



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 BOARD OF DIRECTORS MEETING AGENDA

DATE/TIME: Thursday, April 23, 2020 at 1:00 p.m.

A - Action
I - Information

LOCATION: Zoom Teleconference
Call-in Number: (669) 900-6833
Access Code: 812 323 487

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 Board of Directors on matters pertaining to NCCSIF that are of interest to them.

pg. 6 **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 Board of Directors may request any item to be considered separately.

- pg. 7
pg. 15
1. Board Meeting Minutes – January 16, 2020
 2. Check Register from January 1, 2020 to February 28, 2020
 3. Investment Reports

pg. 17

- a. Chandler Asset Management Short/Long Term - January 2020 to February 2020

pg. 33

- b. Local Agency Investment Fund (LAIF) Report as of December 31, 2019

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- c. Treasurer's Report as of December 31, 2019

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4. Sedgwick Workers' Compensation Quarterly Claims Report

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5. 19/20 Alliant-Commission Opt-Out Letter dated April 6, 2020

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6. Excess Cyber Proposal and Bind Order



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pg. 50	7. FY 19/20 NorCal Cities SIF Liability Program Claims Audit and Sedgwick response	
pg. 56	8. FY 19/20 CJPRMA Claims Audit and Sedgwick response	
pg. 58	F. GENERAL RISK MANAGEMENT ISSUES	I 4
	<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>	
	G. ADMINISTRATION REPORTS	I
	1. President's Report	4
	<i>Elizabeth Ehrenstrom will address the Committee on items pertaining to NorCal Cities</i>	
	2. CJPRMA Update	4
	<i>Marcus Beverly will update the Board on CJPRMA matters pertinent to NorCal Cities. Minutes of the last meeting can be found at http://www.cjprma.org.</i>	
	3. Program Administrator's Report	4
	<i>Alliant will address the Committee on items pertaining to NorCal Cities.</i>	
	a. New NCCSIF Staff	
	b. NCCSIF Website	
pg. 59	4. Summary of the March 26, 2020 Executive Committee Meeting	1
	<i>The Board will receive an update of the actions taken at the Executive Committee meeting.</i>	
pg. 60	5. FY 19/20 EIA Member Annual Report	1
	<i>Marcus Beverly will provide an update on the benefits achieved as a result of NCCSIF's participation in the EIA's program.</i>	
pg. 77	H. FY 20/21 OFFICERS AND EXECUTIVE COMMITTEE	A 1
	<i>The Board will be asked to elect Officers and is provided information regarding the Executive Committee Rotation Schedule.</i>	
	I. FINANCIAL REPORTS	
pg. 83	1. Quarterly Financial Report for Period Ending December 31, 2019	A 1
	<i>James Marta & Company will present the quarterly financial report ending December 31, 2019 for the Board to Accept and File.</i>	



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- pg. 120 2. **Budget to Actual as of December 31, 2019** **I 1**
The Board will receive an update on the Budget to Actual as of December 31, 2019.

J. JPA BUSINESS

- pg. 121 1. **FY 20/21 NCCSIF Administration Budget** **I 1**
The Board will review and may provide direction regarding the Preliminary Admin Budget.

2. **Actuarial Services - Mike Harrington, Bickmore Actuarial** **A 1**

- pg. 124 a. **Actuarial Study for Workers' Compensation Program**
The Board will review and may approve the Actuarial Study for the Workers' Compensation Program.

- pg. 162 b. **Actuarial Study for Liability Program**
The Board will review and may approve the Actuarial Study for the Liability Program.

3. **Workers' Compensation Program** **A 1**

- pg. 205 a. **Annual Banking Plan Adjustments - James Marta & Company**
The Board will review and may approve adjustments to the Banking Layer for the Workers' Compensation program.

- pg. 207 b. **Annual Shared Risk Plan Adjustments - Alliant Insurance Services**
The Board will review and may approve adjustments to the Shared Risk Layer for the Workers' Compensation program.

- pg. 209 c. **FY 20/21 Deposit Premium Calculations**
The Board will review and may approve the Preliminary Deposit Premium Calculations for the Workers' Compensation Program.

4. **Liability Program** **A 1**

- pg. 215 a. **Annual Banking Plan Adjustments - James Marta & Company**
The Board will review and may approve adjustments to the Banking Layer for the Liability program.



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UPCOMING MEETINGS

Police Risk Management Committee Meeting - May 7, 2020

Claims Committee Meeting - May 28, 2020

Executive Committee Meeting - May 28, 2020

Board of Directors Meeting - June 25, 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. 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
Board of Directors Meeting
April 23, 2020**

Agenda Item E.

CONSENT CALENDAR

ACTION ITEM

ISSUE: Items on the Consent Calendar should be reviewed by the Board, and if any item requires clarification or amendment such item(s) should be pulled from the agenda for separate discussion. *Items pulled from the Consent Calendar will be placed back on the agenda in an order determined by the President.*

RECOMMENDATION: Adoption of the Consent Calendar after review by the Board.

FISCAL IMPACT: None.

BACKGROUND: The Board places the following items on the Consent Calendar for adoption. The Board may accept the Consent Calendar as presented, or pull items for discussion and separate action while accepting the remaining items.

ATTACHMENT(S):

1. Board Meeting Minutes- January 16, 2020
2. Check Register from January 1, 2020 to February 28, 2020
3. Investment Reports
 - a. Chandler Asset Management Short/Long Term – January 1, 2020 to February 28, 2020
 - b. Local Agency Investment Fund (LAIF) Report as of December 31, 2019
 - c. Treasurer’s Report as of December 31, 2019
4. Sedgwick Workers’ Compensation Quarterly Claims Report
5. 19/20 Alliant-Commission Opt-Out Letter dated March, 24 2020
6. Excess Cyber Proposal and Bind Order
7. FY 19/20 NorCal Cities SIF Liability Program Claims Audit and Sedgwick response
8. FY 19/20 CJPRMA Claims Audit and Sedgwick response



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
LONG-RANGE PLANNING AND
BOARD OF DIRECTORS MEETING MINUTES
ROCKLIN EVENT CENTER, ROCKLIN, CA
JANUARY 16, 2020**

BOARD OF DIRECTORS PRESENT

Liz Cottrell, City of Anderson
Kristina Miller, City of Corning
Rachel Ancheta, City of Dixon
Brad Koehn, City of Elk Grove
Kristine Haile, City of Folsom (**Vice Chair**)
Stephanie Van Steyn, City of Galt
Elisa Arteaga, City of Gridley (Alternate)
Jon Hanken, City of Ione
Veronica Rodriguez, City of Lincoln

Loree McCay, City of Nevada City
Liz Ehrenstrom, City of Oroville (**Chair**)
Gina Will, Town of Paradise
Dave Warren, City of Placerville
Jose Jasso, City of Rio Vista
Kimberly Sarkovich, City of Rocklin
Tim Sailsbery, City of Willows
Spencer Morrison, City of Yuba City

ALTERNATE BOARD & OTHER MEMBERS PRESENT

Kara Reddig, City of Elk Grove (Alternate)
Jim Ramsey, City of Elk Grove

Michael Rock, City of Yuba City (Alternate)

BOARD OF DIRECTORS ABSENT

Cristina Shafer, City of Auburn
Toni Benson, City of Colusa
Jim Francis, City of Folsom
City of Gridley (primary Board vacant)

Yvonne Kimball, City of Jackson
Jennifer Styczynski, City of Marysville
Sandy Ryan, City of Red Bluff

CONSULTANTS & GUESTS

Marcus Beverly, Alliant Insurance Services
Michael Simmons, Alliant Insurance Services
Conor Boughey, Alliant Insurance Services
Raychelle Maranan, Alliant Insurance Services

James Marta, James Marta & Company
Dori Zumwalt, Sedgwick
Jill Petrarca, Sedgwick
Laura Cole, Cole Pro Media

Pre-meeting: NorCal Cities Orientation and Refresher Training at 9:00 a.m.

Mr. Marcus Beverly reviewed the FY 19/20 Annual Report to the members as an overview of the JPA services and governance.

A. CALL TO ORDER

Chair Liz Ehrenstrom called the meeting to order at 9:34 a.m.



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B. INTRODUCTIONS

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

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Tim Sailsbery **SECOND:** Kimberly Sarkovich **MOTION CARRIED
UNANIMOUSLY**
Ayes: Cottrell, Miller, Ancheta, Koehn, Haile, Van Steyn, Hanken, Rodriguez, McCay,
Ehrenstrom, Will, Warren, Jasso, Sarkovich, Sailsbery, Morrison
Nays: None

D. PUBLIC COMMENTS

There were no public comments.

E. 2020 LONG RANGE PLANNING TOPICS

Mr. Michael Simmons updated the Board regarding his retirement transition plan and introduced Conor Boughey who will take over as the peer review for the Program Administration team. Conor Boughey has been with Alliant for twelve years working with several JPA's and other pools of larger cities across the state.

E.1. State of the Insurance Market/Emerging Risks

Mr. Conor Boughey provided a presentation on the current state of the insurance market and emerging risks

Elisa Arteaga arrived at 9:48 a.m.

Jill Petrarca arrived at 9:55 a.m.

Chair Ehrenstrom requested to send a copy of the presentation to the members.

E.2. CJPRMA Program Funding

Mr. Beverly provided a presentation of CJPRMA (California Joint Powers Risk Management Authority) 2020/2021 Program Funding Actuarial Study that explains why the excess liability provider is considering raising their SIR (self-insured retention) options for the upcoming program year.



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The Board discussed the apparent issue with CJPRMA funding formula and the need for the excess provider to fund at a higher confidence level (CL). It was noted that excess pool should be funding at 85% to 95% C.L. It is unknown at this time which direction CJPRMA is going to take to ensure adequate funding. Alliant will closely monitor the funding development in the coming months.

E.3. NorCal Cities Funding Policy Financial Performance

Mr. Beverly provided a presentation of the Target Funding Benchmarks of the pool and noted overall NCCSIF is in good financial health:

- Liability Program - back above funding goals after four years of deficit and three more years of increasing assets. The Program Administrator would recommend updating benchmarks and goals in the face of increasing SIR and claims.
- WC Program - shows steady results and a big boost in net position. The Program Administrators would recommend updating benchmarks and maintaining funding levels to assess the impact of post-traumatic stress disorder (PTSD) law and higher SIR. The Senate Bill 542 was signed into law effective January 1, 2020 creating a rebuttable presumption that PTSD is compensable condition for first responders.

Mr. Beverly indicated that NCCSIF participated in AGRiP's (Association of Governmental Risk Pools) Financial Benchmarking Initiative (FBI). AGRiP's FBI is an analytical tool for member pools to compare their financial results with nationwide pool statistics and cohort of peer comparison. Mr. Beverly presented the result to the Board and overall, NCCSIF compares very favorable to cohorts for both WC and Liability programs.

The Board took a break at 11:05 a.m.

The meeting resumed at 11:22 a.m.

E.4. Stress Test Measurements

Mr. James Marta provided a presentation on stress test measurements designed to evaluate the ability to finance 50 and 100-year events. The resilience of the pool under different adverse events estimating what would happen to capital, cash flows or the system as a whole if certain risks were to materialize. Benchmarking is a good basic principle. Primary pool should be funding at 75%-85% C.L. but that is not the only factor. If NCCSIF is forced to a higher SIR by excess providers, the pool may contemplate increasing capital by funding at 85% C.L., currently funding both programs at 80% C.L.



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E.5. Update Strategic Goals and Action Plan

Mr. Beverly reviewed the strategic goals and action plan that was developed in December 2017. Most of the goals have been completed. The Board is focused on strengthening the pool's financial position and updating the funding policy benchmarks.

Tim Sailsbery left the meeting at 11:55 a.m.

Mr. Beverly briefly reviewed the Policy and Procedure A-17: Shared Risk Layer Plan Target Funding Policy to the Board. There are anticipated proposed changes to be made on the policy such as updating the terms from net assets to net position. The Board provided direction to the Program Administrators regarding strengthening the goals and funding benchmarks specifically to set a "firm" number as opposed to the current wording in the policy "be higher." The Board recommended funding C.L. with a goal of at least 80-90% C.L. The proposed changes to the policy will be presented to the Executive Committee in March and then to the Board in April for approval.

Long Range Planning Session ended at 12:20 p.m. and the Board recessed for lunch.

Lunchtime Presentation started at 12:33 p.m. - Best Practices for Putting Together a Critical Incident Video by Laura Cole of Cole Pro Media

Chair Ehrenstrom requested to send a copy of the presentation to the members.

Laura Cole provided consent to distribute copy of her presentation to the members.

Mr. Beverly indicated that he highly recommends having Laura Cole on a retainer basis in case a need should arise for her services. A draft agreement will be presented for consideration at the next Executive Committee meeting in March.

The meeting resumed at 1:36 p.m.

F. CONSENT CALENDAR

1. Board of Directors Meeting Minutes - October 24, 2019
2. Check Register from September 1, 2019 to December 30, 2019
3. Investment Reports
 - a. Chandler Asset Management Short/Long Term - September 2019 to December 2019
 - b. Local Agency Investment Fund (LAIF) Report as of September 30, 2019
 - c. Treasurer's Report as of September 30, 2019
4. NCCSIF Audited Financial Statements FYE June 30, 2019
 - a. FY 18/19 Accountant's Compilation Report letter



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- b. 2019 Special Districts Financial Transactions Report
- 5. FY 19/20 Liability Claims Auditing Services Agreement with Risk Management Services
- 6. Sedgwick Workers' Compensation Quarterly Claims Report January 2020
- 7. FY 20/21 EIA Excess Workers' Compensation Premium Estimate

A motion was made to approve the Consent Calendar as posted.

MOTION: Jon Hanken

SECOND: Dave Warren

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Miller, Ancheta, Koehn, Haile, Van Steyn, Arteaga, Hanken, Rodriguez, McCay, Ehrenstrom, Will, Warren, Jasso, Sarkovich, Morrison

Nays: None

G. GENERAL RISK MANAGEMENT ISSUES

General discussion on challenges in maintaining public restrooms and the concerns over handling of hazardous waste in-house v. contracting out the custodial services.

Mr. Beverly reminded members to proactively do a crosswalk survey to identify any safety issues. Furthermore, members were reminded to document issues with railroad track and to involve the Fire Department to oversee the assessment along with submitting maintenance requests to Caltrans.

H. SUMMARY OF THE DECEMBER 4, 2019 EXECUTIVE COMMITTEE MEETING

Mr. Beverly briefly reviewed the summary report and the Board had no questions.

Laura Cole left the meeting at 1:44 p.m.

I. ADMINISTRATION REPORTS

I.1. President's Report

Chair Ehrenstrom had no items to report.

I.2. CJPRMA Update

Ms. Veronica Rodriguez, CJPRMA Board Representative, reported on the following:

- 1. CJPRMA will be hosting a three series training on Cyber Awareness.
- 2. CJPRMA will be developing a training module for police officers on positional asphyxiation.



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I.3. Program Administrator’s Report

- a. Alliant Service Team Transition - Michael Simmons Letter
This was addressed at the beginning of the meeting, prior to item E.1.
- b. Service Contract Update
Alliant is still working on Cordico Wellness App for police. Draft agreements for both Laura Cole for Video Redacting Services and Precision Concrete Cutting for Sidewalk Services are underway.

J. FINANCIAL REPORTS

J.1. Quarterly Financial Report for Period Ending September 30, 2019

Mr. James Marta reviewed the Quarterly Financial Report for period ending September 30, 2019 and provided the highlights of the report.

Mr. Marta reviewed the Budget-to-Actual report and encouraged members to use their risk management training funds.

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

MOTION: Kimberly Sarkovich **SECOND:** Kristine Haile

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Miller, Ancheta, Koehn, Haile, Van Steyn, Arteaga, Hanken, Rodriguez, McCay, Ehrenstrom, Will, Warren, Jasso, Sarkovich, Morrison

Nays: None

J.2. Budget-to-Actual as of September 30, 2019

The Budget-to-Actual was reviewed under item J.1.

K. JPA BUSINESS

K.1. Resolution 20-02 Amendment to the NCCSIF Bylaws

At the last meeting in October, Mr. Beverly indicated that the Board changed the terms of the Executive Committee (EC) from a calendar year to a fiscal year rotation. The Board also agreed to change the terms of the Officers of the JPA to coincide with the current EC rotation thus,



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requiring change to Section 5 of the Bylaws. The 30-Day Notice of Intent to Amend the NCCSIF Bylaws was properly served.

A motion was made to approve Resolution 20-02 Amendment to the NCCSIF Bylaws.

MOTION: Rachel Ancheta **SECOND:** Kristina Miller **MOTION CARRIED UNANIMOUSLY**

Ayes: Cottrell, Miller, Ancheta, Koehn, Haile, Van Steyn, Arteaga, Hanken, Rodriguez, McCay, Ehrenstrom, Will, Warren, Jasso, Sarkovich, Morrison

Nays: None

K.2. Policy and Procedure Revisions

K.2.a. A-16: Segregation of Accounting Duties

K.2.b. A-4: Quarterly Financial Statements

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

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

The above items were reviewed altogether.

Mr. Beverly indicated that the Program Administrators are undertaking a review of NCCSIF Policies and Procedures (P&P) 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 the EC has reviewed and recommended the proposed changes to bring the polices to current practice.

- a. P&P A-16: Segregation of Accounting Duties - introduces the role of the Financial Consultant as distinct from the Treasurer.
Two notable changes made by the Board:
 - 1. A typo correction on first paragraph, change oversite to “oversight.”
 - 2. Add “authorized signors shall be approved by the Board.”
- b. P&P A-4: Quarterly Financial Statement - principal change is to replace references to the Treasurer’s preparation of the financial statements with the Financial Consultant.
- c. P&P 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. P&P A-13: Review and Control of Investment Activities - references the Executive Committee’s normal role in review and control of investment activities. Removed reference to specific name of banks and thereby, changing Chandler Asset Management to “Asset Company” and Bank of New York to “Custodial Bank.”



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A motion was made to approve the changes to P&P A-16: Segregation of Accounting Duties as amended; P&P A-4: Quarterly Financial Statements as presented; P&P A-18: Finance Committee Composition and Duties as presented; and P&P A-13: Review and Control of Investment Activities as presented.

MOTION: Dave Warren

SECOND: Liz Cottrell

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Miller, Ancheta, Koehn, Haile, Van Steyn, Arteaga, Hanken, Rodriguez, McCay, Ehrenstrom, Will, Warren, Jasso, Sarkovich, Morrison

Nays: None

Mr. Beverly reminded Board members to think about nominating officers at the April Board meeting.

L. INFORMATION ITEMS

1. PARMA 2020 Conference (February 25-28, 2020) in Monterey, CA
2. Glossary of Terms
3. NCCSIF Organizational Chart
4. NCCSIF 2020 Meeting Calendar
5. NCCSIF Resource Contact Guide
6. York Who's Who in Claims - WC and Liability Contacts
7. NCCSIF Travel Mileage Reimbursement Form

These items were provided as information only.

M. ADJOURNMENT

The meeting was adjourned at 2:03 p.m.

