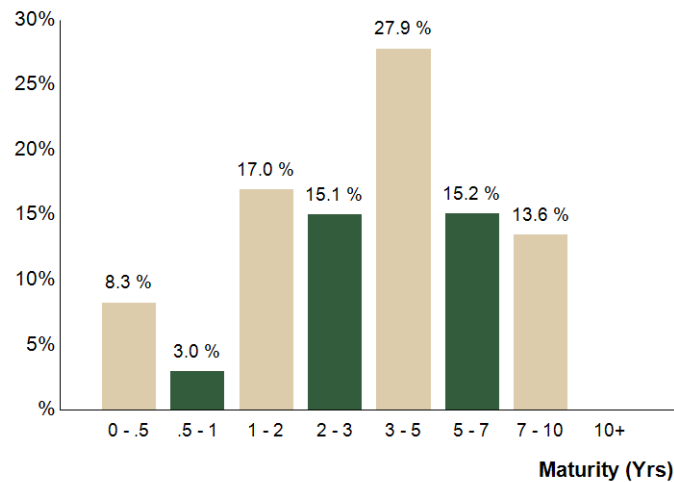
TOP ISSUERS

Issuer	% Portfolio
Government of United States	15.7 %
Federal National Mortgage Assoc	12.5 %
Federal Home Loan Mortgage Corp	11.6 %
Federal Home Loan Bank	10.6 %
Tennessee Valley Authority	10.5 %
Federal Farm Credit Bank	9.8 %
Toyota Motor Corp	2.1 %
Bank of Nova Scotia	2.0 %
	74.8 %

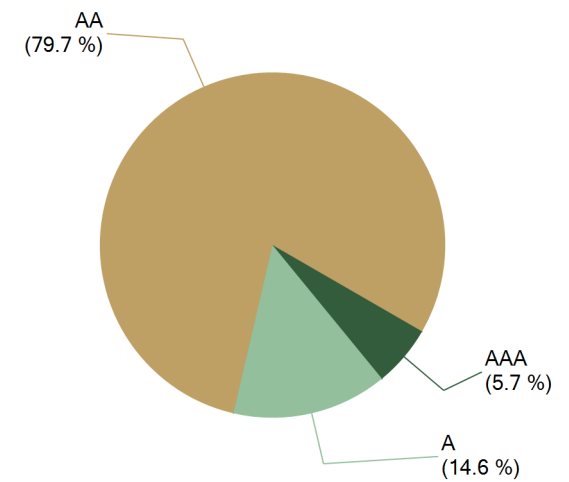
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 6/30/2012	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 5/31/2006	
					3 Yrs	5 Yrs	10 Yrs		
Northern Cal. Cities Self Ins. Fund Long Term	0.05 %	1.48 %	1.80 %	5.44 %	5.08 %	6.19 %	N/A	6.07 %	43.14 %
1-10 yr Govt	-0.16 %	1.60 %	1.18 %	5.31 %	4.53 %	5.83 %	N/A	5.70 %	40.15 %
1-10 Year Govt/A Rated or better Corporate	0.02 %	1.57 %	1.87 %	5.36 %	5.31 %	5.67 %	N/A	5.61 %	39.40 %



Northern California Cities Self-Insurance Fund - Long Term

June 30, 2012

COMPLIANCE WITH INVESTMENT POLICY

The portfolio complies with State law and with the Authority's investment policy.

Category	Standard	Comment
Asset-backed/MBS	20% maximum	Complies
Banker's Acceptances	A1/P1; 30% max; <180 days; L/T = AA	Complies
Commercial Paper	A1/P1; 25% max.; <270 days	Complies
LAIF	\$50 million	Complies
Medium Term Notes	30% max; A; 5 year maximum	Complies
Money Market Acct	15% maximum; AA	Complies
Mutual Funds	15% maximum; AAA	Complies
Negotiable CDs	30% overall; 3-year maximum	Complies
Repurchase Agreements	10% overall; 30 days	Complies
Time CDs	3 year maximum	Complies
Treasury issues	No limitation	Complies
US Agencies	No limitation	Complies
Per Issuer Maximum	5% (except gov'ts)	Complies
Maximum Maturity	10 years	Complies
Futures and Options	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies

Monthly Account Statement

Northern CA Cities Self Ins. Fund Short Term

June 1, 2012 through June 30, 2012

Chandler Team

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

Custodian

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

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



PORTFOLIO CHARACTERISTICS

Average Duration	2.42
Average Coupon	2.35 %
Average Purchase YTM	1.71 %
Average Market YTM	0.65 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.53 yrs
Average Life	2.49 yrs