Next Meeting Date: April 23, 2020 in Rocklin, CA

Respectfully Submitted,

Gina Will, Secretary

Date

Company Name: NCCSIF
Report Name: NCCSIF Check Register Board Report
Created On: 1/22/2020

Check#	Date	Vendor	Account Title	Account Memo	Amount
11735	1/3/2020	AGRIP	Assoc Memberships	52504 2/20-1/21 AGRIP Memb Rnwl	2,557.52
11733	1/3/2020	Alliant Ins Svcs	Prog Admin Fee	52401 Jan 20 Prog Admin Fee	28,248.83
11734	1/3/2020	CJPRMA	Other Ins Exp	54150 19/20 Drone Prem Marysville	296.00
11738	1/20/2020	CAM, Inc.	Investment Inc	44040 Dec 2019 Investment Mgmt Svcs	4,665.89
11737	1/20/2020	Gibbons & Conley	Legal Svcs	52103 12/19 Gen Matters	661.12
11731	1/3/2020	JM & Co, LLP	Acctg Svcs	52403 Dec 2019 Acctg Svcs	8,800.00
11739	1/20/2020	Real Food Catering	BOD LR Planning	52509 Catering 1/16/20 LRP BOD Mtg	1,029.00
11736	1/20/2020	York	Claims Admin	52300 12/19 Mnthly Claims Adm Fee	50,699.33
11732	1/3/2020	York Risk Svcs	On Site	52204 Safety & Risk Ctrl Svcs -1/2020	14,873.33
11740	1/21/2020	York Risk Svcs	Claims Adm/Liab	51135 12/19 Liab Svc Fees	3,081.50

Company Name: NCCSIF
Report Name: NCCSIF Check Register Board Report
Created On: 2/25/2020

Check#	Date	Vendor	Account Title	Account	Memo	Amount
11741	2/6/2020	City of Anderson	Seminars & PARMA	52207	11.19 CalPELRA Reimb	3,660.24
11742	2/6/2020	York Risk Svcs Grp	Claims Admin - Liab	51135	Dec 2019 Liab Claims Admin	20,661.66
11743	2/6/2020	Rachel Ancheta	Board Meetings	52503	01.16.2020 BOD Mtg	51.64
11744	2/6/2020	Stephanie Van Steyn	Board Meetings	52503	1.16.2020 BOD Mtg	53.13
11745	2/6/2020	Liz Ehrenstrom	Board Meetings	52503	01.16.2020 BOD Mtg	69.00
11746	2/6/2020	Jose Jasso	Board Meetings	52503	01.16.2020 BOD Mtg	78.66
11747	2/6/2020	Gina Will	Board Meetings	52503	1.16.2020 BOD Mtg	79.35
11748	2/6/2020	Liz Cottrell	Board Meetings	52503	01.16.2020 BOD Mtg	193.20
11749	2/6/2020	Dave Warren	Board Meetings	52503	01.16.2020 BOD Mtg	44.05
11750	2/6/2020	Spencer Morrison	Board Meetings	52503	01.16.2020 BOD Mtg	41.86
11751	2/6/2020	Jim Ramsey	Board Meetings	52503	01.16.2020 BOD Mtg	34.50
11752	2/6/2020	Loree McCay	Board Meetings	52503	01.16.2020 BOD Mtg	39.68
11753	2/6/2020	CAM, Inc.	Investment Income	44040	Jan 2020	4,690.12
11754	2/6/2020	Alliant Ins Svcs Inc	Program Admin Fee	52401	Feb 20 Prog Admin Fee	28,248.83
11755	2/6/2020	York Risk Svcs Grp	On Site	52204	Safety & Risk Ctrl Svcs 02/20	14,873.33
11756	2/6/2020	JM and Co LLP	Acctg Services	52403	Jan 2020 Acctg Svcs	8,831.41
11757	2/6/2020	York	Claims Admin - Liab	51135	Nov 2019 Liab Claims Admin	20,661.66
			Clms Admin Mo WC	52300	Jan 20 Mo WC Clms Admin Fee	50,699.33
11758	2/20/2020	Risk Mgmt Svcs	Claims Audit	52101	Jan 18-21 Liab Claim Audit	6,625.00
11759	2/20/2020	Raychelle Maranan	RMC Svcs	52201	Catering Reim 02/06 PRMC Mtg	506.30
11760	2/20/2020	Gibbons & Conley	Legal Services	52103	Jan 2020 Gen Matters	43.00
11761	2/20/2020	York	Claims Admin - Liab	51135	Jan 2020 Liab Claims Admin	20,661.66
11762	2/20/2020	York Risk Svcs Grp	Claims Admin - Liab	51135	Jan 2020 Liab Service Fees	1,347.70



Northern CA Cities Self Ins. Fund Short Term - Account #170

MONTHLY ACCOUNT STATEMENT

JANUARY 1, 2020 THROUGH JANUARY 31, 2020

Chandler Team:

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

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.41
Average Coupon	2.25%
Average Purchase YTM	2.18%
Average Market YTM	1.54%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.71 yrs
Average Life	2.53 yrs

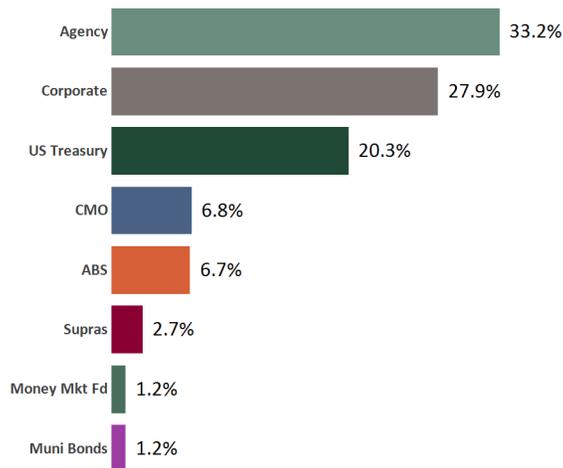
ACCOUNT SUMMARY

	Beg. Values as of 12/31/19	End Values as of 1/31/20
Market Value	27,016,555	27,241,375
Accrued Interest	134,167	130,720
Total Market Value	27,150,723	27,372,095
Income Earned	49,143	49,260
Cont/WD		-763
Par	26,607,947	26,665,990
Book Value	26,701,857	26,757,019
Cost Value	26,686,962	26,739,694

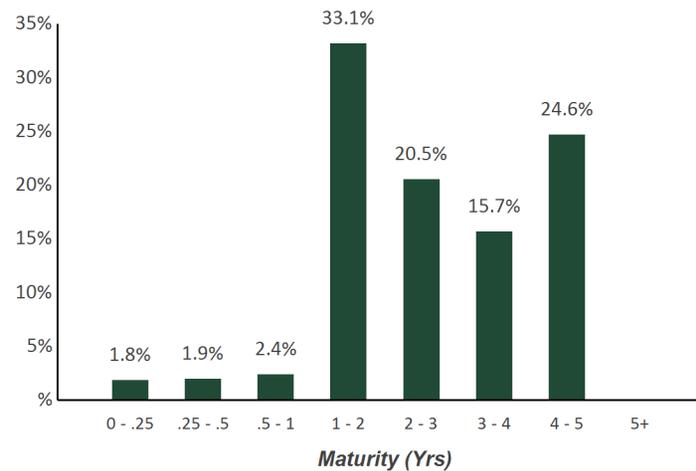
TOP ISSUERS

Government of United States	20.3%
Federal Home Loan Bank	14.7%
Federal National Mortgage Assoc	14.5%
Federal Home Loan Mortgage Corp	10.8%
Inter-American Dev Bank	2.0%
Honda ABS	2.0%
John Deere ABS	1.6%
Deere & Company	1.4%
Total	67.3%

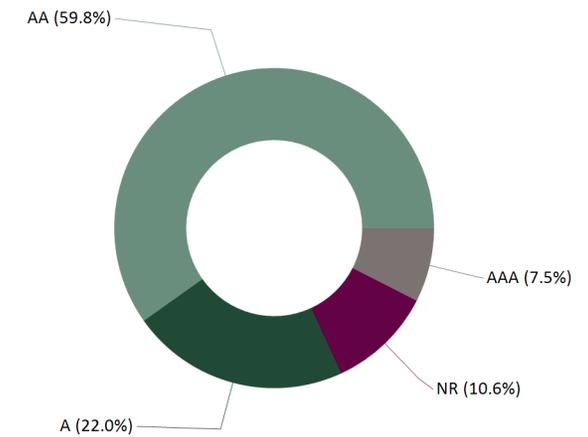
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized								
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	12/31/1997
Northern CA Cities Self Ins. Fund Short Term	0.82%	1.02%	0.82%	4.93%	3.72%	2.61%	1.89%	1.96%	3.86%
ICE BAML 1-5 Yr US Treasury/Agency Index	0.86%	0.90%	0.86%	4.75%	3.58%	2.35%	1.65%	1.70%	3.54%
ICE BAML 1-5 Yr US Issuers Corp/Govt Rtd AAA-A Idx	0.86%	0.94%	0.86%	4.91%	3.67%	2.47%	1.77%	1.86%	3.65%

Statement of Compliance

As of January 31, 2020



Northern California Cities Self-Insurance Fund - Short Term

The portfolio complies with state law and with the Client's investment policy.

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

Reconciliation Summary

As of January 31, 2020



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$26,701,856.64
Acquisition		
+ Security Purchases	\$638,609.33	
+ Money Market Fund Purchases	\$686,532.55	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,325,141.88
Dispositions		
- Security Sales	\$443,547.78	
- Money Market Fund Sales	\$468,912.40	
- MMF Withdrawals	\$762.50	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$320,000.00	
- Calls	\$0.00	
- Principal Paydowns	\$38,815.08	
Total Dispositions		\$1,272,037.76
Amortization/Accretion		
+/- Net Accretion	(\$1,159.31)	
		(\$1,159.31)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$3,217.56	
		\$3,217.56
ENDING BOOK VALUE		\$26,757,019.01

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$114,859.59
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$443,547.78	
Accrued Interest Received	\$4,045.69	
Interest Received	\$49,693.32	
Dividend Received	\$127.61	
Principal on Maturities	\$320,000.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$38,815.08	
Total Acquisitions	\$856,229.48	
Dispositions		
Withdrawals	\$762.50	
Security Purchase	\$638,609.33	
Accrued Interest Paid	\$0.00	
Total Dispositions	\$639,371.83	
ENDING BOOK VALUE		\$331,717.24



Northern Cal. Cities Self Ins. Fund Long Term - Account #171

MONTHLY ACCOUNT STATEMENT

JANUARY 1, 2020 THROUGH JANUARY 31, 2020

Chandler Team:

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

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	3.48
Average Coupon	2.43%
Average Purchase YTM	2.37%
Average Market YTM	1.56%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	3.79 yrs
Average Life	3.73 yrs

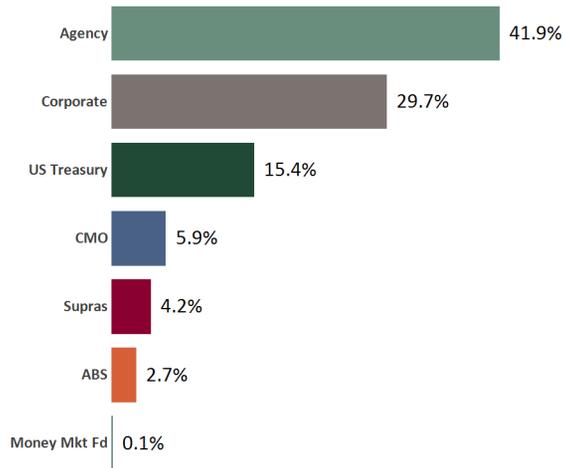
ACCOUNT SUMMARY

	Beg. Values as of 12/31/19	End Values as of 1/31/20
Market Value	28,258,555	28,622,171
Accrued Interest	167,620	165,350
Total Market Value	28,426,175	28,787,521
Income Earned	54,960	55,080
Cont/WD		0
Par	27,648,243	27,712,636
Book Value	27,698,666	27,758,929
Cost Value	27,713,330	27,772,921

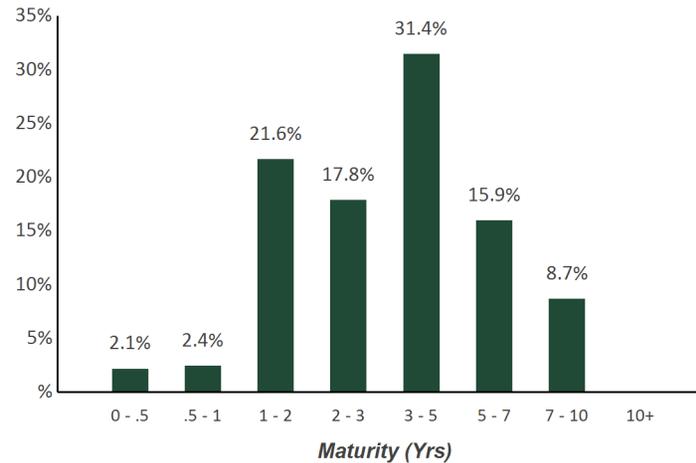
TOP ISSUERS

Federal Home Loan Bank	22.4%
Government of United States	15.4%
Federal National Mortgage Assoc	10.6%
Federal Home Loan Mortgage Corp	9.5%
Tennessee Valley Authority	5.3%
Inter-American Dev Bank	3.6%
US Bancorp	1.5%
State Street Bank	1.4%
Total	69.8%

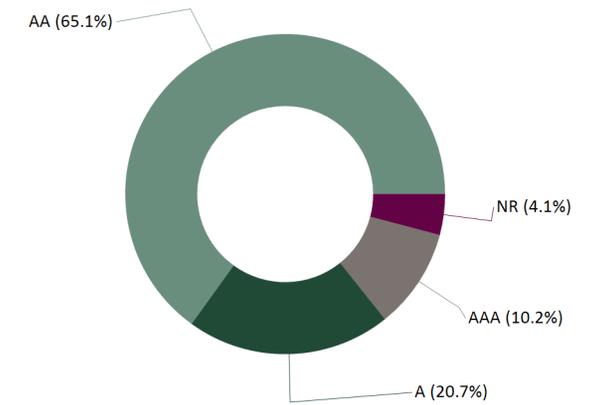
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				
					2YRS	3YRS	5YRS	10YRS	5/31/2006
Northern Cal. Cities Self Ins. Fund Long Term	1.27%	1.20%	1.27%	6.48%	4.62%	3.24%	2.30%	2.78%	3.86%
ICE BAML 1-10 Yr US Treasury/Agency Index	1.38%	1.12%	1.38%	6.13%	4.45%	2.94%	1.93%	2.42%	3.49%
ICE BAML 1-10 Yr US Corporate/Govt Rated AAA-A Idx	1.37%	1.25%	1.37%	6.70%	4.72%	3.29%	2.25%	2.79%	3.66%

Statement of Compliance

As of January 31, 2020



Northern California Cities Self-Insurance Fund - Long Term

The portfolio complies with state law and with the Client's investment policy.

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

Reconciliation Summary

As of January 31, 2020



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$27,698,665.66
Acquisition		
+ Security Purchases	\$743,385.07	
+ Money Market Fund Purchases	\$573,147.47	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,316,532.54
Dispositions		
- Security Sales	\$644,309.23	
- Money Market Fund Sales	\$568,545.81	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$45,209.13	
Total Dispositions		\$1,258,064.17
Amortization/Accretion		
+/- Net Accretion	(\$1,119.52)	
		(\$1,119.52)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$2,914.74	
		\$2,914.74
ENDING BOOK VALUE		\$27,758,929.25

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$28,654.36
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$644,309.23	
Accrued Interest Received	\$4,128.46	
Interest Received	\$54,259.65	
Dividend Received	\$80.26	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$45,209.13	
Total Acquisitions	\$747,986.73	
Dispositions		
Withdrawals	\$0.00	
Security Purchase	\$743,385.07	
Accrued Interest Paid	\$0.00	
Total Dispositions	\$743,385.07	
ENDING BOOK VALUE		\$33,256.02



Northern CA Cities Self Ins. Fund Short Term - Account #170

MONTHLY ACCOUNT STATEMENT

FEBRUARY 1, 2020 THROUGH FEBRUARY 29, 2020

Chandler Team:

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

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

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PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.48
Average Coupon	2.25%
Average Purchase YTM	2.15%
Average Market YTM	1.18%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.74 yrs
Average Life	2.59 yrs

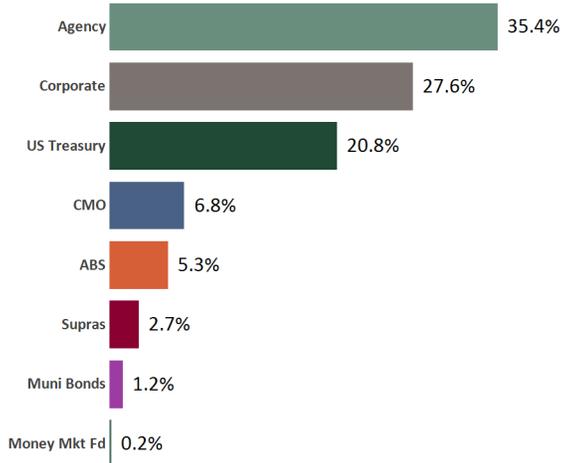
ACCOUNT SUMMARY

	Beg. Values as of 1/31/20	End Values as of 2/29/20
Market Value	27,241,375	27,518,820
Accrued Interest	130,720	133,636
Total Market Value	27,372,095	27,652,456
Income Earned	49,260	51,212
Cont/WD		0
Par	26,665,990	26,707,323
Book Value	26,757,019	26,810,821
Cost Value	26,739,694	26,797,735

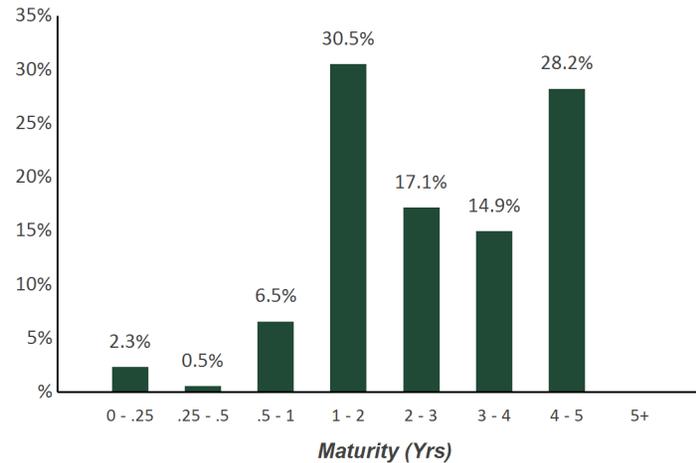
TOP ISSUERS

Government of United States	20.8%
Federal Home Loan Bank	14.7%
Federal National Mortgage Assoc	14.5%
Federal Home Loan Mortgage Corp	13.0%
Inter-American Dev Bank	2.0%
Honda ABS	1.9%
John Deere ABS	1.6%
Deere & Company	1.4%
Total	69.9%

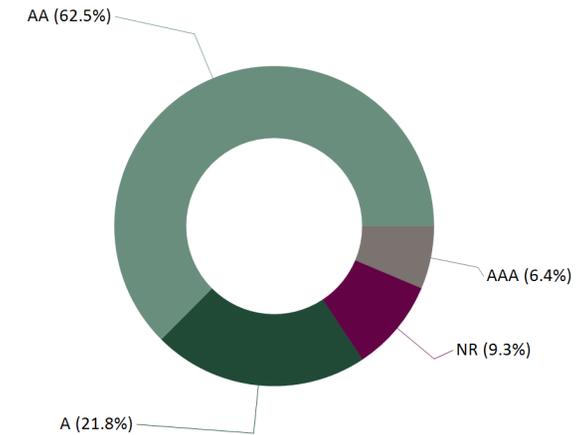
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized								
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	12/31/1997
Northern CA Cities Self Ins. Fund Short Term	1.02%	2.05%	1.85%	5.85%	4.34%	2.89%	2.18%	2.03%	3.89%
ICE BAML 1-5 Yr US Treasury/Agency Index	1.16%	2.18%	2.03%	5.92%	4.24%	2.69%	1.99%	1.78%	3.58%
ICE BAML 1-5 Yr US Issuers Corp/Govt Rtd AAA-A Idx	1.11%	2.15%	1.98%	6.00%	4.33%	2.79%	2.09%	1.94%	3.69%

Statement of Compliance

As of February 29, 2020



Northern California Cities Self-Insurance Fund - Short Term

The portfolio complies with state law and with the Client's investment policy.

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

Reconciliation Summary

As of February 29, 2020



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$26,757,019.01
Acquisition		
+ Security Purchases	\$1,134,084.03	
+ Money Market Fund Purchases	\$782,284.70	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,916,368.73
Dispositions		
- Security Sales	\$263,957.62	
- Money Market Fund Sales	\$1,070,908.64	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$170,000.00	
- Calls	\$0.00	
- Principal Paydowns	\$365,043.07	
Total Dispositions		\$1,869,909.33
Amortization/Accretion		
+/- Net Accretion	\$1,836.90	
		\$1,836.90
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$5,505.34	
		\$5,505.34
ENDING BOOK VALUE		\$26,810,820.65

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$331,717.24
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$263,957.62	
Accrued Interest Received	\$1,167.78	
Interest Received	\$47,891.65	
Dividend Received	\$140.93	
Principal on Maturities	\$170,000.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$365,043.07	
Total Acquisitions	\$848,201.05	
Dispositions		
Withdrawals	\$0.00	
Security Purchase	\$1,134,084.03	
Accrued Interest Paid	\$2,740.96	
Total Dispositions	\$1,136,824.99	
ENDING BOOK VALUE		\$43,093.30



Northern Cal. Cities Self Ins. Fund Long Term - Account #171

MONTHLY ACCOUNT STATEMENT

FEBRUARY 1, 2020 THROUGH FEBRUARY 29, 2020

Chandler Team:

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

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

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PORTFOLIO CHARACTERISTICS

Average Modified Duration	3.53
Average Coupon	2.42%
Average Purchase YTM	2.36%
Average Market YTM	1.22%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	3.84 yrs
Average Life	3.77 yrs

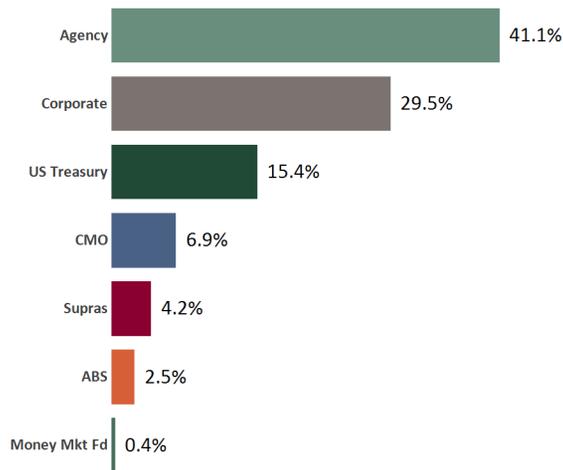
ACCOUNT SUMMARY

	Beg. Values as of 1/31/20	End Values as of 2/29/20
Market Value	28,622,171	29,032,755
Accrued Interest	165,350	162,876
Total Market Value	28,787,521	29,195,631
Income Earned	55,080	55,535
Cont/WD		0
Par	27,712,636	27,763,275
Book Value	27,758,929	27,818,105
Cost Value	27,772,921	27,797,437

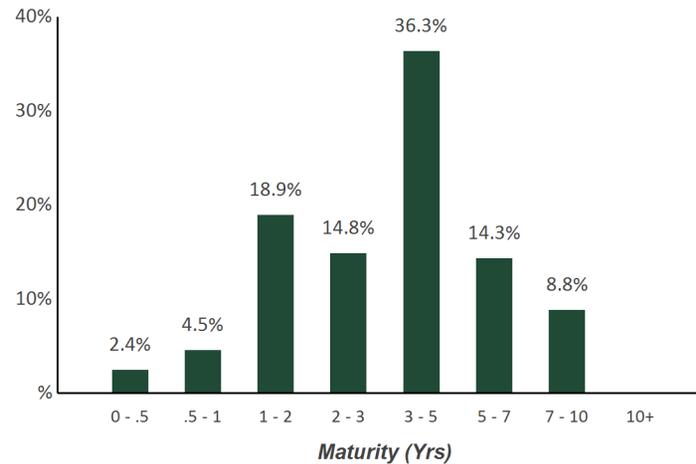
TOP ISSUERS

Federal Home Loan Bank	19.4%
Government of United States	15.4%
Federal Home Loan Mortgage Corp	12.6%
Federal National Mortgage Assoc	10.7%
Tennessee Valley Authority	5.2%
Inter-American Dev Bank	3.6%
US Bancorp	1.5%
State Street Bank	1.4%
Total	69.9%

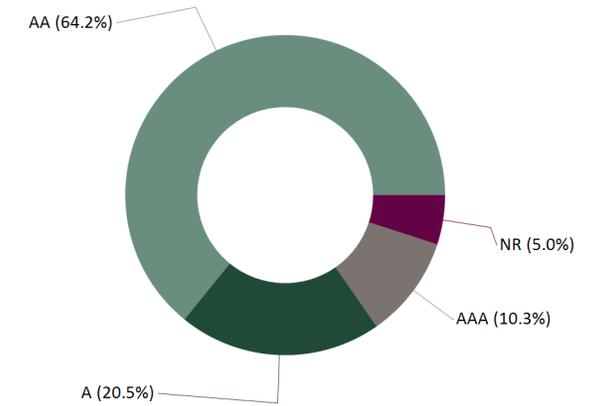
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized									
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	5/31/2006	
Northern Cal. Cities Self Ins. Fund Long Term	1.42%	2.74%	2.71%	7.87%	5.53%	3.61%	2.75%	2.87%	3.94%	
ICE BAML 1-10 Yr US Treasury/Agency Index	1.60%	2.98%	3.00%	7.89%	5.43%	3.39%	2.44%	2.54%	3.58%	
ICE BAML 1-10 Yr US Corporate/Govt Rated AAA-A Idx	1.48%	2.92%	2.87%	8.24%	5.69%	3.67%	2.71%	2.89%	3.75%	

Statement of Compliance

As of February 29, 2020



Northern California Cities Self-Insurance Fund - Long Term

The portfolio complies with state law and with the Client's investment policy.

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

Reconciliation Summary

As of February 29, 2020



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$27,758,929.25
Acquisition		
+ Security Purchases	\$925,968.08	
+ Money Market Fund Purchases	\$378,120.67	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,304,088.75
Dispositions		
- Security Sales	\$902,743.70	
- Money Market Fund Sales	\$291,704.61	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$50,776.96	
Total Dispositions		\$1,245,225.27
Amortization/Accretion		
+/- Net Accretion	(\$854.48)	
		(\$854.48)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$1,167.15	
		\$1,167.15
ENDING BOOK VALUE		\$27,818,105.40

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$33,256.02
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$902,743.70	
Accrued Interest Received	\$7,586.83	
Interest Received	\$51,452.45	
Dividend Received	\$71.78	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$50,776.96	
Total Acquisitions	\$1,012,631.72	
Dispositions		
Withdrawals	\$0.00	
Security Purchase	\$925,968.08	
Accrued Interest Paid	\$247.58	
Total Dispositions	\$926,215.66	
ENDING BOOK VALUE		\$119,672.08



BETTY T. YEE

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name	NO CAL CITIES SELF INSUR FUND
Account Number	35-11-001

As of 01/15/2020, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 12/31/2019.

Earnings Ratio		.00006250085778970
Interest Rate		2.29%
Dollar Day Total	\$	1,103,900,699.42
Quarter End Principal Balance	\$	11,547,087.88
Quarterly Interest Earned	\$	68,994.74

NCCSIF

Northern California Cities Self Insurance Fund

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

Main Location: 2180 Harvard Street, Suite 460, Sacramento, CA 95815 *

(916) 643-2700 * Facsimile: (916) 643-2750

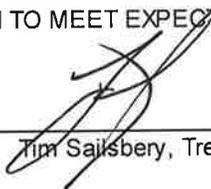
Accounting Location: Mr. James Marta, James Marta & Company, 701 Howe Avenue, Suite E3, Sacramento, CA 95825 * (916) 993-9494

NCCSIF INVESTMENT REPORT FOR THE QUARTER ENDING December 31, 2019

	<u>MARKET VALUE</u>
CASH:	
(1) Tri Counties Checking	\$ 382,270.60
(2) Local Agency Inv Fund (LAIF)	<u>11,547,087.88</u>
Total Cash	<u>11,929,358.48</u>
INVESTMENTS (Unrestricted):	
(3) Chandler Investments	
Account no. 170	27,016,555.00
Account no. 171	<u>28,258,555.00</u>
Total Unrestricted Investments	<u>55,275,110.00</u>
TOTAL CASH AND INVESTMENTS	<u><u>\$67,204,468.48</u></u>

- (1) This consists of one checking account and two pass-thru accounts (liability and workers comp claims).
- (2) The LAIF rate of return as of quarter ended December 31, 2019 2.11%
- (3) See attached Investment Activity Reports.

THIS PORTFOLIO IS IN COMPLIANCE WITH NCCSIF'S INVESTMENT POLICY AND IS LIQUID ENOUGH TO MEET EXPECTED CASH FLOW NEEDS OVER THE NEXT SIX MONTHS.



Tim Sailsbery, Treasurer

1/30/20

Date

A Joint Powers Authority

Members: Cities of Anderson, Auburn, Colusa, Corning, Dixon, Elk Grove, Folsom, Galt, Gridley, Ione, Jackson, Lincoln, Marysville, Nevada City, Oroville, Town of Paradise, Placerville, Red Bluff, Rio Vista, Rocklin, Willows and Yuba City.

Quarterly Report for NCCSIF Workers' Compensation



sedgwick®
caring counts

April 2020

Summary of Quarterly Report:

COVID-19:

- The last few weeks have brought our nation to an almost complete standstill as we work together to slow the spread of the virus. Social distancing and stay at home policies have changed our work environment almost overnight. Many things are still developing as we learn how to continue working in this new situation. The Workers' Compensation Appeals Board (WCAB) is implementing emergency actions in response to COVID-19 including modified hearing calendars and telephonic appointments. The Department of Workers' Compensation (DWC) has announced new coding for COVID-19 claims reporting. Your workers' compensation team is staying abreast with these developments and is standing by to answer questions about how to handle any potential workers' compensation claims.

Claim Trends this Quarter:

- This quarter brought 92 new claims with a 12-month high in March of 38 new claims. The closing ratio for February and March is lower than average and this trend may continue over the next few months as medical appointments are being delayed due to the pandemic. There were 25 settlements, however we anticipate this number to decrease as settlement approvals are delayed at the WCAB. The salvage on closed claims averages to 38% for the quarter which is excellent. The last chart shows the total number of loss days for claims which occurred during the fiscal year. The total number of loss days for the pool is increasing. Please feel free to reach out if you have any questions about how to accommodate modified duty work or implement a return to work program.

Questions About Claims?

- We can schedule a telephonic file review to discuss your claims or any questions you may have about the claims process. We are here to help!



NCCSIF Workers' Compensation Quarterly Update: April 2020

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Senior Claims Examiner
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Yuba City

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Auburn, Galt, Gridley, Paradise, Placerville

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Anderson, Colusa, Corning, Dixon,
Folsom (non-4850), Ione, Jackson, Lincoln,
Nevada City, Rio Vista, Rocklin

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Future Medical claims

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Client Services
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Goals and Objectives:

Focus	Measurement	Objective
Inventory Reduction	Files closed from Critical Listing *	2 per month
Settlements	Number of Settlements	5 per month
Salvage	Salvage as % of incurred on Closed Files	10% on prior incurred value
Temporary Disability	Average Duration of TD on active TD files	24 weeks of TD on current TD files
Litigation	Newly Litigated Files as % of Newly Opened files	20% of newly opened claim files
Reserve Development	Annualized development of reserves on files DOI > 1 year	10% Annual Development

* Critical Listing claims have the following criteria:

Total Incurred > \$100k, and/or DOI prior to 1/1/2010, and/or Initially denied and currently litigated, and/or Litigated with \$0 in indemnity reserves



NCCSIF Workers' Compensation Quarterly Update: April 2020

Workers' Compensation Program Results:

<u>Month ending:</u>	<u>1/31/2020</u>	<u>2/29/2020</u>	<u>3/31/2020</u>
Closing Ratio			
Beginning Inventory	541	540	547
Newly Entered	24	30	38
Reopened	2	4	-
Closed	27	27	30
Ratio	104%	79%	79%
Non-Closure Adjustments	-	-	-
Ending Inventory	540	547	555
<u>Performance vs Objectives</u>	<u>1/31/2020</u>	<u>2/29/2020</u>	<u>3/31/2020</u>
Inventory Reduction			
Claims Closed from Critical Listing	6	5	2
Settlements			
Compromise and Release	1	5	3
Stipulations	8	3	5
New Settlements in Period	9	8	8
Salvage on Closures			
Incurred Value of Closed Ind Files	\$797,002	\$562,618	\$310,426
Salvage on Closed Files	\$306,371	\$384,394	\$270,396
Salvage as % of Incurred Value	27.8%	40.6%	46.6%



Workers' Compensation Program Results Continued:

Average Duration of Active TD Files			
Num of Claims Paying TD in Period	36	45	48
Average Duration of TD (weeks)	24.67	19.87	18.70
Litigated Inventory			
Newly Litigated Files	(1)	-	7
Open Litigated Files	217	215	219
Newly Litigated Files, 6 Months Rolling	13	12	16
Newly Opened Files, 6 Months Rolling	169	168	174
Newly Litigated as % of Newly Opened	7.7%	7.1%	9.2%
Reserve Development, DOI > 1 Year			
Change in Incurred	\$1,924,323	\$302,693	\$256,538
Ann Increase on Open Incurred	41.6%	5.6%	4.7%
Denied Injuries			
Denials Issued in Period	7	9	6
Avg Days to Denial from Notice	72	56	29



NCCSIF Workers' Compensation Quarterly Update: April 2020

Loss Days and New Claims by Member:

City	17/18 New Claims	17/18 Loss Days	18/19 New Claims	18/19 Loss Days
Anderson	11	387	12	85
Auburn	21	567	16	116
Colusa	4	38	2	0
Corning	2	0	1	0
Dixon	14	53	15	477
Elk Grove	38	314	53	355
Folsom	81	621	91	1088
Galt	23	372	28	284
Gridley	1	2	5	0
Ione	2	0	2	0
Jackson	5	0	4	89
Lincoln	25	147	15	7
Marysville	18	304	20	25
Nevada City	2	0	7	206
Oroville	13	0	7	5
Paradise	7	6	6	10
Placerville	14	44	3	0
Red Bluff	17	301	21	218
Rio Vista	8	30	9	132
Rocklin	40	578	31	608
Willows	4	3	2	28
Yuba City	31	83	33	287
Total:	381	3850	383	4020



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

ADDITIONAL COMMISSION "OPT OUT"

Attn: General Counsel
Alliant Insurance Services, Inc.
701 B Street, 6th Floor
San Diego, CA 92101

RE: Additional Commission "Opt Out"

Please be advised that **Northern California Cities Self Insurance Fund (NCCSIF)** has elected to have the premium associated with the following policy(s) specified below for the indicated policy period(s) excluded from consideration in any and all:

- X Contingent income agreements
- X Supplemental income agreements

<u>Policy #</u>	<u>Policy Period</u>
<u>017471589/06 (Dec 04) (APIP)</u>	<u>July 1, 2019 to July 1, 2020</u>
<u>01-606-08-20 (ACIP)</u>	<u>July 1, 2019 to July 1, 2020</u>

Sincerely,

Northern California Cities Self Insurance Fund

By: Elizabeth Ehrenstrom

Title: President

Dated: 04.06.2020

**ALLIANT INSURANCE SERVICES, INC.
ALLIANT PROPERTY INSURANCE PROGRAM (APIP)**

ALLIANT CYBER EXCESS PROPOSAL

TYPE OF COVERAGE: APIP Cyber Excess Policy – **Claims Made & Reported**

PROGRAM: **Alliant Property Insurance Program (APIP) inclusive of Public Entity Property Insurance Program (PEPIP), and Hospital All Risk Property Program (HARPP)**

NAMED INSURED: Northern California Cities Self Insurance Fund (NCCSIF)

POLICY PERIOD: April 23, 2020 to July 1, 2020

RETROACTIVE DATE: Policy Inception

COVERAGE FORM: Follow Form
Claims Made & Reported

INSURANCE COMPANY: Axis Insurance Company

A.M. BEST RATING: A+ (Superior), Financial Size Category: XV (\$2 Billion or greater)

STANDARD & POOR’S RATING: A+ (Strong) as of December 12, 2018

ADMITTED STATUS: Admitted

COVERAGES & LIMITS:

	<u>Dedicated Limits</u>	<u>Excess of APIP shared</u>
<i>Option 1 – per Member:</i>	\$ 2,000,000 Each Member Aggregate \$ 2,000,000 Policy Aggregate	\$ 2,000,000 Each Member Aggregate \$ 25,000,000 Program Aggregate
<i>Option 2 – per Member:</i>	\$ 3,000,000 Each Member Aggregate \$ 3,000,000 Policy Aggregate	\$ 2,000,000 Each Member Aggregate \$ 25,000,000 Program Aggregate
<i>Option 3 – entire JPA:</i>	\$ 3,000,000 Each Member Aggregate \$ 4,000,000 Policy Aggregate	\$ 2,000,000 Each Member Aggregate \$ 25,000,000 Program Aggregate

Option 4 – entire JPA:	\$ 3,000,000 Each Member Aggregate	\$ 2,000,000 Each Member Aggregate
	\$ 10,000,000 Policy Aggregate	\$ 25,000,000 Program Aggregate

SUB-LIMITS (Per Member and Policy Aggregate):	<u>Dedicated Limits</u>	<u>Excess of APIP shared</u>
Breach Response/Notification Expense Costs (non-BBR endorsement members):	\$500,000 (non-Beazley vendors)	\$500,000 (non-Beazley vendors)
	\$ 1,000,000 (Beazley Vendors)	\$ 1,000,000 (Beazley Vendors)
Business Interruption resulting from a System Failure:	\$ 500,000	\$ 500,000
Dependent Business interruption resulting from a Security Breach:	\$ 750,000	\$ 750,000
Dependent Business Interruption resulting from a System Failure:	\$ 100,000	\$ 100,000
Fraudulent Instruction:	\$ 75,000	\$ 75,000
Funds Transfer Fraud:	\$ 75,000	\$ 75,000
Telephone Fraud:	\$ 75,000	\$ 75,000
Computer Hardware Replacement (Bricking):	\$ 75,000	\$ 75,000
Consequential Reputational Loss:	\$ 50,000	\$ 50,000
Invoice Manipulation	\$ 100,000	\$ 100,000
Criminal Reward:	\$ Nil	\$ 25,000

NOTE: Quotes for up to \$35M in limits can be obtained, please contact your client team for more information.

- ENDORSEMENTS & EXCLUSIONS:** (including but not limited to)
- Absolute Pending and Prior Litigation Exclusion
 - Excess Program
 - State Amendatory
 - Follow Sub-limited Coverage (1st Party Excess)

UNDERLYING INSURANCE:	Layer	Insurer	Limits	Retention	Policy Period
	Primary	Beazley	\$2,000,000	\$50,000 or \$100,000	7/1/2019 – 7/1/2020

MINIMUM 6-MONTH TERM PREMIUM (pro-rated):

- Option 1 - per Member:** \$ See attached Premium Table below
- Option 2 - per Member:** \$ See attached Premium Table below
- Option 3 – entire JPA:** \$ See attached Premium Table below
- Option 4 – entire JPA:** \$ See attached Premium Table below

- BINDING CONDITIONS:**
- **Copy of all Underlying Binders Prior to Binding Coverage**
 - **Copy of all Underlying Policies to Policy Issuance**

PROPOSAL VALID UNTIL: April 23, 2020

BROKER: ALLIANT INSURANCE SERVICES, INC.
License No. 0C36861

NOTES: Coverage outlined in this Proposal is subject to the terms and conditions set forth in the policy. Please refer to Policy for specific terms, conditions and exclusions.