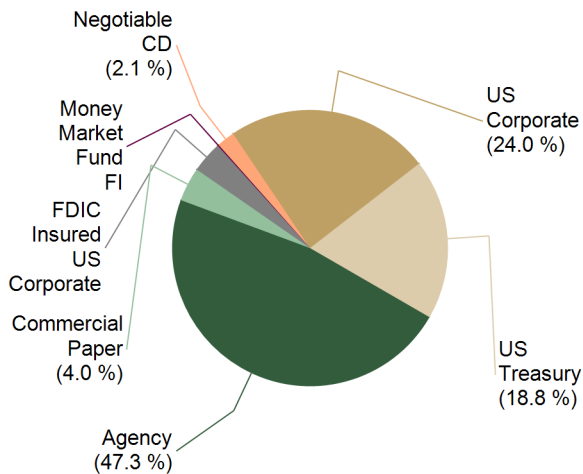
ACCOUNT SUMMARY

	Beg. Values as of 5/31/12	End Values as of 6/30/12
Market Value	23,871,266	22,404,225
Accrued Interest	137,493	125,261
Total Market Value	24,008,759	22,529,487
Income Earned	34,710	32,583
Cont/WD		-1,500,988
Par	23,101,768	21,704,245
Book Value	23,374,871	21,945,749
Cost Value	23,680,611	22,216,214

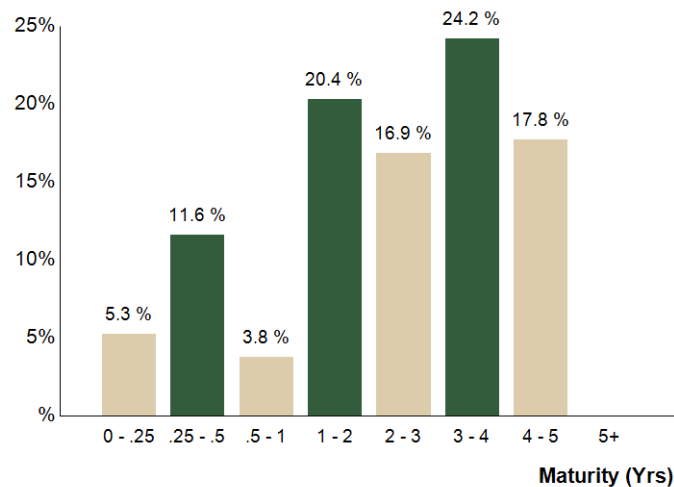
TOP ISSUERS

Issuer	% Portfolio
Government of United States	18.8 %
Federal National Mortgage Assoc	13.1 %
Federal Farm Credit Bank	11.9 %
Federal Home Loan Mortgage Corp	11.7 %
Federal Home Loan Bank	7.4 %
Tennessee Valley Authority	3.2 %
Toronto Dominion Holdings	2.1 %
General Electric Co	2.1 %
Total	70.3 %

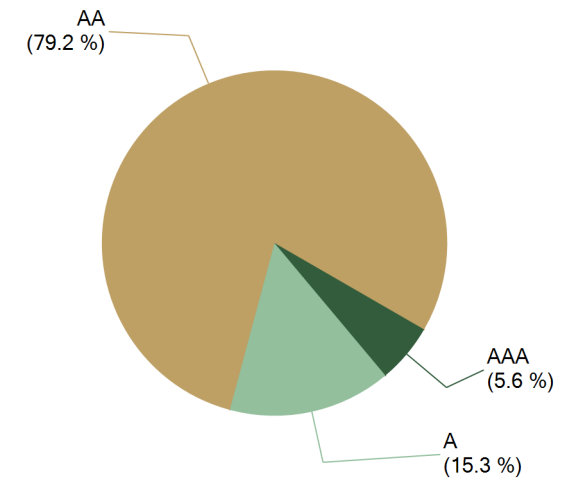
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 6/30/2012	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized				Since 12/31/1997
					3 Yrs	5 Yrs	10 Yrs	12/31/1997	
Northern CA Cities Self Ins. Fund Short Term	0.09 %	0.62 %	1.02 %	2.50 %	3.11 %	4.77 %	4.09 %	5.01 %	103.12 %
1-5 yr Govt	-0.07 %	0.57 %	0.45 %	2.17 %	2.77 %	4.41 %	3.75 %	4.66 %	93.58 %
1-5 Year Govt/A Rated or better Corporate	0.05 %	0.60 %	1.01 %	2.37 %	3.36 %	4.46 %	3.89 %	4.81 %	97.57 %



Northern California Cities Self-Insurance Fund - Short Term

June 30, 2012

COMPLIANCE WITH INVESTMENT POLICY

The portfolio complies with State law and with the Authority's investment policy.