Minimum 6-Month Premium Table (Pro-rated)

Insured	\$2M x \$2M	\$3M x \$2M
CITY OF ANDERSON	\$1,543	\$1,780
CITY OF AUBURN	\$1,438	\$1,659
CITY OF COLUSA	\$1,652	\$1,907
CITY OF DIXON	\$1,602	\$1,848
CITY OF FOLSOM	\$6,863	\$7,919
CITY OF GALT	\$2,387	\$2,754
CITY OF GRIDLEY	\$1,394	\$1,608
CITY OF IONE	\$1,125	\$1,500
CITY OF JACKSON	\$1,636	\$1,887
CITY OF LINCOLN	\$4,251	\$4,905
CITY OF MARYSVILLE	\$1,401	\$1,617
CITY OF OROVILLE	\$1,516	\$1,750
CITY OF RED BLUFF	\$2,137	\$2,466
CITY OF ROCKLIN	\$2,611	\$3,012
CITY OF YUBA CITY	\$4,722	\$5,448
TOWN OF PARADISE	\$1,125	\$1,500

Insured	\$3M x \$2M \$4M Agg Limit Option 3	\$3M x \$2M \$10M Agg Limit Option 4
Northern California Cities Self Insurance Fund (NCCSIF) (All Members Listed Below) City of Anderson City of Auburn City of Colusa City of Dixon City of Folsom City of Galt City of Gridley City of Ione City of Jackson City of Lincoln City of Marysville City of Oroville City of Red Bluff City of Rocklin City of Yuba City Town of Paradise	\$21,053	\$34,357

See Disclaimer Page for Important Notices and Acknowledgement

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

Request to Bind Coverage

Northern California Cities Self Insurance Fund (NCCSIF)

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Excess Cyber Liability Policy Period: April 23, 2020 to July 1, 2020 Option 1 – Members bind individually: \$2,000,000 xs \$2,000,000 with \$2,000,000 Policy Aggregate Option 2 – Members bind individually: \$3,000,000 xs \$2,000,000 with \$3,000,000 Policy Aggregate Option 3 – Entire JPA binds together: \$3,000,000 xs \$2,000,000 with \$4,000,000 Policy Aggregate Option 4 – Entire JPA binds together: \$3,000,000 xs \$2,000,000 with \$10,000,000 Policy Aggregate Cannot be bound without binding primary APIP Cyber Coverage	<input type="checkbox"/> See attached Premium Table pages 3 <input type="checkbox"/> See attached Premium Table pages 3 <input checked="" type="checkbox"/> See attached Premium Table pages 3 <input type="checkbox"/> See attached Premium Table pages 3

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.



Signature of Authorized Insurance Representative

 NCCSIF President

Title

 Elizabeth Ehrenstrom

Printed / Typed Name

3/27/2020

Date

**This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval.
 The actual terms and conditions of the policy will prevail.**

NCCSIF Excess Cyber Coverage Options - Pool v. Individual Member Limits and Pricing 3/26 to 7/1/2020

Member	\$3M xs \$2M Member Aggregate Limit	% of Total Dedicated Premium	\$3M xs \$2M with \$4M Pool Aggregate Limit* Billed Amount	Difference	Corrected Allocation Due to Paradise Error	Difference
CITY OF ANDERSON	\$ 1,780	4.1%	\$ 860	(\$ 920)	\$860	\$ 0
CITY OF AUBURN	\$ 1,659	3.8%	\$ 802	(\$ 857)	\$802	\$ (0)
CITY OF COLUSA	\$ 1,907	4.4%	\$ 922	(\$ 985)	\$922	\$ (0)
CITY OF DIXON	\$ 1,848	4.2%	\$ 893	(\$ 955)	\$893	\$ 0
CITY OF FOLSOM	\$ 7,919	18.2%	\$ 3827	(\$ 4,092)	\$3,827	\$ 0
CITY OF GALT	\$ 2,754	6.3%	\$ 1331	(\$ 1,423)	\$1,331	\$ 0
CITY OF GRIDLEY	\$ 1,608	3.7%	\$ 777	(\$ 831)	\$777	\$ 0
CITY OF IONE	\$ 1,500	3.4%	\$ 725	(\$ 775)	\$725	\$ (0)
CITY OF JACKSON	\$ 1,887	4.3%	\$ 912	(\$ 975)	\$912	\$ 0
CITY OF LINCOLN	\$ 4,905	11.3%	\$ 2371	(\$ 2,534)	\$2,371	\$ (0)
CITY OF MARYSVILLE	\$ 1,617	3.7%	\$ 782	(\$ 835)	\$782	\$ (0)
CITY OF OROVILLE	\$ 1,750	4.0%	\$ 846	(\$ 904)	\$846	\$ (0)
TOWN OF PARADISE	\$ 1,500	3.4%	\$ 725	(\$ 1,274)	\$1,192	\$ (467)
CITY OF RED BLUFF	\$ 2,466	5.7%	\$ 1192	(\$ 1,556)	\$1,456	\$ (264)
CITY OF ROCKLIN	\$ 3,012	6.9%	\$ 1456	(\$ 2,815)	\$2,633	\$ (1,177)
CITY OF YUBA CITY	\$ 5,448	12.5%	\$ 2633	(\$ 775)	\$725	\$ 1,908
Grand Total	\$ 43,560	100.0%	\$ 21,053	(\$ 22,507)	\$21,054	\$ (1)

* Allocated Pro-Rata Based on Dedicated Member Premium

**NORTHERN CALIFORNIA CITIES
SELF INSURANCE FUND
(NCCSIF) – 2020**

GENERAL LIABILITY AND PROPERTY CLAIMS AUDIT

An audit of the NCCSIF claims was conducted from January 18th to 21st, 2020, by RMS. The Lead Auditor was Kenneth R. Maiolini, ARM-P.

The audit consisted of a review of the NCCSIF open and closed loss runs provided by York. A total of 60 open and 20 closed claims were selected.

The open claims reviewed are documented on an RMS Audit Review form (these forms are included in the report as a confidential document). A Closed Claim Review is attached. The files were reviewed electronically, utilizing the York Claims Management System. York serves as the NCCSIF TPA and there are 2 main Adjustors as well as additional staff that are involved in handling the claims. The claim loads appear appropriate for staffing by York.

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

INVESTIGATION: The files indicate proactive investigation practices. The Adjustor effectively utilizes Member resources (especially on police and roadway/sidewalk related claims), conducts independent investigation, prudently use outside investigation and damage appraisal resources and Defense Counsel investigation on matters that require a high level of confidentiality. The investigation conducted by the Adjustors is well documented in the claims system and provides a solid base for future handling.

RESERVES: For the most part the reserves are set at a realistic ultimate value for both loss and expense. There is documented rationale both in the claims system and the Case Management Review document (CMR). Additionally, it appears regular Supervisor review of reserves is done, providing input and approach.

(NOTE: There were a few issues related to reserving that deserve review:

- NCGA08592A1 – loss reserve needs review and adjustment if early mediation is the plan of action.
- NCGA08709A1 – review loss reserve for planned settlement purposes.
- NCGA08751A1 – need to evaluate loss reserves.

Another issue relates to litigation budget and setting expense reserves. It was noted that in some cases, a full litigation budget (through trial) was set as the loss reserve. The Adjustors and

Supervisor should evaluate the Plan of Action for the claim and set expense reserves up to the appropriate stage of litigation that anticipates the true expense exposure. Setting full litigation budgets on a case that will never go to trial, inflates the total incurred.

- Claim example: NCGA08592A1 – an expense reserve was set at \$275,000 on a claim that has a Plan of Action for early mediation. This expense reserve is overstated and should be adjusted to a realistic number in line with the Plan of Action.

We did note that several claims were reserved for expense only up through mediation, which is an appropriate practice.

It would be suggested that the Adjustors be more aware of this practice and Supervisors reviewing reserves focus on this issue.)

LITIGATION MANAGEMENT: The Adjustors create a collaborative approach to litigation. They are fully involved, work with the Member and make sure Defense Counsel advises all parties of status and strategy. The Adjustors are active in suggesting and directing litigation strategy. Again, Supervisor review is evident in the file notes and provides good input and direction.

Some older litigated cases had high litigation costs, but in reviewing the more recent matters, litigation costs are well inline for the exposure and managed well.

The files indicated that Defense Counsel provides timely budgets, initial evaluation, ongoing status reports, expert vetting, good use of dispositive motions and recognizes opportunities for reasonable resolution.

Overall, litigation management is well done and provides the Pool and Member excellent results.

LIABILITY/DAMAGE EVALUATION: The Adjustors use a byproduct of the solid investigation, evaluate liability in an effective and timely manner. There are good notes documenting liability issues, and regular completion of the CMR provides an up-to-date snapshot of the claim and exposure.

The Adjustors are aggressive and highly successful on risk transfer opportunities. This is a result of good liability evaluation, along with early investigation.

The damages are well documented for both liability and property claims.

The Adjustor obtains, reviews and documents all damage reports, medical records, wage information and other issues related to damages. They take into consideration MediCare issues, Howell reduction on medical costs, depreciation and any opportunity to reduce damages using statutes and immunities.

FILE MANAGEMENT: The electronic files are managed well and were found to be timely and complete. They indicate:

- All appropriate statutory notices are sent in a timely manner.
- Reporting to excess is done timely and documented in the Claims Management System and CMR.
- The CMR is regularly updated and a good tool for Supervisor and excess.
- Risk transfer is proactively recognized and handled aggressively.
- File notes are consistent and timely.
- The Claims Management System is well documented in Adjustor notes, Supervisor reviews, scanned documents and CMR.
- Diary is well maintained.
- All financials are well documented and reconciled appropriately.
- Coverage issues are appropriately addressed.
- Files are closed timely, good results and financial documents.

(NOTE: Several housekeeping issues are noted. These are minor issues and don't present any serious impact to the Pool or Member.

- NCGA08401A1 – Need an updated CMR. Trial scheduled for February 2020.
- NCGA08575A1 – Need update to file notes and/or CMR.
- NCGA08592A1 – Need an updated CMR.
- NCGA08912A2 – Need an updated CMR.)

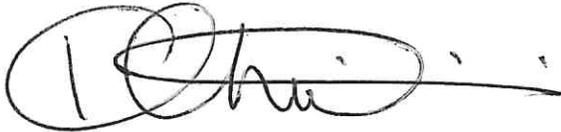
NEGOTIATION PRACTICES: The audit would indicate that the Adjustors are keenly aware of files that would indicate resolution is an appropriate avenue to explore. The Adjustors work with the Members to develop a Plan of Action to resolve matters, either through informal negotiation, mediations or judicial settlement conferences.

The Adjustors and Defense Counsel are aware of the cost of litigation v. economical resolution and pursue resolution when appropriate.

Overall, the claims handling is done in a professional and competent manner. The issues noted were housekeeping in nature and when addressed will only serve to tighten up an already quality claims handling process.

The claims handling for NCCSIF meets or exceeds industry standards and CAJPA claims handling criteria.

Respectfully submitted,

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

Kenneth R. Maiolini, ARM-P

Attachment: RMS Audit Review Forms (Confidential Document)
Closed Claim Review

NCCSIF Closed Claim List – 2019

CLAIM #	TYPE	TOTAL INCURRED
NCGA08205A2	Property	\$51,503.80
NCGA07475A1	GL – slip-and-fall	\$102,180.75
NCGA08508A1	GL – bodily injury	\$44,728.75
NCGA08079A1	Civil Rights – police	\$496,083.97
NCGA07836A1	GL – false imprisonment	\$21,325.86
NCGA06372A1	EPL – discrimination	\$188,926.06
NCGA08660A2	Property	\$39,851.84
NCGA07900A1	GL – police	\$124,226.26
NCGA08384A1	Civil Rights – police	\$56,901.82
NCGA08205B2	Property	\$74,719.74
NCGA08197A1	GL – slip-and-fall	\$55,413.72
NCGA07724A1	Civil Rights	\$322,364.00
NCGA08288A1	Civil Rights	\$54,669.68
NCGA08193A1	GL – road design	\$212,648.31
NCGA07943A2	Civil Rights	\$79,814.69
NCGA07492A	Civil Rights	\$119,450.62
NCGA07510A	Civil Rights	\$108,077.84
NCGA08359B1	Civil Rights	\$131,735.69
NCGA08677A1	GL – slip-and-fall	\$22,302.25
NCGA08633A1	GL – slip-and-fall	\$25,580.50



February 25, 2020

To: Mr. Marcus Beverly, Alliant Insurance (via email)

Re: Response to Audit Results for NCCSIF

Dear Mr. Beverly,

This letter is in response to the Northern California Cities Self Insurance Fund audit report for the NCCSIF General Liability Claims and Property Claims. We were very pleased with the findings that our claims handling is done in a professional and competent manner and our claims handling for NCCSIF meets or exceeds the industry standard and CAJPA claims handling criteria.

We were also pleased with the results reflecting proactive investigative practices, successful risk transfer opportunities, highly involved litigation management, proper and timely statutory notices, timely excess reporting, and well documented files.

We would like to acknowledge the auditor's comments regarding expense reserving and that expense reserves should be up to the appropriate state of litigation that anticipates the true expense exposure. We understand the importance of reserving timely and accurately. Our practice is to reserve the claim at the probable case value through the life of the claim. Although we are hopeful a claim may resolve at mediation, it may not and, therefore, it has been our practice to maintain the expense reserve through trial. We would be happy to address your philosophy and best practices in this area.

We appreciate our partnership with NCCSIF very much and are dedicated in our commitment to provide excellent claims handling to all NCCSIF members. Please let us know if you have any questions or need additional information.

Sincerely,

Jill Petrarca, Senior Manager Claims Property & Casualty

cc: Harold Godfrey, Director Claims Property & Casualty
Dori Zumwalt, Account Executive

Northern California Cities Self Insurance Fund (NCCSIF) 2020 Audit Summary

Audit Date: March 2, 2020

SIR: \$ 500,000 through 6/30/2008

\$1,000,000 after 7/1/2008

\$ 500,000 after 7/1/2013

NCCSIF has 19 small to mid-sized cities located principally in the Sierra foothills, in the CJPRMA excess liability program. Claims administration and litigation management are largely delegated to Sedgwick. Alex Davis is the adjuster on seven of the files, Shawn Millar on two and Summer Simpson on one. I am familiar with Mr. Davis and Ms. Millar as experienced and professional. Sedgwick staff has reserving authority, but no settlement authority.

Ten files were reviewed this year: five police, four public works, and one park and recreation. Of the ten files audited, none are on the Watch List and eight are Critical Incident claims (five are EPL claims, which are always considered Critical Incidents).

I found good use of Best Practices on the following claims:

- Early defense assignment on Fishbaugh, McDowell, Jenks, Lane and Corbett.
- Early reporting to CJPRMA on Googooian and McDowell.
- Early attempted settlement on Jenks and Hill.
- Early traffic expert and video experts hired in Googooian.
- Meetings with City Council on sensitivity of the Corbett case.

Overall, files are well investigated and documented. Litigation budgets are found on all files where appropriate. I did find areas for improvements in the following instances:

- Timely status reports from defense counsel appear missing on Jenks, and Hills.
- Missing notices on Jenks (late claim), Van Pelt (insufficiency) and Googooian (tender of defense).
- Missing diary on Hills.
- Inadequate investigation on Hills.
- Low indemnity reserves on Collondrez.

The number of EPL claims had dropped to two open claims in 2019, but are back up to five in 2020.

Overall exposure is lower than some recent years, despite a current trend of rising exposures. However, there are two open cases that still present a substantial exposure (Hills and Googooian) with a potential for much higher than current reserves, even though current reserves are appropriate at this time.

Number of files audited in 2020 - 10:

Watch List files - 0 Critical Incident files - 8 Litigated files - 8 EPL files - 5

Open files - 10 Closed files - 0 Closing files - 0

Year	2013	2014	2015	2016	2017	2019	2020
Files Audited	22	21	24	8	9	9	10
Primary Incurred Value	\$7,531,121	\$6,569,525	\$6,035,689	\$4,294,698	\$2,394,579	\$4,781,300	\$3,461,002
Overall Incurred Value	\$11,186,495	\$10,203,134	\$8,582,916	\$8,231,879	\$3,809,444	\$7,586,300	\$7,222,002
Average Overall Value	\$508,474	\$485,864	\$357,621	\$1,028,985	\$423,272	\$842,922	\$722,200



April 10, 2020

To: Mr. Marcus Beverly, Alliant Insurance (via email)

Re: Response to Audit Results for NCCSIF

Dear Mr. Beverly,

This letter is in response to the Northern California Cities Self Insurance Fund audit report for the NCCSIF General Liability Claims and Property Claims. We were pleased with the findings that our claims were well investigated and documented.

We were also pleased with the results reflecting best practices in the early defense assignment on 5 files, early reporting to CJPRMA on 2 high exposure files, and early attempted settlement on 2 files.

The auditor also recognized retaining a traffic expert early on in a vehicle accident involving a fatality, meetings with City Council on a sensitive employee case, and good use of social media checks to assist in evaluating a claim by decedent's daughters.

We would like to acknowledge the auditor's comments regarding areas for improvement. Regarding comments that timely status reports were missing or late on Hills, status reports are in the file. The last comprehensive status from defense counsel was received on February 28, 2020. The additional areas noted have been addressed in the claim files.

We appreciate our partnership with NCCSIF very much and are dedicated in our commitment to provide excellent claims handling to all NCCSIF members. Please let us know if you have any questions or need additional information.

Sincerely,

Jill Petrarca, Senior Manager Claims Property & Casualty

cc: Harold Godfrey, Director Claims Property & Casualty
Dori Zumwalt, Account Executive



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020**

Agenda Item F.

GENERAL RISK MANAGEMENT ISSUES

INFORMATION ITEM

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

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: Previously titled “Round Table Discussion”, this item has historically been placed at the end of Committee and Board meetings as 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*. Often there is little or no discussion, while with other groups this item has led to very valuable discussions and interest from the members.

ATTACHMENT(S): None.



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020**

Agenda Item G.4.

**SUMMARY OF THE MARCH 26, 2020
EXECUTIVE COMMITTEE MEETING**

ACTIONS TAKEN:

➤ **Actuarial Studies**

- Workers' Compensation Program - reviewed and recommended the Draft study to be finalized.
- Liability Program - reviewed and recommended the Draft study to be finalized.

➤ **Workers' Compensation Program**

- Annual Banking Plan Adjustments - recommended a 35% return of available equity or 20% assessment for members above or below the target benchmark.
- Shared Risk Plan Adjustment - recommended a 50% return of equity for members above the target benchmark.
- FY 20/21 Deposit Premium - recommended maintain funding at the 80% CL.

➤ **Liability Program**

- Annual Banking Plan Adjustments - recommended a 30% return of available equity or 20% assessment for members above or below the target benchmark.
- Annual Shared Risk Plan Adjustments - recommended no refund and no assessment needed if maintain funding at 80% CL.
- FY 20/21 Deposit Premium - recommended maintaining funding at the 80% CL.

➤ **Property Renewal Strategy** - no action, discussed upcoming renewal, expected rate increase and possible impact of wildfire deductible.

➤ **Executive Membership Appointment** - EC nominated Jennifer Styczyknski, City of Marysville for Secretary; and Dave Warren, City of Placerville for Vice President.

➤ **NorCal Cities Excess Cyber Coverage** – directed Program Administrators to bind group coverage, Option 3 with \$3M limit and \$4M aggregate.

Northern CA Cities Self Insurance Fund (NCCCSIF) 2019/20 ANNUAL REPORT



Greetings,

This year marks 40 years of providing exceptional risk coverage programs and services to California's public agencies. During that entire time, the EIA has helped public entities and local communities preserve their resources by reducing their cost of risk and insurance, even in a hard market such as today. This report quantifies the value of participation and highlights the benefits realized as a direct result of your membership in the EIA.

The EIA was formed as a Joint Powers Authority (JPA) in 1979, pursuant to Article 1, Chapter 5, Division 7, Title 1, of the California Government Code (Section 6500 et seq.). Dedicated to the control of losses and cost-effective risk management solutions, the EIA is a recognized leader and pioneer in the pooling and risk management community in California and nationwide.

While the membership has enjoyed the rewards of their success over the past 40 years, the current hard market motivated EIA leadership to refine, restructure, and improve coverages and services to ensure that members' current and future needs will be met. At the same time, efforts are continually made to keep costs as stable as possible for members.

Membership Highlights

- \$492 million saved by our membership in the last 5 years!
- Shield you from insurance market swings
- Minimize risk & uncertainty
- Increased investment income provided by the EIO, EIA's captive insurance company

We encourage you to share this information with your governing bodies or others interested in your participation in the EIA.

Regards,

Rick Brush, Chief Member Services Officer



40th
CSAC EIA
Anniversary



Celebrating 40 Years of Excellence

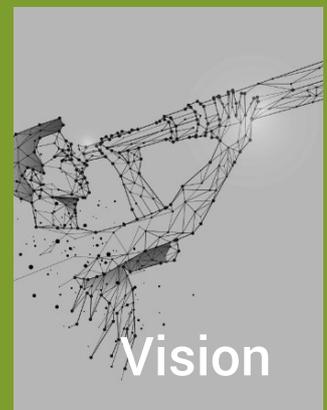
1979 → 2019



The EIA is a member-directed risk sharing pool of public agencies committed to providing risk coverage programs and risk management services, which drive member stability, efficiency, and best practices.

The EIA will continue to be internationally recognized as a leading risk sharing pool for its member-directed operating philosophy and commitment to member fiscal sustainability.

The EIA will continue to influence and shape the future of the risk management profession.



For
40
years

**We have continued to
Respond & Evolve**

based on your needs and market conditions

Membership

Retained

99%

of Members for the past 5 years

Coverages

Provided stability with

9

major coverage programs



Historical Timeline



EIA's Core Values

CSAC EIA is dedicated to preserving a member-directed culture, defining standards for quality and performance throughout the industry, and ensuring programs and services are:

C **Competitive**
in scope and price over the long term

A **Adaptable**
and customized to meet member needs, based on high-quality standards

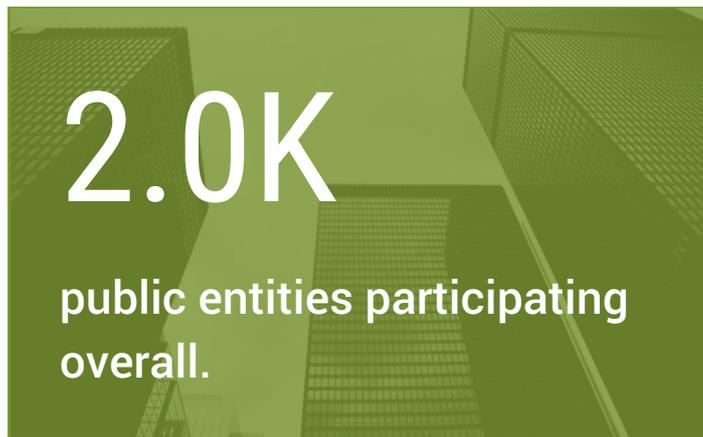
R **Resolute**
in delivering timely solutions that address present and emerging risks

E **Equitable**
in allocating costs and services between various members in a fair and consistent manner

S **Stable**
Ensuring cost-effective, fiscally prudent operations and staffing which maintain financial strength and solvency



You're partnered with the leader in member-directed risk management.



2.0K
public entities participating overall.



55
of California's counties enjoy EIA membership.



20
miscellaneous / ancillary group-purchase options.

**We are one of the largest
pools in the nation.
Our major programs
represent:**



**Our innovative and
successful approach
has been noticed across
the state.**

**Financial Reporting &
Budgeting Awards CAFR
1994-2018, PAFR 1998-
2018, Budget 2011-2019**

**Compliance with AGRIP
Advisory Standards
2013-2019**

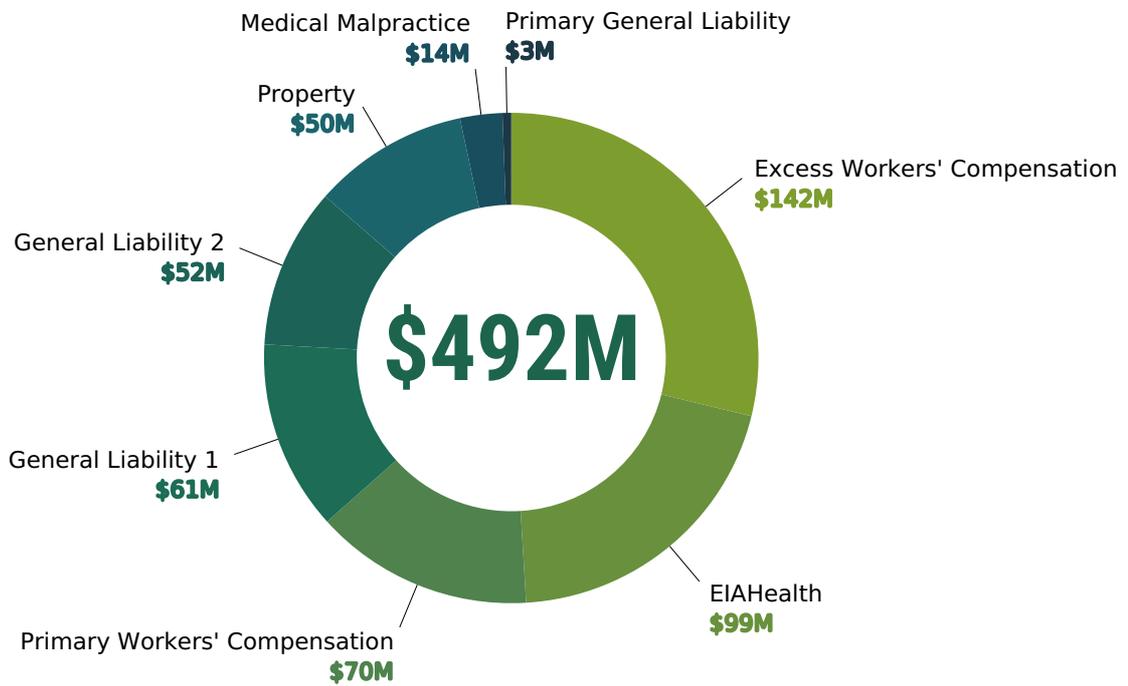
**Accredited with
Excellence
1989-2022**

The relationships that the EIA team has built over the years with members, brokers and reinsurers helps us to navigate the turbulent waters of a hard insurance market.

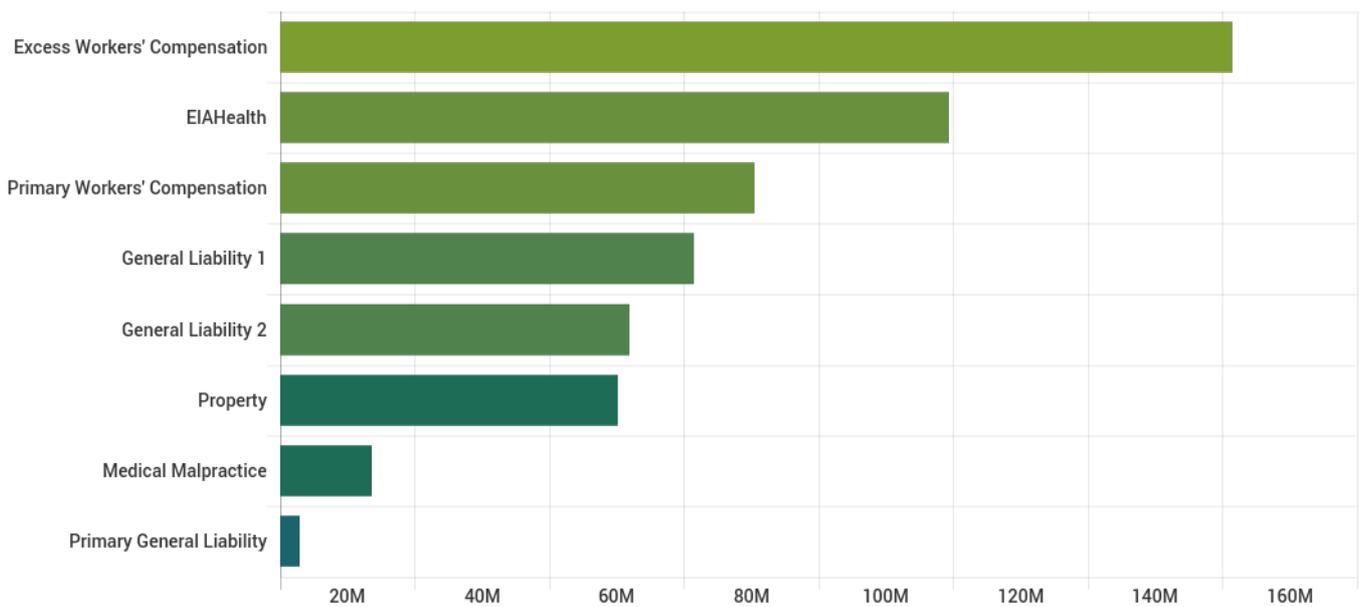
[View EIA's State of Hard Market message](#)



Over the past five years, members have saved



Let's break that down by coverage



The Primary General Liability (PGL) program was dissolved into the GL1 program effective 7/1/2018.



How are the premium comparisons computed?

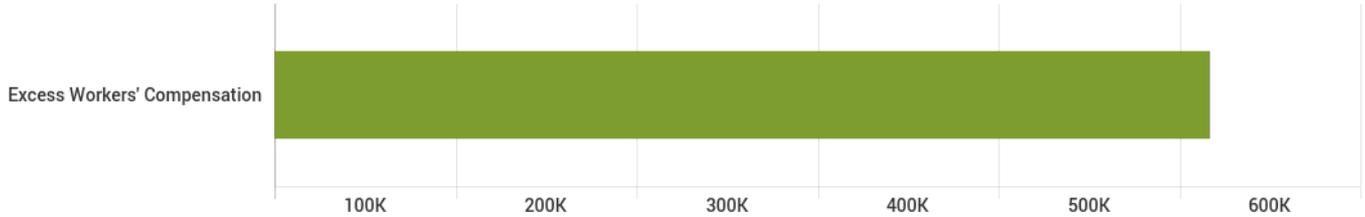
In the report, we compare the premiums your agency paid to the EIA to what it would likely cost to purchase similar coverage and services on your own, or what is referred to as the "stand-alone" premium. Except for the Primary Workers' Compensation, the stand-alone premium estimates are market based projections. For Primary Workers' Compensation, the program costs are compared to the cost to self-insure at various confidence levels. Factors such as the entity's size, retention, type of exposures, location, and/or the coverage being purchased has an impact on the estimated stand-alone projection. Below is a summary of the analysis that was done to derive the stand-alone projections as well as the various factors that influence the estimated projections.

PWC	Program premiums are compared to the cost to self-insure developed from an actuarial projection to fund at a 80% confidence level.
EWC	Insurance market projection based on actual quotes received by Alliant for similar public entity risks, ranging from 10% below market for schools and ranging from 20-35% below market pricing depending on the type of exposure (county, city, or other) and SIR levels.
GL1	Insurance market projection based on actual quotes received by Alliant for similar public entity risks, ranging from 15 - 20% below market for schools and 20-25% below market pricing depending on the type of exposure (county, city, or other). For those members previously in the deductible buy down program (formerly the PGL program), the premium is compared to the cost to self-insure developed from an actuarial projection to fund at a 70% confidence level.
GL2	Insurance market projection based on actual quotes received by Alliant for similar public entity risks, at approximately 15%-20% below market pricing depending on the entity's size and type of exposure (county or city).
Medical Malpractice	Insurance market projection based on actual quotes received by Alliant for similar public entity risks, at approximately 15% below market pricing depending on the size of the county and whether the member has a low deductible or higher SIR.
Property	Insurance market projection based on actual All Risk and Earthquake quotes received by Alliant for similar public entity risks, ranging from 10- 25% on an individual member basis below market pricing depending on size of the entity. Size of the entity is measured by total insured values, type of exposure (county, city, school or other), and if earthquake coverage is purchased, and the earthquake zone of the covered location.
EIAHealth	Insurance market projection based on medical and pharmacy trends including insurance company margins for contingencies and profit.



Your savings with EIA in 2019/20

\$516,856

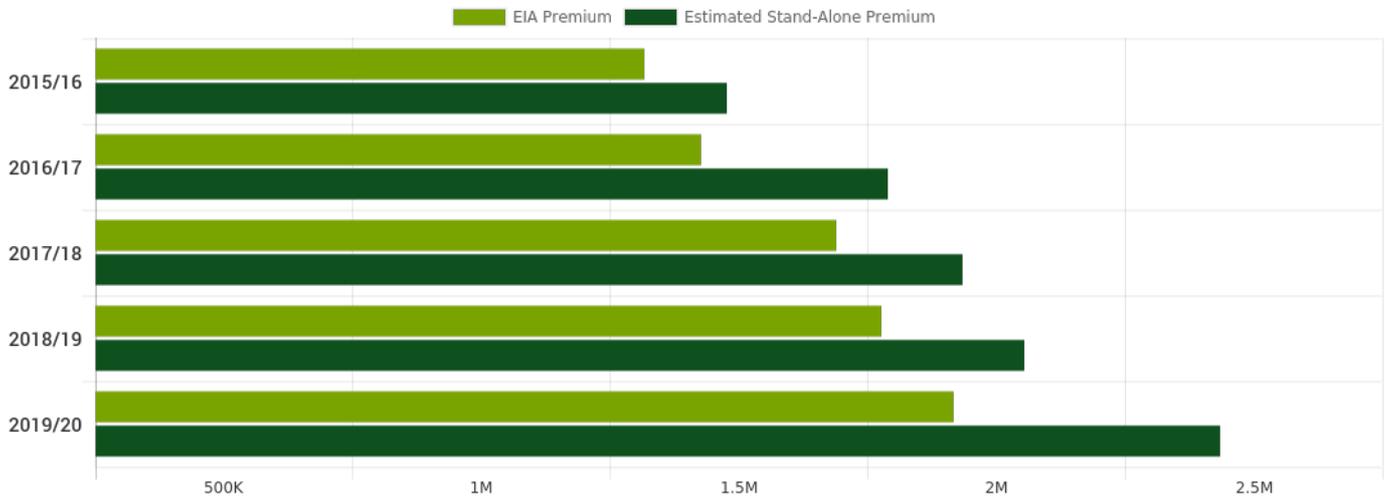


COVERAGE	EIA PREMIUM	EST. STAND-ALONE PREMIUM	SAVINGS
Excess Workers' Compensation	\$1,668,873	\$2,185,729	\$516,856
Total Savings	\$1,668,873	\$2,185,729	\$516,856



5 Year Savings Breakdown 2015/16 - 2019/20

Excess Workers' Compensation



YEAR	EIA PREMIUM	EST. STAND-ALONE PREMIUM	SAVINGS
2015/16	\$1,066,955	\$1,226,998	\$160,043
2016/17	\$1,177,155	\$1,540,052	\$362,897
2017/18	\$1,440,433	\$1,685,707	\$245,274
2018/19	\$1,526,767	\$1,805,174	\$278,407
2019/20	\$1,668,873	\$2,185,729	\$516,856
Total Savings	\$6,880,183	\$8,443,660	\$1,563,477

Want to save more? We can help with that

You could benefit from these additional coverages.

EIAHealth

Know your Healthcare alternatives! Explore the EIAHealth program and create healthcare options tailored to the needs of your organization, while benefitting from pooled risk sharing renewals!

General Liability 1

Along with the our Excess Workers' Compensation Program, our GL1 Program is an EIA flagship Program that provides excess general liability coverage on a broad coverage form. Members have the choice of self-insured retentions ranging from \$100k to \$1M. The program also offers a deductible buy-down program within the coverage structure for those members looking for lower deductibles of \$10K and higher. Members also benefit from a host of risk control, claims, and risk management services.

Property

Benefit from the economies of scale with one of the largest group purchased property placements in the world, the EIA Property Program provides the protection you need from physical damage to property. The coverages range from "All Risk" perils to Boiler & Machinery, and from Flood (included automatically) to Earthquake and Auto Physical Damage for vehicles (which are both optional).



We also offer additional services for members

Our Member Services are constantly evolving to respond to and meet your needs. Don't see what you need? Give us a call and we'll see what we can do. We're here to find solutions!

Risk Management Services

- ▲ Crisis Incident Counseling
- ▲ Crisis Incident Management
- ▲ **Enterprise Risk Consultants**
- ▲ Real & Personal Property Appraisals
- ▲ **Risk Management and Loss Prevention Subsidies**
- ▲ **Risk Management Mentor Program**
- ▲ Risk Management Practitioner Program
- ▲ Strategic Planning Facilitation

Risk Control

- ▲ Body-Worn Camera Services
- ▲ Classroom, Onsite & Regional Training
- ▲ **Cyber Security Services**
- ▲ EIAtv
- ▲ Employer Pull Notice (EPN) Program
- ▲ Personal Consultations
- ▲ **Physical Abilities Testing**
- ▲ Risk Assessment Tool
- ▲ Risk Control Toolbox
- ▲ **Target Solutions Learning Management System**
- ▲ Workforce Management Software

Claims

- ▲ 24/7 Nurse Triage Services
- ▲ Catastrophic Claims Management
- ▲ Claim Audits
- ▲ Claim System Utilization
- ▲ **Investigation Services**
- ▲ ISO Claims Search
- ▲ **Medical Provider Network**
- ▲ Medicare Reporting Services
- ▲ **Return to Work Program**





Member Spotlight

Get Out of Your Chair

A Relationship Building Approach to Risk in Ventura County

Building relationships across the many departments of an entity can be daunting, but for the Risk Management team at Ventura County it was challenge accepted! Along with reducing claims costs and increasing public trust, it was the goal of Risk Management to grow outreach and visibility. The plan was simple: get out there!

Read more about how this EAGLE Award winner used an "out-of-your-seat" approach to build relationships and increase trust between staff, including their Sheriff's Department, on the [EIA Blog](#).



Member Spotlight

Collaboration and Community

City of Lemon Grove and the Sage Project

What do you do when there are so many projects and not enough manpower to accomplish them? That was the big question in the City of Lemon Grove, and the answer was collaboration with students at San Diego State University through the Sage Project. Bonus: transfer of liability risk!

The benefits out-weighed the challenges of this community-based project for the City. Read more about this EAGLE Award winner's project on the [EIA Blog](#).



Have your voice heard. Your participation is key.

Member involvement is critical to the EIA's success. Be a part of the decision-making process and have your voice heard.

Getting Started

Committees go through an election process once a year in the fall to nominate potential candidates. Appointments are then made by the Executive Committee in January. If you're interested in becoming a committee member, look for and submit the nomination form this fall. Contact a staff member to learn more about joining a committee.

Member Counties & Public Entities



The organizational chart depicts the governance structure of the EIA and the relationship between the members, the Board of Directors and the committees.





Northern California Cities Self Insurance Fund
 Board of Directors Meeting
 April 23, 2020

Agenda Item H.

FY 20/21 OFFICERS AND EXECUTIVE COMMITTEE

ACTION ITEM

ISSUE: Three FY 20/21 Officer positions are up for election this year, the President, Vice President and Secretary, with new members nominated to fill those roles. In addition, new members will be joining the Executive Committee (EC). Membership on the EC rotates annually, and each Member serves for a two-year term. NCCSIF Officers are often selected from the EC and also serve two-year terms. The July 1, 2020 to June 30, 2021 term for the Executive Committee will include the following Members:

FY 20/21 NCCSIF Executive Committee

<u>Member</u>	<u>Representative</u>	<u>New</u>	<u>Term of Office</u> <i>Second Year Term</i>
City of Folsom	Kristine Haile		July 1, 2020 to June 30, 2021
City of Galt	Stephanie Van Steyn		July 1, 2020 to June 30, 2021
City of Jackson	Yvonne Kimball	July 1, 2020 to June 30, 2022	
City of Lincoln	Veronica Rodriguez		July 1, 2020 to June 30, 2021
City of Marysville	Jennifer Styczynski	July 1, 2020 to June 30, 2022	
City of Nevada City	Loree McCay		July 1, 2020 to June 30, 2021
City of Placerville	Dave Warren	July 1, 2020 to June 30, 2022	
City of Rio Vista	Jen Lee		July 1, 2020 to June 30, 2021

The **current Officers** are as follows:

President	Elizabeth Ehrenstrom	January 1, 2019 to June 30, 2020
Vice President	Kristine Haile	January 1, 2019 to June 30, 2020
Secretary	Gina Will	January 1, 2019 to June 30, 2020
Treasurer (non-voting)	Tim Sailsbery	Appointed annually (already appointed until June 30, 2021)
CJPRMA Rep (non-voting)	Veronica Rodriguez	Appointed as-needed

RECOMMENDATION: At the last EC Meeting, the committee nominated Kristine Haile, City of Folsom, for President, Dave Warren, City of Placerville for Vice President, and Jennifer Styczynski, City of Marysville for Secretary. Approve as presented or as nominated from the floor.