Category	Standard	Comment
Asset-backed/MBS	20% maximum	Complies
Banker's Acceptances	A1/P1; 30% max; <180 days; L/T = AA	Complies
Commercial Paper	A1/P1; 25% max.; <270 days	Complies
LAIF	\$50 million	Complies
Medium Term Notes	30% max; A; 5 year maximum	Complies
Money Market Acct	15% maximum; AA	Complies
Mutual Funds	15% maximum; AAA	Complies
Negotiable CDs	30% overall; 3-year maximum	Complies
Repurchase Agreements	10% overall; 30 days	Complies
Time CDs	3 year maximum	Complies
Treasury issues	No limitation	Complies
US Agencies	No limitation	Complies
Per Issuer Maximum	5% (except gov'ts)	Complies
Maximum Maturity	10 years	Complies
Futures and Options	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies



**Agenda Item E.1.
Executive Committee
July 19, 2012**

APPOINTMENT OF NCCSIF PRESIDENT

ACTION ITEM

ISSUE: Mr. Steve Kimbrough, NCCSIF President, has resigned from the office of NCCSIF President as of June 26, 2012. The Executive Committee should appoint a new President to serve out the term that expires December 31, 2012. The President resides over the Executive Committee meetings and the Board of Directors meetings. There are two Executive meetings scheduled for September and November, 2012 and two Board meetings scheduled for October and December 2012.

RECOMMENDATION: It is the recommendation of staff for the Executive Committee to appoint a new NCCSIF President.

FISCAL IMPACT: None.

BACKGROUND: Steve Kimbrough announced to the Board of Directors at the June 14, 2012 meeting, that he is retiring from the City of Corning as of June 30, 2012 and felt that he should resign as President of NCCSIF as he would no longer be a contract employee with the City of Corning. He inquired if Sandy Ryan from Red Bluff would be willing to serve out the term or if Liz Elhrenstrom would be willing to service. Steve Kroeger's name was also mentioned as Steve is the past president. Steve was not in attendance at this meeting to discuss this with.

ATTACHMENT(S): None

1. June 26, 2012 Letter of Resignation from Steve Kimbrough



City of Corning

794 Third St. Corning, CA 96021 (530) 824-7020 Fax (530) 824-2489

June 26, 2012

Liz Ehrenstrom, Vice President
Northern California Cities Self Insurance Authority
Alliant Insurance Services
1735 Montgomery Street
Oroville, CA 95965

RE: Resignation of Stephen J. Kimbrough from NCCSIF Presidency.

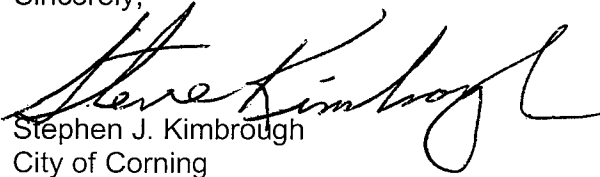
Dear Liz:

As I mentioned at the last Board Meeting, and to you and Susan, I must resign as President of NCCSIF because I am no longer employed by the City of Corning.

As you recall, the change in the State Law forced my temporary employment as half-time City Manager to end on February 29, 2012. Since then I have been a City Consultant, but that relationship with the City does not support the idea of me continuing to represent the City of Corning and serving as Board President.

I have really enjoyed the last eighteen years of active participation in NCCSIF and the opportunity to work with you, Susan, and all of the other members of the Board and Staff. Thank you for making my time so productive.

Sincerely,


Stephen J. Kimbrough
City of Corning

Cc: John Brewer, AICP, City Manager – City of Corning
Susan Adams, NCCSIF Program Manager (sadams@alliantinsurance.com)



**Agenda Item E.2.
Executive Committee
July 19, 2012**

CHECK SIGNING AUTHORITY

ACTION ITEM

ISSUE: In order to expediate payment of invoices, the Executive Committee should review and discuss amending the NCCSIF ByLaws, Section 19, Disbursement of Funds which current requires two signatures on all checks issued over \$5,000.

The Committee should discuss and approve amending the JPA ByLaws as respects check signing authority to allow one signature on those checks that are greater than \$5,000 in value and are issued monthly to NCCSIF's Claims Administrator, JPA Administrator, Risk Control Service Provider and Accountant.

If the Executive Committee approves recommending this ByLaw change, upon approval of by the Board, it will be effective 30 days from the Board meeting date in accordance with the ByLaws amendment notice requirement.

RECOMMENDATION: Staff and James Marta and Company recommend approving this ByLaw change.

FISCAL IMPACT: None.

BACKGROUND: NCCSIF's ByLaws currently require two signatures on all checks or warrants issued. When invoices are received, the JPA Administrator reviews and approves each invoice and submits to James Marta and Company for payment.

ATTACHMENT(S):

1. Red Line Strike-out Section 19 – Disbursement of Funds in NCCSIF Bylaws

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 with the exception of checks issued monthly to NCCSIF's Claims Administrator, JPA Administrator, Risk Control Service Provider and Accountant which will only require one signature. 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.