**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020**

Agenda Item H. (continued)

FISCAL IMPACT: None.

BACKGROUND: The Executive Committee is a standing committee of the Board of Directors and is comprised of seven to eleven voting members, and two non-voting members. The President of the Board of Directors serves as the Chair of the Executive Committee. The President, Vice-President, Secretary, and seven to eight other Directors act as the voting members, so at times their number has varied from seven to nine. The two non-voting members are the Treasurer and the Representative to the CJPRMA Board of Directors.

Historically, the newly-elected officers (President, Vice President, Secretary and Treasurer) are nominated by the Executive Committee (acting as the Nominating Committee). The officers are chosen from the Executive Committee and are elected by the Board for a two-year term. The President is usually selected from the second-year Members (often the current Vice President) and the Vice President is generally selected from the first year members.

The Secretary is elected by the Board and serves a two-year term. The Treasurer is appointed annually by the Board and the CJPRMA Representative is appointed on an as-needed basis. The Board changed the terms of the Executive Committee (EC) from a calendar year to a fiscal year rotation at their meeting in October, 2019, and changed the terms of the Officers of the JPA from a calendar year to a fiscal year.

Rotating **Off** EC 6/31/2020

Gridley - Elisa Arteaga
Oroville - Liz Ehrenstrom
Paradise - Gina Will

Rotating **On** EC 7/1/2020

Jackson - Yvonne Kimball
Marysville - Jennifer Styczynski
Placerville - Dave Warren

Remaining EC for another year

Folsom - Kristine Haile
Galt - Stephanie Van Steyn
Lincoln - Veronica Rodriguez
Nevada City - Loree McCay
Rio Vista - Jen Lee

Section 5 of the NCCSIF Bylaws describes the duties and responsibilities of the Officers of the Authority.

ATTACHMENT(S):

1. Section 4 and Section 5 of the NCCSIF Bylaws
2. Executive Committee Rotation Schedule 2019 - 2025

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 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.

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.

**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
2019 - 2025 Executive Committee Rotation Schedule by Size**

BOD Approved: 12/14/2017

Revised: 1/16/2020

Member	Size	Geography	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
Elk Grove, City of	Large	South			x	x			
Folsom, City of	Large	East	x	x			x	x	
Lincoln, City of	Large	East	x	x					x
Rocklin, City of	Large	East				x	x		
Yuba City, City of	Large	North			x	x			
Anderson, City of	Medium	West				x	x		
Auburn, City of	Medium	East				x	x		
Corning, City of	Medium	West			x	x			
Dixon, City of	Medium	South				x	x		
Galt, City of	Medium	South	x	x					x
Gridley, City of	Medium	North	x					x	x
Marysville, City of	Medium	North		x	x				
Oroville, City of	Medium	North	x					x	x
Paradise, Town of	Medium	North	x					x	x
Placerville, City of	Medium	East		x	x				
Red Bluff, City of	Medium	West			x	x			x
Rio Vista, City of	Medium	South	x	x			x	x	
Colusa, City of	Small	West						x	x
Ione, City of	Small	South			x	x			
Jackson, City of	Small	South		x	x			x	x
Nevada City, City of	Small	North	x	x			x	x	
Willows, City of	Small	West					x	x	
			8	8	8	9	8	9	8



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020**

Agenda Item I.1.

**QUARTERLY FINANCIAL REPORT
FOR PERIOD ENDING DECEMBER 31, 2019**

ACTION ITEM

ISSUE: The Board receives a quarterly report on the financial status of NCCSIF. Nicole Rushing from James Marta & Company will present NCCSIF's Financials for the Quarter ending December 31, 2019 to the Board.

The report also provides individual member Banking Layer financial reports, including a Combining Statement of Net Position and a Combined Statement of Revenues, Expenses, and Changes in Net Position for both the Workers' Compensation and Liability Programs.

RECOMMENDATION: Receive and file the Quarterly Financials as presented.

FISCAL IMPACT: None

BACKGROUND: Each quarter the Board reviews the quarterly financials for accuracy and refers questions for follow-up, or receives and files the report as presented.

ATTACHMENT(S): Quarterly Financial Report for Period Ending December 31, 2019

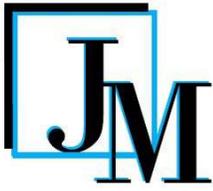
FINANCIAL REPORT

**DECEMBER 31, 2019
AND FOR THE
SIX MONTHS THEN ENDED**

Northern California Cities Self Insurance Fund

Northern California Cities Self Insurance Fund
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December 31, 2019

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James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Tax, and Consulting

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Northern California Cities Self Insurance Fund
701 Howe Avenue, Suite E3
Sacramento, CA 95825

Management is responsible for the accompanying statement of financial position of Northern California Cities Self Insurance Fund as of December 31, 2019, and the related statement of revenues, expenses and changes in net position and statement of cash flows for the fiscal six months then ended and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has omitted substantially all of the disclosures that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, comprehensive income and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information on pages 5 through 32 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has elected to present designations of net position on the Statement of Net Position as of December 31, 2019 contrary to accounting principles generally accepted in the United States of America which bar the presentation of designations of net position on the Statement of Net Position.

We are not independent with respect to Northern California Cities Self Insurance Fund.

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
January 30, 2020

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Statement of Net Position
December 31, 2019**

Assets

Current Assets	
Cash and Cash Equivalents	\$ 11,931,960
Accounts Receivable	8,943
Interest Receivable	370,795
Excess Accounts Receivable	975,867
Prepaid Expense	<u>2,857,741</u>
Total Current Assets	<u>16,145,306</u>
Non-Current Assets	
Investments*	<u>55,275,116</u>
Total Assets	<u>\$ 71,420,422</u>

Liabilities & Net Position

Current Liabilities	
Accounts Payable	\$ 111,829
Unearned Revenue	<u>4,994,483</u>
Total Current Liabilities	<u>5,106,312</u>
Non-Current Liabilities	
Outstanding Liabilities*	40,815,708
ULAE*	<u>1,888,560</u>
Total Non-Current Liabilities	<u>42,704,268</u>
Total Liabilities	<u>\$ 47,810,580</u>
Net Position	
Designated for Contingency	200,000
Designated for Risk Management	289,016
Undesignated	<u>23,120,826</u>
Total Net Position	<u>23,609,842</u>
Liability & Net Position	<u>\$ 71,420,422</u>

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Statement of Revenues, Expenses and Changes in Net Position
For the Six Months Ended December 31, 2019

Operating Income	
Administration Deposit	\$ 656,494
Banking Layer Deposit	4,353,965
Shared Risk Layer	2,967,000
Excess Deposit/Premium	1,586,274
Property/Crime Insurance Income	1,053,122
Banking Layer Assessment	-
Shared Risk Refund	-
Banking Layer Refund	-
Other Income	50,890
Total Operating Income	<u>10,681,983</u>
Operating Expenses	
Claims Paid	4,158,398
O/S Liability adj.	2,036,836
ULAE	80,205
Consultants	32,080
Administration-Other	7,497
Safety Service	198,165
Claims Administration	444,320
Program Administration	223,043
Board Expenses	3,616
Excess Insurance	1,566,116
Property/Crime Insurance Expense	1,055,342
Total Operating Expenses	<u>9,805,618</u>
Operating Income (Loss)	876,365
Non-Operating Income	
Change in Fair Market Value	270,714
Investment Income	633,227
Total Non-Operating Income	<u>903,941</u>
Change in Net Position	1,780,306
Beginning Net Position	<u>21,829,536</u>
Ending Net Position	<u>\$ 23,609,842</u>

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Statement of Cash Flows
For the Six Months Ended December 31, 2019

Cash flows from operating activities:	
Cash received from members	\$ 14,015,929
Cash paid for claims	(4,052,874)
Cash paid for insurance	(5,244,196)
Cash paid to vendors	(950,508)
Cash (paid) received for dividends	<u>1,078,275</u>
Net cash provided by (used in) operating activities	<u>4,846,626</u>
Cash flows from investing activities:	
Investment income received	615,646
Purchases of investments	(17,453,156)
Proceeds from sale or maturity of investments	<u>19,588,963</u>
Net cash provided by (used in) investing activities	<u>2,751,453</u>
Net increase (decrease) in cash and cash equivalents	7,598,079
Cash and cash equivalents, beginning of year	<u>4,333,881</u>
Cash and cash equivalents, end of year	<u>\$ 11,931,960</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:	
Operating income (loss)	\$ 876,365
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
(Increase) decrease in:	
Member receivable	203,464
Excess receivable	105,524
Prepaid expense	(2,717,507)
(Decrease) increase in:	
Accounts payable	52,956
Unearned revenue	4,208,760
Unpaid claims and claim adjustment expenses	<u>2,117,064</u>
Net cash provided by (used in) operating activities	<u>\$ 4,846,626</u>
Supplemental information:	
Noncash non-operating and investing activities	
Net change in fair value of investments	<u>\$ 270,714</u>

SUPPLEMENTARY INFORMATION

Selected Information
Substantially All Disclosures Required by Generally Accepted
Accounting Principles Are Not Included

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position - Liability
December 31, 2019

	Total			Total Banking
	All Layers	Admin Layer	Shared Layer	Layer
Current Assets				
Cash and Cash Equivalents	\$ 6,011,600	\$ 295,740	\$ 3,767,364	\$ 1,948,496
Accounts Receivable	2,421	-	-	2,421
Interest Receivable	98,734	3,895	51,769	43,070
Excess Accounts Receivable	599,389	-	599,389	-
Prepaid Expense	1,805,794	15,046	1,788,528	2,220
Total Current Assets	8,517,938	314,681	6,207,050	1,996,207
Non-Current Assets				
Investments*	11,731,924	309,007	5,711,078	5,711,839
Total Assets	\$ 20,249,862	\$ 623,688	\$ 11,918,128	\$ 7,708,046
Current Liabilities				
Accounts Payable	\$ 53,146	\$ 6,534	\$ 161	\$ 46,451
Unearned Revenue	4,340,819	246,419	2,988,896	1,105,504
Total Current Liabilities	4,393,965	252,953	2,989,057	1,151,955
Non-Current Liabilities				
Outstanding Liabilities*	8,700,665	-	5,947,806	2,752,859
Total Non-Current Liabilities	8,700,665	-	5,947,806	2,752,859
Total Liabilities	\$ 13,094,630	\$ 252,953	\$ 8,936,863	\$ 3,904,814
Net Position				
Designated for Contingency	100,000	100,000	-	-
Undesignated	7,055,232	270,735	2,981,265	3,803,232
Total Net Position	7,155,232	370,735	2,981,265	3,803,232
Liability & Net Position	\$ 20,249,862	\$ 623,688	\$ 11,918,128	\$ 7,708,046

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position - Liability
December 31, 2019

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Folsom	City of Galt	City of Gridley	City of Ione
Current Assets									
Cash and Cash Equivalents	\$ 32,261	\$ 122,456	\$ 4,569	\$ 59,288	\$ 37,545	\$ 753,695	\$ 90,562	\$ 25,986	\$ 28,146
Accounts Receivable	-	-	-	-	-	-	-	-	2,421
Interest Receivable	980	1,658	16	755	1,127	13,714	2,298	1,207	290
Excess Accounts Receivable	-	-	-	-	-	-	-	-	-
Prepaid Expense	500	-	-	-	-	1,200	-	-	-
Total Current Assets	33,741	124,114	4,585	60,043	38,672	768,609	92,860	27,193	30,857
Non-Current Assets									
Investments*	144,690	165,832	1,929	80,231	167,566	1,719,090	319,373	190,185	24,129
Total Assets	\$ 178,431	\$ 289,946	\$ 6,514	\$ 140,274	\$ 206,238	\$ 2,487,699	\$ 412,233	\$ 217,378	\$ 54,986
Current Liabilities									
Accounts Payable	\$ 1,551	\$ 2,990	\$ 733	\$ 821	\$ 1,238	\$ 13,978	\$ 4,153	\$ 637	\$ 70
Unearned Revenue	19,820	78,008	29,260	25,112	16,041	344,416	56,804	19,540	12,800
Total Current Liabilities	21,371	80,998	29,993	25,933	17,279	358,394	60,957	20,177	12,870
Non-Current Liabilities									
Outstanding Liabilities*	52,575	91,875	101,270	24,753	43,795	668,195	177,653	34,629	6,897
Total Non-Current Liabilities	52,575	91,875	101,270	24,753	43,795	668,195	177,653	34,629	6,897
Total Liabilities	\$ 73,946	\$ 172,873	\$ 131,263	\$ 50,686	\$ 61,074	\$ 1,026,589	\$ 238,610	\$ 54,806	\$ 19,767
Net Position									
Designated for Contingency	-	-	-	-	-	-	-	-	-
Undesignated	104,485	117,073	(124,749)	89,588	145,164	1,461,110	173,623	162,572	35,219
Total Net Position	104,485	117,073	(124,749)	89,588	145,164	1,461,110	173,623	162,572	35,219
Liability & Net Position	\$ 178,431	\$ 289,946	\$ 6,514	\$ 140,274	\$ 206,238	\$ 2,487,699	\$ 412,233	\$ 217,378	\$ 54,986

See Accompanying Accountant's Report

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position - Liability
December 31, 2019**

	City of Jackson	City of Lincoln	City of Marysville	City of Oroville	City of Paradise	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Current Assets										
Cash and Cash Equivalents	\$ 49,119	\$ 145,668	\$ 109,951	\$ 83,473	\$ 58,984	\$ 7,949	\$ 8,081	\$ 212,202	\$ 6,223	\$ 112,338
Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Interest Receivable	997	2,706	2,031	1,766	2,205	1,674	174	4,409	332	4,731
Excess Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Prepaid Expense	-	250	-	-	-	270	-	-	-	-
Total Current Assets	50,116	148,624	111,982	85,239	61,189	9,893	8,255	216,611	6,555	117,069
Non-Current Assets										
Investments*	130,933	337,379	252,680	233,076	339,308	272,276	9,166	555,750	51,108	717,138
Total Assets	\$ 181,049	\$ 486,003	\$ 364,662	\$ 318,315	\$ 400,497	\$ 282,169	\$ 17,421	\$ 772,361	\$ 57,663	\$ 834,207
Current Liabilities										
Accounts Payable	\$ 427	\$ 3,461	\$ 3,402	\$ 1,592	\$ 1,901	\$ 2,236	\$ 1,048	\$ 2,981	\$ 594	\$ 2,638
Unearned Revenue	25,793	74,434	57,198	43,397	30,753	23,066	20,916	118,051	13,960	96,135
Total Current Liabilities	26,220	77,895	60,600	44,989	32,654	25,302	21,964	121,032	14,554	98,773
Non-Current Liabilities										
Outstanding Liabilities*	10,761	254,340	147,239	135,699	109,176	141,235	163,181	236,553	34,722	318,311
Total Non-Current Liabilities	10,761	254,340	147,239	135,699	109,176	141,235	163,181	236,553	34,722	318,311
Total Liabilities	\$ 36,981	\$ 332,235	\$ 207,839	\$ 180,688	\$ 141,830	\$ 166,537	\$ 185,145	\$ 357,585	\$ 49,276	\$ 417,084
Net Position										
Designated for Contingency	-	-	-	-	-	-	-	-	-	-
Undesignated	144,068	153,768	156,823	137,627	258,667	115,632	(167,724)	414,776	8,387	417,123
Total Net Position	144,068	153,768	156,823	137,627	258,667	115,632	(167,724)	414,776	8,387	417,123
Liability & Net Position	\$ 181,049	\$ 486,003	\$ 364,662	\$ 318,315	\$ 400,497	\$ 282,169	\$ 17,421	\$ 772,361	\$ 57,663	\$ 834,207

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position - Liability
For the Six Months Ended December 31, 2019

	Total			Total Banking
	All Layers	Admin Layer	Shared Layer	Layer
Operating Income				
Administration Deposit	\$ 233,503	\$ 233,503	\$ -	\$ -
Banking Layer Deposit	1,105,504	-	-	1,105,504
Shared Risk Layer	1,187,000	-	1,187,000	-
Excess Deposit/Premium	748,774	-	748,774	-
Property/Crime Insurance	1,053,122	-	1,053,122	-
Income				
Banking Layer Assessment	-	-	-	-
Banking Layer Refund	-	-	-	-
Other Income	50,890	50,890	-	-
Excess Insurance Refund	-	-	-	-
Total Operating Income	4,378,793	284,393	2,988,896	1,105,504
Operating Expenses				
Claims Paid	1,127,611	-	632,023	495,588
O/S Liability adj.	672,939	-	359,951	312,988
Consultants	19,371	19,371	-	-
Administration-Other	-	-	-	-
Safety Service	74,318	70,818	3,500	-
Claims Administration	-	-	-	-
Program Administration	119,226	119,226	-	-
Board Expenses	1,808	1,808	-	-
Excess Insurance	731,906	-	731,906	-
Property/Crime Insurance	1,055,342	-	1,053,122	2,220
Expense				
Total Operating Expense	3,802,521	211,223	2,780,502	810,796
Operating Income (Loss)	576,272	73,170	208,394	294,708
Non-Operating Income				
Change in Fair Market Value	66,169	1,806	39,185	25,178
Investment Income	172,052	7,064	93,368	71,620
Total Non-Operating Income	238,221	8,870	132,553	96,798
Change in Net Position	814,493	82,040	340,947	391,506
Beginning Net Position	6,340,739	288,695	2,640,318	3,411,726
Ending Net Position	\$ 7,155,232	\$ 370,735	\$ 2,981,265	\$ 3,803,232

See Accompanying Accountant's Report

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position - Liability
For the Six Months Ended December 31, 2019**

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Folsom	City of Galt	City of Gridley	City of Ione
Operating Income									
Administration Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	19,820	78,008	29,260	25,112	16,041	344,416	56,804	19,540	12,800
Shared Risk Layer	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-
Property/Crime Insurance	-	-	-	-	-	-	-	-	-
Income									
Banking Layer Assessment	-	-	-	-	-	-	-	-	-
Banking Layer Refund	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-
Excess Insurance Refund	-	-	-	-	-	-	-	-	-
Total Operating Income	19,820	78,008	29,260	25,112	16,041	344,416	56,804	19,540	12,800
Operating Expenses									
Claims Paid	1,912	45,595	25,367	2,799	98	62,572	13,394	12,127	595
O/S Liability adj.	(1,754)	(29,059)	(35,529)	7,945	12,249	147,031	51,108	(24,454)	2,210
Consultants	-	-	-	-	-	-	-	-	-
Administration-Other	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-
Claims Administration	-	-	-	-	-	-	-	-	-
Program Administration	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-
Property/Crime Insurance	500	-	-	-	-	1,200	-	-	-
Expense									
Total Operating Expense	658	16,536	(10,162)	10,744	12,347	210,803	64,502	(12,327)	2,805
Operating Income (Loss)	19,162	61,472	39,422	14,368	3,694	133,613	(7,698)	31,867	9,995
Non-Operating Income									
Change in Fair Market Value	656	674	(421)	395	795	7,804	1,366	796	144
Investment Income	1,704	2,676	(372)	1,330	1,944	22,860	3,741	2,034	524
Total Non-Operating Income	2,360	3,350	(793)	1,725	2,739	30,664	5,107	2,830	668
Change in Net Position	21,522	64,822	38,629	16,093	6,433	164,277	(2,591)	34,697	10,663
Beginning Net Position	82,963	52,251	(163,378)	73,495	138,731	1,296,833	176,214	127,875	24,556
Ending Net Position	\$ 104,485	\$ 117,073	\$ (124,749)	\$ 89,588	\$ 145,164	\$ 1,461,110	\$ 173,623	\$ 162,572	\$ 35,219

See Accompanying Accountant's Report

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position - Liability
For the Six Months Ended December 31, 2019

	City of Jackson	City of Lincoln	City of Marysville	City of Oroville	City of Paradise	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Operating Income										
Administration Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	25,793	74,434	57,198	43,397	30,753	23,066	20,916	118,051	13,960	96,135
Shared Risk Layer	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-	-
Property/Crime Insurance	-	-	-	-	-	-	-	-	-	-
Income										
Banking Layer Assessment	-	-	-	-	-	-	-	-	-	-
Banking Layer Refund	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Excess Insurance Refund	-	-	-	-	-	-	-	-	-	-
Total Operating Income	25,793	74,434	57,198	43,397	30,753	23,066	20,916	118,051	13,960	96,135
Operating Expenses										
Claims Paid	3,754	63,549	22,391	7,800	4,946	43,152	62,763	46,792	45,317	30,665
O/S Liability adj.	(10,979)	45,103	10,203	3,481	54,056	4,700	(23,153)	49,210	(29,720)	80,340
Consultants	-	-	-	-	-	-	-	-	-	-
Administration-Other	-	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-	-
Claims Administration	-	-	-	-	-	-	-	-	-	-
Program Administration	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-	-
Property/Crime Insurance	-	250	-	-	-	270	-	-	-	-
Expense										
Total Operating Expense	(7,225)	108,902	32,594	11,281	59,002	48,122	39,610	96,002	15,597	111,005
Operating Income (Loss)	33,018	(34,468)	24,604	32,116	(28,249)	(25,056)	(18,694)	22,049	(1,637)	(14,870)
Non-Operating Income										
Change in Fair Market Value	565	1,480	1,024	1,074	1,489	1,156	70	2,747	292	3,072
Investment Income	1,606	4,349	3,125	3,111	3,793	2,572	342	7,733	571	7,977
Total Non-Operating Income	2,171	5,829	4,149	4,185	5,282	3,728	412	10,480	863	11,049
Change in Net Position	35,189	(28,639)	28,753	36,301	(22,967)	(21,328)	(18,282)	32,529	(774)	(3,821)
Beginning Net Position	108,879	182,407	128,070	101,326	281,634	136,960	(149,442)	382,247	9,161	420,944
Ending Net Position	\$ 144,068	\$ 153,768	\$ 156,823	\$ 137,627	\$ 258,667	\$ 115,632	\$ (167,724)	\$ 414,776	\$ 8,387	\$ 417,123

See Accompanying Accountant's Report

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows - Liability
For the Six Months Ended December 31, 2019**

	Total All Layers	Admin Layer	Shared Layer	Total Banking Layer
Cash flows from operating activities:				
Cash received from members	\$ 8,352,357	\$ 530,811	\$ 5,977,792	\$ 1,843,754
Cash paid for claims	(1,127,317)	-	(631,729)	(495,588)
Cash paid for insurance	(3,575,776)	-	(3,573,556)	(2,220)
Cash paid to vendors	(215,141)	(227,422)	(3,489)	15,770
Cash (paid) received for dividends	330,497	-	-	330,497
Net cash provided by (used in) operating activities	<u>3,764,620</u>	<u>303,389</u>	<u>1,769,018</u>	<u>1,692,213</u>
Cash flows from investing activities:				
Investment income received	155,959	5,044	87,106	63,809
Net investment (purchases) sales	(136,107)	(4,584)	(239,753)	108,230
Net cash provided by (used in) investing activities	<u>19,852</u>	<u>460</u>	<u>(152,647)</u>	<u>172,039</u>
Net increase (decrease) in cash and cash equivalents	3,784,472	303,849	1,616,371	1,864,252
Cash and cash equivalents, beginning of year	<u>2,227,128</u>	<u>(8,109)</u>	<u>2,150,993</u>	<u>84,244</u>
Cash and cash equivalents, end of year	<u>\$ 6,011,600</u>	<u>\$ 295,740</u>	<u>3,767,364</u>	<u>1,948,496</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 576,272	\$ 73,170	208,394	294,708
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in:				
Member receivable	53,209	-	-	53,209
Excess receivable	294	-	294	-
Prepaid expense	(1,805,794)	(15,046)	(1,788,528)	(2,220)
(Decrease) increase in:				
Accounts payable	16,841	(1,154)	11	17,984
Unearned revenue	4,250,859	246,419	2,988,896	1,015,544
Unpaid claims and claim adjustment expenses	672,939	-	359,951	312,988
Net cash provided by (used in) operating activities	<u>\$ 3,764,620</u>	<u>\$ 303,389</u>	<u>\$ 1,769,018</u>	<u>\$ 1,692,213</u>
Supplemental information:				
Noncash non-operating and investing activities				
Net change in fair value of investments	<u>\$ 66,169</u>	<u>\$ 1,806</u>	<u>\$ 39,185</u>	<u>\$ 25,178</u>

See Accompanying Accountant's Report

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows - Liability
For the Six Months Ended December 31, 2019**

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Folsom	City of Galt	City of Gridley	City of Ione
Cash flows from operating activities:									
Cash received from members	\$ 34,160	\$ 160,978	\$ 89,308	\$ 35,112	\$ 32,082	\$ 688,831	\$ 28,921	\$ 39,080	\$ 28,020
Cash paid for claims	(1,912)	(45,595)	(25,367)	(2,799)	(98)	(62,572)	(13,394)	(12,127)	(595)
Cash paid for insurance	(500)	-	-	-	-	(1,200)	-	-	-
Cash paid to vendors	60	2,207	11	(43)	254	7,459	1,123	(1,627)	65
Cash paid for dividends	-	-	-	25,112	-	-	68,519	-	-
Net cash provided by (used in) operating activities	31,808	117,590	63,952	57,382	32,238	632,518	85,169	25,326	27,490
Cash flows from investing activities:									
Investment income received	1,547	2,082	(470)	1,043	1,838	20,028	3,450	1,902	389
Net investment (purchases) sales	(1,350)	(1,859)	(61,600)	(932)	(1,593)	99,450	(2,998)	(1,651)	(351)
Net cash provided by (used in) investing activities	197	223	(62,070)	111	245	119,478	452	251	38
Net increase (decrease) in cash and cash equivalents	32,005	117,813	1,882	57,493	32,483	751,996	85,621	25,577	27,528
Cash and cash equivalents, beginning of year	256	4,643	2,687	1,795	5,062	1,699	4,941	409	618
Cash and cash equivalents, end of year	\$ 32,261	\$ 122,456	\$ 4,569	\$ 59,288	\$ 37,545	\$ 753,695	\$ 90,562	\$ 25,986	\$ 28,146
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:									
Operating income (loss)	\$ 19,162	\$ 61,472	\$ 39,422	\$ 14,368	\$ 3,694	\$ 133,613	\$ (7,698)	\$ 31,867	\$ 9,995
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:									
(Increase) decrease in:									
Member receivable	-	10,000	30,788	10,000	-	-	-	-	2,421
Excess receivable	-	-	-	-	-	-	-	-	-
Prepaid expense	(500)	-	-	-	-	(1,200)	-	-	-
(Decrease) increase in:									
Accounts payable	560	2,206	11	(43)	254	8,658	1,123	(1,627)	64
Unearned revenue	14,340	72,971	29,260	25,112	16,041	344,416	40,636	19,540	12,800
Unpaid claims and claim adjustment expenses	(1,754)	(29,059)	(35,529)	7,945	12,249	147,031	51,108	(24,454)	2,210
Net cash provided by (used in) operating activities	\$ 31,808	\$ 117,590	\$ 63,952	\$ 57,382	\$ 32,238	\$ 632,518	\$ 85,169	\$ 25,326	\$ 27,490
Supplemental information:									
Noncash non-operating and investing activities									
Net change in fair value of investments	\$ 656	\$ 674	\$ (421)	\$ 395	\$ 795	\$ 7,804	\$ 1,366	\$ 796	\$ 144

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows - Liability
For the Six Months Ended December 31, 2019**

	City of Jackson	City of Lincoln	City of Marysville	City of Oroville	City of Paradise	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Cash flows from operating activities:										
Cash received from members	\$ 51,585	\$ 120,091	\$ 114,396	\$ 56,806	\$ 30,753	\$ (5,703)	\$ 41,832	\$ 236,102	\$ 19,495	\$ 41,905
Cash paid for claims	(3,754)	(63,549)	(22,391)	(7,800)	(4,946)	(43,152)	(62,763)	(46,792)	(45,317)	(30,665)
Cash paid for insurance	-	(250)	-	-	-	(270.00)	-	-	-	-
Cash paid to vendors	415	(288)	678	1,107	1,618	1,492	82	215	(523)	1,465
Cash paid for dividends	-	28,776	-	29,988	30,753	51,214	-	-	-	96,135
Net cash provided by (used in) operating activities	48,246	84,780	92,683	80,101	58,178	3,581	(20,849)	189,525	(26,345)	108,840
Cash flows from investing activities:										
Investment income received	1,462	3,903	2,842	2,639	3,504	2,752	207	6,682	618	7,391
Net investment (purchases) sales	(1,273)	53,596	12,529	(2,327)	(3,050)	(2,341)	2,806	14,125	13,474	(6,425)
Net cash provided by (used in) investing activities	189	57,499	15,371	312	454	411	3,013	20,807	14,092	966
Net increase (decrease) in cash and cash equivalents	48,435	142,279	108,054	80,413	58,632	3,992	(17,836)	210,332	(12,253)	109,806
Cash and cash equivalents, beginning of year	684	3,389	1,897	3,060	352	3,957	25,917	1,870	18,476	2,532
Cash and cash equivalents, end of year	\$ 49,119	\$ 145,668	\$ 109,951	\$ 83,473	\$ 58,984	\$ 7,949	\$ 8,081	\$ 212,202	\$ 6,223	\$ 112,338
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:										
Operating income (loss)	\$ 33,018	\$ (34,468)	\$ 24,604	\$ 32,116	\$ (28,249)	\$ (25,056)	\$ (18,694)	\$ 22,049	\$ (1,637)	\$ (14,870)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:										
(Increase) decrease in:										
Member receivable	-	-	-	-	-	-	-	-	-	-
Excess receivable	-	-	-	-	-	-	-	-	-	-
Prepaid expense	-	(250)	-	-	-	(270)	-	-	-	-
(Decrease) increase in:										
Accounts payable	414	(39)	678	1,107	1,618	1,762	82	215	(524)	1,465
Unearned revenue	25,793	74,434	57,198	43,397	30,753	22,445	20,916	118,051	5,536	41,905
Unpaid claims and claim adjustment expenses	(10,979)	45,103	10,203	3,481	54,056	4,700	(23,153)	49,210	(29,720)	80,340
Net cash provided by (used in) operating activities	\$ 48,246	\$ 84,780	\$ 92,683	\$ 80,101	\$ 58,178	\$ 3,581	\$ (20,849)	\$ 189,525	\$ (26,345)	\$ 108,840
Supplemental information:										
Noncash non-operating and investing activities										
Net change in fair value of investments	\$ 565	\$ 1,480	\$ 1,024	\$ 1,074	\$ 1,489	\$ 1,156	\$ 70	\$ 2,747	\$ 292	\$ 3,072

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position – Workers' Compensation
December 31, 2019

	Total All Layers	Admin Layer	Shared Layer	Total Banking Layer
Current Assets				
Cash and Cash	\$ 5,920,360	\$ 77,487	\$ 917,290	\$ 4,925,583
Accounts Receivable	6,522	-	-	6,522
Interest Receivable	272,061	3,632	124,700	143,729
Excess Accounts	376,478	-	376,478	-
Prepaid Expense	1,051,947	217,737	834,210	-
Total Current Assets	7,627,368	298,856	2,252,678	5,075,834
Non-Current Assets				
Investments*	43,543,192	504,885	22,585,179	20,453,128
Total Assets	\$ 51,170,560	\$ 803,741	\$ 24,837,857	\$ 25,528,962
Current Liabilities				
Accounts Payable	\$ 58,683	\$ 4,448	\$ 1,821	\$ 52,414
Unearned Revenue	653,664	-	155,501	498,163
Total Current Liabilities	712,347	4,448	157,322	550,577
Non-Current Liabilities				
Outstanding Liabilities*	32,115,043	-	18,203,873	13,911,170
ULAE*	1,888,560	-	1,070,498	818,062
Total Non-Current	34,003,603	-	19,274,371	14,729,232
Total Liabilities	\$ 34,715,950	\$ 4,448	\$ 19,431,693	\$ 15,279,809
Net Position				
Designated for	100,000	100,000	-	-
Designated for Risk	289,016	289,016	-	-
Undesignated	16,065,594	410,277	5,406,164	10,249,153
Total Net Position	16,454,610	799,293	5,406,164	10,249,153
Liability & Net Position	\$ 51,170,560	\$ 803,741	\$ 24,837,857	\$ 25,528,962

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position – Workers' Compensation
December 31, 2019

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Elk Grove	City of Folsom	City of Galt	City of Gridley	City of Ione	City of Jackson
Current Assets											
Cash and Cash	\$ 125,634	\$ 85,132	\$ 123,513	\$ 14,404	\$ 133,213	\$ 464,063	\$ 1,057,205	\$ 201,650	\$ 37,011	\$ 14,295	\$ 108,704
Accounts Receivable	-	-	-	-	-	-	-	-	-	6,522	-
Interest Receivable	2,780	5,882	1,570	1,605	5,799	14,532	31,889	5,975	3,460	358	1,713
Excess Accounts	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expense	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	128,414	91,014	125,083	16,009	139,012	478,595	1,089,094	207,625	40,471	21,175	110,417
Non-Current Assets											
Investments*	357,593	915,765	150,022	258,794	923,542	2,090,715	4,651,965	818,473	561,964	39,328	185,298
Total Assets	\$ 486,007	\$ 1,006,779	\$ 275,105	\$ 274,803	\$ 1,062,554	\$ 2,569,310	\$ 5,741,059	\$ 1,026,098	\$ 602,435	\$ 60,503	\$ 295,715
Current Liabilities											
Accounts Payable	\$ 1,527	\$ 1,908	\$ 629	\$ 991	\$ 1,578	\$ 5,768	\$ 11,930	\$ 2,558	\$ 482	\$ 184	\$ 287
Unearned Revenue	7,728	-	76,589	9,740	-	33,409	-	-	-	-	10,086
Total Current Liabilities	9,255	1,908	77,218	10,731	1,578	39,177	11,930	2,558	482	184	10,373
Non-Current Liabilities											
Outstanding	272,768	727,785	107,905	159,653	405,293	1,800,538	3,081,088	726,988	116,275	54,003	112,042
ULAE*	16,040	42,798	6,345	9,389	23,834	105,883	181,187	42,751	6,838	3,176	6,589
Total Non-Current	288,808	770,583	114,250	169,042	429,127	1,906,421	3,262,275	769,739	123,113	57,179	118,631
Total Liabilities	\$ 298,063	\$ 772,491	\$ 191,468	\$ 179,773	\$ 430,705	\$ 1,945,598	\$ 3,274,205	\$ 772,297	\$ 123,595	\$ 57,363	\$ 129,004
Net Position											
Designated for	-	-	-	-	-	-	-	-	-	-	-
Designated for Safety	-	-	-	-	-	-	-	-	-	-	-
Undesignated	187,944	234,288	83,637	95,030	631,849	623,712	2,466,854	253,801	478,840	3,140	166,711
Total Net Position	187,944	234,288	83,637	95,030	631,849	623,712	2,466,854	253,801	478,840	3,140	166,711
Liability & Net Position	\$ 486,007	\$ 1,006,779	\$ 275,105	\$ 274,803	\$ 1,062,554	\$ 2,569,310	\$ 5,741,059	\$ 1,026,098	\$ 602,435	\$ 60,503	\$ 295,715

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position – Workers’ Compensation
December 31, 2019**

	City of Lincoln	City of Marysville	City of Nevada City	City of Oroville	City of Paradise	City of Placerville	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Current Assets											
Cash and Cash	\$ 282,339	\$ 97,076	\$ 116,777	\$ 426,758	\$ 176,699	\$ 184,095	\$ 222,952	\$ 106,143	\$ 502,267	\$ 12,739	\$ 432,914
Accounts Receivable	-	-	-	0	-	-	-	-	-	-	-
Interest Receivable	6,947	3,555	1,446	5,263	4,783	3,770	8,850	1,935	14,009	1,432	16,176
Excess Accounts	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expense	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	289,286	100,631	118,223	432,021	181,482	187,865	231,802	108,078	516,276	14,171	449,090
Non-Current Assets											
Investments*	1,022,418	499,929	149,360	551,612	686,703	489,075	1,307,607	266,961	2,008,639	200,822	2,316,543
Total Assets	\$ 1,311,704	\$ 600,560	\$ 267,583	\$ 983,633	\$ 868,185	\$ 676,940	\$ 1,539,409	\$ 375,039	\$ 2,524,915	\$ 214,993	\$ 2,765,633
Current Liabilities											
Accounts Payable	\$ 1,919	\$ 2,187	\$ 812	\$ 1,023	\$ 1,835	\$ 1,892	\$ 3,949	\$ 986	\$ 4,305	\$ 294	\$ 5,370
Unearned Revenue	145,635	-	-	128,819	-	-	-	47,459	-	7,066	31,632
Total Current Liabilities	147,554	2,187	812	129,842	1,835	1,892	3,949	48,445	4,305	7,360	37,002
Non-Current Liabilities											
Outstanding	439,311	490,626	182,344	234,341	425,708	425,326	1,281,729	199,405	1,155,678	87,258	1,425,106
ULAE*	25,834	28,852	10,723	13,781	25,034	25,012	75,373	11,726	67,961	5,131	83,805
Total Non-Current	465,145	519,478	193,067	248,122	450,742	450,338	1,357,102	211,131	1,223,639	92,389	1,508,911
Total Liabilities	\$ 612,699	\$ 521,665	\$ 193,879	\$ 377,964	\$ 452,577	\$ 452,230	\$ 1,361,051	\$ 259,576	\$ 1,227,944	\$ 99,749	\$ 1,545,913
Net Position											
Designated for	-	-	-	-	-	-	-	-	-	-	-
Designated for Safety	-	-	-	-	-	-	-	-	-	-	-
Undesignated	699,005	78,895	73,704	605,669	415,608	224,710	178,358	115,463	1,296,971	115,244	1,219,720
Total Net Position	699,005	78,895	73,704	605,669	415,608	224,710	178,358	115,463	1,296,971	115,244	1,219,720
Liability & Net Position	\$ 1,311,704	\$ 600,560	\$ 267,583	\$ 983,633	\$ 868,185	\$ 676,940	\$ 1,539,409	\$ 375,039	\$ 2,524,915	\$ 214,993	\$ 2,765,633

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position – **Workers' Compensation**
For the Six Months Ended December 31, 2019**

	Total All Layers	Admin Layer	Shared Layer	Total Banking Layer
Operating Income				
Administration Deposit	\$ 422,991	\$ 422,991	\$ -	\$ -
Banking Layer Deposit	3,248,461	-	-	3,248,461
Shared Risk Layer	1,780,000	-	1,780,000	-
Excess Deposit/Premium	837,500	-	837,500	-
Banking Layer	-	-	-	-
Shared Risk Refund	-	-	-	-
Banking Layer Refund	-	-	-	-
Risk Management Grants	14,238	14,238	-	-
Other Income	-	-	-	-
Total Operating Income	6,303,190	437,229	2,617,500	3,248,461
Operating Expenses				
Claims Paid	3,030,787	-	792,572	2,238,215
O/S Liability adj.	1,363,897	-	1,032,623	331,274
ULAE	80,205	-	60,724	19,481
Consultants	12,709	12,709	-	-
Administration-Other	7,497	7,497	-	-
Safety Service	123,847	123,847	-	-
Claims Administration	444,320	140,123	-	304,197
Program Administration	103,817	103,817	-	-
Board Expenses	1,808	1,808	-	-
Excess Insurance	834,210	-	834,210	-
Contingency Reserves	-	-	-	-
Total Operating Expenses	6,003,097	389,801	2,720,129	2,893,167
Operating Income (Loss)	300,093	47,428	(102,629)	355,294
Non-Operating Income				
Change in Fair Market	204,545	2,859	107,828	93,858
Investment Income	461,175	6,522	224,298	230,355
Total Non-Operating	665,720	9,381	332,126	324,213
Change in Net Position	965,813	56,809	229,497	679,507
Beginning Net Position	15,488,797	742,484	5,176,667	9,569,646
Ending Net Position	\$ 16,454,610	\$ 799,293	\$ 5,406,164	\$ 10,249,153

See Accompanying Accountant's Report

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position – Workers’ Compensation
For the Six Months Ended December 31, 2019**

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Elk Grove	City of Folsom	City of Galt	City of Gridley	City of Ione	City of Jackson
Operating Income											
Administration Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	70,462	103,217	41,160	17,372	152,570	468,704	532,267	167,846	33,820	15,006	56,114
Shared Risk Layer	-	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-	-	-
Banking Layer	-	-	-	-	-	-	-	-	-	-	-
Shared Risk Refund	-	-	-	-	-	-	-	-	-	-	-
Banking Layer Refund	-	-	-	-	-	-	-	-	-	-	-
Risk Management Grants	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	70,462	103,217	41,160	17,372	152,570	468,704	532,267	167,846	33,820	15,006	56,114
Operating Expenses											
Claims Paid	67,987	134,591	4,788	21,048	118,334	285,978	293,204	222,152	21,800	17,564	6,175
O/S Liability adj.	56,042	(66,670)	13,206	35,849	(79,016)	223,889	193,063	(57,301)	928	(7,055)	(2,635)
ULAE	3,296	(3,921)	777	2,108	(4,647)	13,166	11,353	(3,370)	55	(415)	(155)
Consultants	-	-	-	-	-	-	-	-	-	-	-
Administration-Other	-	-	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-	-	-
Claims Administration	7,875	12,567	3,905	4,721	9,681	32,204	66,872	14,960	2,412	738	2,145
Program Administration	-	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-	-	-
Contingency Reserves	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	135,200	76,567	22,676	63,726	44,352	555,237	564,492	176,441	25,195	10,832	5,530
Operating Income (Loss)	(64,738)	26,650	18,484	(46,354)	108,218	(86,533)	(32,225)	(8,595)	8,625	4,174	50,584
Non-Operating Income											
Change in Fair Market	1,741	4,063	706	1,145	4,066	9,247	20,916	3,920	2,422	181	1,148
Investment Income	4,276	9,569	2,729	2,594	8,933	22,951	50,094	9,189	5,738	573	3,055
Total Non-Operating	6,017	13,632	3,435	3,739	12,999	32,198	71,010	13,109	8,160	754	4,203
Change in Net Position	(58,721)	40,282	21,919	(42,615)	121,217	(54,335)	38,785	4,514	16,785	4,928	54,787
Beginning Net Position	246,665	194,006	61,718	137,645	510,632	678,047	2,428,069	249,287	462,055	(1,788)	111,924
Ending Net Position	\$ 187,944	\$ 234,288	\$ 83,637	\$ 95,030	\$ 631,849	\$ 623,712	\$ 2,466,854	\$ 253,801	\$ 478,840	\$ 3,140	\$ 166,711

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position – Workers’ Compensation
For the Six Months Ended December 31, 2019**

	City of Lincoln	City of Marysville	City of Nevada City	City of Orville	City of Paradise	City of Placerville	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Operating Income											
Administration Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	135,291	68,426	79,953	143,711	123,131	72,553	182,275	40,328	315,408	10,562	418,285
Shared Risk Layer	-	-	-	-	-	-	-	-	-	-	-
Excess	-	-	-	-	-	-	-	-	-	-	-
Banking Layer	-	-	-	-	-	-	-	-	-	-	-
Shared Risk Refund	-	-	-	-	-	-	-	-	-	-	-
Banking Layer Refund	-	-	-	-	-	-	-	-	-	-	-
Risk Management	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	135,291	68,426	79,953	143,711	123,131	72,553	182,275	40,328	315,408	10,562	418,285
Operating Expenses											
Claims Paid	56,625	91,368	57,811	22,455	56,579	58,755	177,484	20,035	213,011	48,376	242,095
O/S Liability adj.	50,055	16,598	(47,852)	(96,268)	(26,065)	4,698	110,866	34,001	38,083	(7,721)	(55,421)
ULAE	2,944	976	(2,814)	(5,661)	(1,533)	276	6,520	1,999	2,240	(454)	(3,259)
Consultants	-	-	-	-	-	-	-	-	-	-	-
Administration-Other	-	-	-	-	-	-	-	-	-	-	-
Safety Service	-	-	-	-	-	-	-	-	-	-	-
Claims Administration	11,886	13,109	5,587	6,519	11,347	11,056	22,851	5,664	25,653	1,484	30,961
Program Administration	-	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	-	-	-	-	-	-	-	-	-	-
Excess Insurance	-	-	-	-	-	-	-	-	-	-	-
Contingency Reserves	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	121,510	122,051	12,732	(72,955)	40,328	74,785	317,721	61,699	278,987	41,685	214,376
Operating Income (Loss)	13,781	(53,625)	67,221	216,666	82,803	(2,232)	(135,446)	(21,371)	36,421	(31,123)	203,909
Non-Operating Income											
Change in Fair Market	4,477	2,325	711	3,221	3,055	2,361	6,026	1,169	9,116	1,000	10,842
Investment Income	11,063	5,582	2,202	8,766	7,532	5,689	14,846	2,968	22,656	2,170	27,180
Total Non-Operating	15,540	7,907	2,913	11,987	10,587	8,050	20,872	4,137	31,772	3,170	38,022
Change in Net Position	29,321	(45,718)	70,134	228,653	93,390	5,818	(114,574)	(17,234)	68,193	(27,953)	241,931
Beginning Net Position	669,684	124,613	3,570	377,016	322,218	218,892	292,932	132,697	1,228,778	143,197	977,789
Ending Net Position	\$ 699,005	\$ 78,895	\$ 73,704	\$ 605,669	\$ 415,608	\$ 224,710	\$ 178,358	\$ 115,463	\$ 1,296,971	\$ 115,244	\$ 1,219,720

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows – Workers’ Compensation
For the Six Months Ended December 31, 2019**

	Total All Layers	Admin Layer	Shared Layer	Total Banking Layer
Cash flows from operating activities:				
Cash received from members	\$ 5,663,572	\$ 437,229	\$ 2,036,440	\$ 3,189,903
Cash paid for claims	(2,925,557)	-	(687,342)	(2,238,215)
Cash paid for insurance	(1,668,420)	-	(1,668,420)	-
Cash paid to vendors	(735,367)	(472,469)	28	(262,926)
Cash (paid) received for dividends	747,778	-	411,322	336,456
Net cash provided by (used in) operating activities	<u>1,082,006</u>	<u>(35,240)</u>	<u>92,028</u>	<u>1,025,218</u>
Cash flows from investing activities:				
Investment income received	459,687	6,259	225,971	227,457
Net investment (purchases) sales	(396,750)	(5,422)	(2,503,607)	2,112,279
Net cash provided by (used in) investing activities	<u>62,937</u>	<u>837</u>	<u>(2,277,636)</u>	<u>2,339,736</u>
Net increase (decrease) in cash and cash equivalents	1,144,943	(34,403)	(2,185,608)	3,364,954
Cash and cash equivalents, beginning of year	<u>4,775,417</u>	<u>111,890</u>	<u>3,102,898</u>	<u>1,560,629</u>
Cash and cash equivalents, end of year	<u>\$ 5,920,360</u>	<u>\$ 77,487</u>	<u>\$ 917,290</u>	<u>\$ 4,925,583</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 300,093	\$ 47,428	\$ (102,629)	355,294
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in:				
Member receivable	150,255	-	-	150,255
Excess receivable	105,230	-	105,230	-
Prepaid expense	(911,713)	(77,503)	(834,210)	-
(Decrease) increase in:				
Accounts payable	36,115	(5,165)	29	41,251
Unearned revenue	(42,099)	-	(169,739)	127,640
Unpaid claims and claim adjustment expenses	1,444,125	-	1,093,347	350,778
Net cash provided by (used in) operating activities	<u>\$ 1,082,006</u>	<u>\$ (35,240)</u>	<u>\$ 92,028</u>	<u>\$ 1,025,218</u>
Supplemental information:				
Noncash non-operating and investing activities				
Net change in fair value of investments	<u>\$ 204,545</u>	<u>\$ 2,859</u>	<u>\$ 107,828</u>	<u>\$ 93,858</u>

See Accompanying Accountant’s Report

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows – Workers’ Compensation
For the Six Months Ended December 31, 2019**

	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Elk Grove	City of Folsom	City of Galt	City of Gridley	City of Ione	City of Jackson
Cash flows from operating activities:											
Cash received from members	\$ 62,734	\$ 103,217	\$ 51,160	\$ (2,107)	\$ 152,570	\$ 435,295	\$ 532,267	\$ 159,967	\$ 33,820	\$ 12,062	\$ 13,407
Cash paid for claims	(67,987)	(134,591)	(4,788)	(21,048)	(118,334)	(285,978)	(293,204)	(222,152)	(21,800)	(17,564)	(6,175)
Cash paid for insurance	-	-	-	-	-	-	-	-	-	-	-
Cash paid to vendors	(6,378)	(10,718)	(3,289)	(3,753)	(8,510)	(27,628)	(55,424)	(13,732)	(1,971)	(562)	(1,880)
Cash paid for dividends	-	-	76,589	9,740	-	-	-	7,879	-	9,467	32,621
Net cash provided by (used in) operating activities	(11,631)	(42,092)	119,672	(17,168)	25,726	121,689	183,639	(68,038)	10,049	3,403	37,973
Cash flows from investing activities:											
Investment income received	4,334	9,575	2,025	2,663	9,611	22,741	50,774	9,550	5,654	497	2,691
Net investment (purchases) sales	103,287	61,773	(1,826)	27,720	89,831	110,448	821,486	226,846	(4,870)	(436)	(2,361)
Net cash provided by (used in) investing activities	107,621	71,348	199	30,383	99,442	133,189	872,260	236,396	784	61	330
Net increase (decrease) in cash and cash equivalents	95,990	29,256	119,871	13,215	125,168	254,878	1,055,899	168,358	10,833	3,464	38,303
Cash and cash equivalents, beginning of year	29,644	55,876	3,642	1,189	8,045	209,185	1,306	33,292	26,178	10,831	70,401
Cash and cash equivalents, end of year	\$ 125,634	\$ 85,132	\$ 123,513	\$ 14,404	\$ 133,213	\$ 464,063	\$ 1,057,205	\$ 201,650	\$ 37,011	\$ 14,295	\$ 108,704
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:											
Operating income (loss)	\$ (64,738)	\$ 26,650	\$ 18,484	\$ (46,354)	\$ 108,218	\$ (86,533)	\$ (32,225)	\$ (8,595)	\$ 8,625	\$ 4,174	\$ 50,584
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:											
(Increase) decrease in:											
Member receivable	-	-	10,000	-	-	-	-	-	-	6,522	-
Excess receivable	-	-	-	-	-	-	-	-	-	-	-
Prepaid expense	-	-	-	-	-	-	-	-	-	-	-
(Decrease) increase in:											
Accounts payable	1,497	1,846	616	969	1,170	4,575	11,443	1,226	441	177	265
Unearned revenue	(7,728)	-	76,589	(9,740)	-	(33,409)	-	-	(2)	-	(10,086)
Unpaid claims and claim adjustment expenses	59,338	(70,588)	13,983	37,957	(83,662)	237,056	204,421	(60,669)	985	(7,470)	(2,790)
Net cash provided by (used in) operating activities	\$ (11,631)	\$ (42,092)	\$ 119,672	\$ (17,168)	\$ 25,726	\$ 121,689	\$ 183,639	\$ (68,038)	\$ 10,049	\$ 3,403	\$ 37,973
Supplemental information:											
Noncash non-operating and investing activities											
Net change in fair value of investments	\$ 1,741	\$ 4,063	\$ 706	\$ 1,145	\$ 4,066	\$ 9,247	\$ 20,916	\$ 3,920	\$ 2,422	\$ 181	\$ 1,148

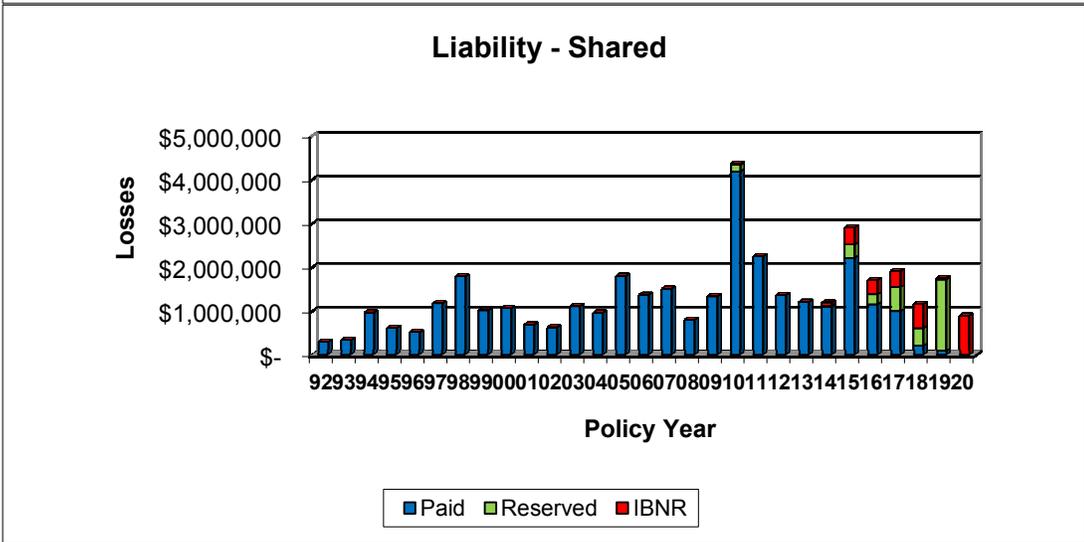
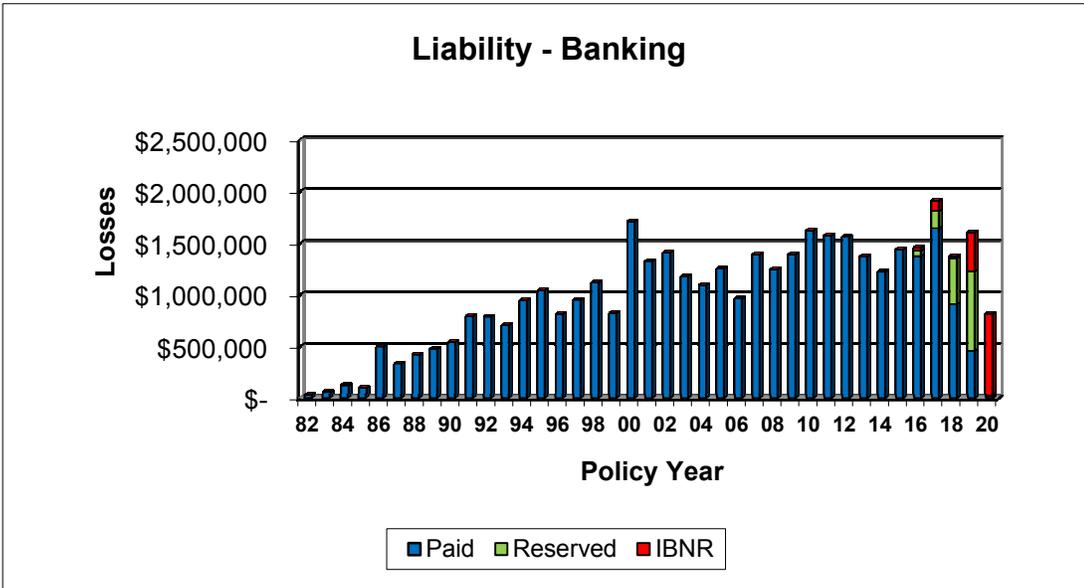
**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Cash Flows – Workers’ Compensation
For the Six Months Ended December 31, 2019**

	City of Lincoln	City of Marysville	City of Nevada City	City of Oroville	City of Paradise	City of Placerville	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City
Cash flows from operating activities:											
Cash received from members	\$ 64,366	\$ 68,426	\$ 113,876	\$ 272,529	\$ 123,131	\$ 72,553	\$ 182,275	\$ 39,864	\$ 315,408	\$ (3,570)	\$ 386,653
Cash paid for claims	(56,625)	(91,368)	(57,811)	(22,455)	(56,579)	(58,755)	(177,484)	(20,035)	(213,011)	(48,376)	(242,095)
Cash paid for insurance	-	-	-	-	-	-	-	-	-	-	-
Cash paid to vendors	(11,269)	(10,996)	(7,067)	(5,550)	(9,586)	(9,207)	(18,977)	(4,695)	(23,787)	(1,220)	(26,727)
Cash paid for dividends	145,635	-	-	-	-	-	-	47,459	-	7,066	-
Net cash provided by (used in) operating activities	142,107	(33,938)	48,998	244,524	56,966	4,591	(14,186)	62,593	78,610	(46,100)	117,831
Cash flows from investing activities:											
Investment income received	10,929	5,651	2,003	7,982	7,505	5,897	14,210	2,963	22,090	2,375	25,737
Net investment (purchases) sales	125,598	107,156	40,258	(6,955)	44,553	171,965	(12,293)	16,457	179,955	55,987	(42,300)
Net cash provided by (used in) investing activities	136,527	112,807	42,261	1,027	52,058	177,862	1,917	19,420	202,045	58,362	(16,563)
Net increase (decrease) in cash and cash equivalents	278,634	78,869	91,259	245,551	109,024	182,453	(12,269)	82,013	280,655	12,262	101,268
Cash and cash equivalents, beginning of year	3,705	18,207	25,518	181,207	67,675	1,642	235,221	24,130	221,612	477	331,646
Cash and cash equivalents, end of year	\$ 282,339	\$ 97,076	\$ 116,777	\$ 426,758	\$ 176,699	\$ 184,095	\$ 222,952	\$ 106,143	\$ 502,267	\$ 12,739	\$ 432,914
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:											
Operating income (loss)	\$ 13,781	\$ (53,625)	\$ 67,221	\$ 216,666	\$ 82,803	\$ (2,232)	\$ (135,446)	\$ (21,371)	\$ 36,421	\$ (31,123)	\$ 203,909
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:											
(Increase) decrease in:											
Member receivable	-	-	45,123	-	-	-	88,610	-	-	-	-
Excess receivable	-	-	-	-	-	-	-	-	-	-	-
Prepaid expense	-	-	-	-	-	-	-	-	-	-	-
(Decrease) increase in:											
Accounts payable	617	2,112	(1,480)	968	1,759	1,848	3,874	967	1,865	263	4,233
Unearned revenue	74,710	-	(11,200)	128,819	-	-	(88,610)	46,994	-	(7,065)	(31,632)
Unpaid claims and claim adjustment expenses	52,999	17,575	(50,666)	(101,929)	(27,596)	4,975	117,386	36,003	40,324	(8,175)	(58,679)
Net cash provided by (used in) operating activities	\$ 142,107	\$ (33,938)	\$ 48,998	\$ 244,524	\$ 56,966	\$ 4,591	\$ (14,186)	\$ 62,593	\$ 78,610	\$ (46,100)	\$ 117,831
Supplemental information:											
Noncash non-operating and investing activities											
Net change in fair value of investments	\$ 4,477	\$ 2,325	\$ 711	\$ 3,221	\$ 3,055	\$ 2,361	\$ 6,026	\$ 1,169	\$ 9,116	\$ 1,000	\$ 10,842

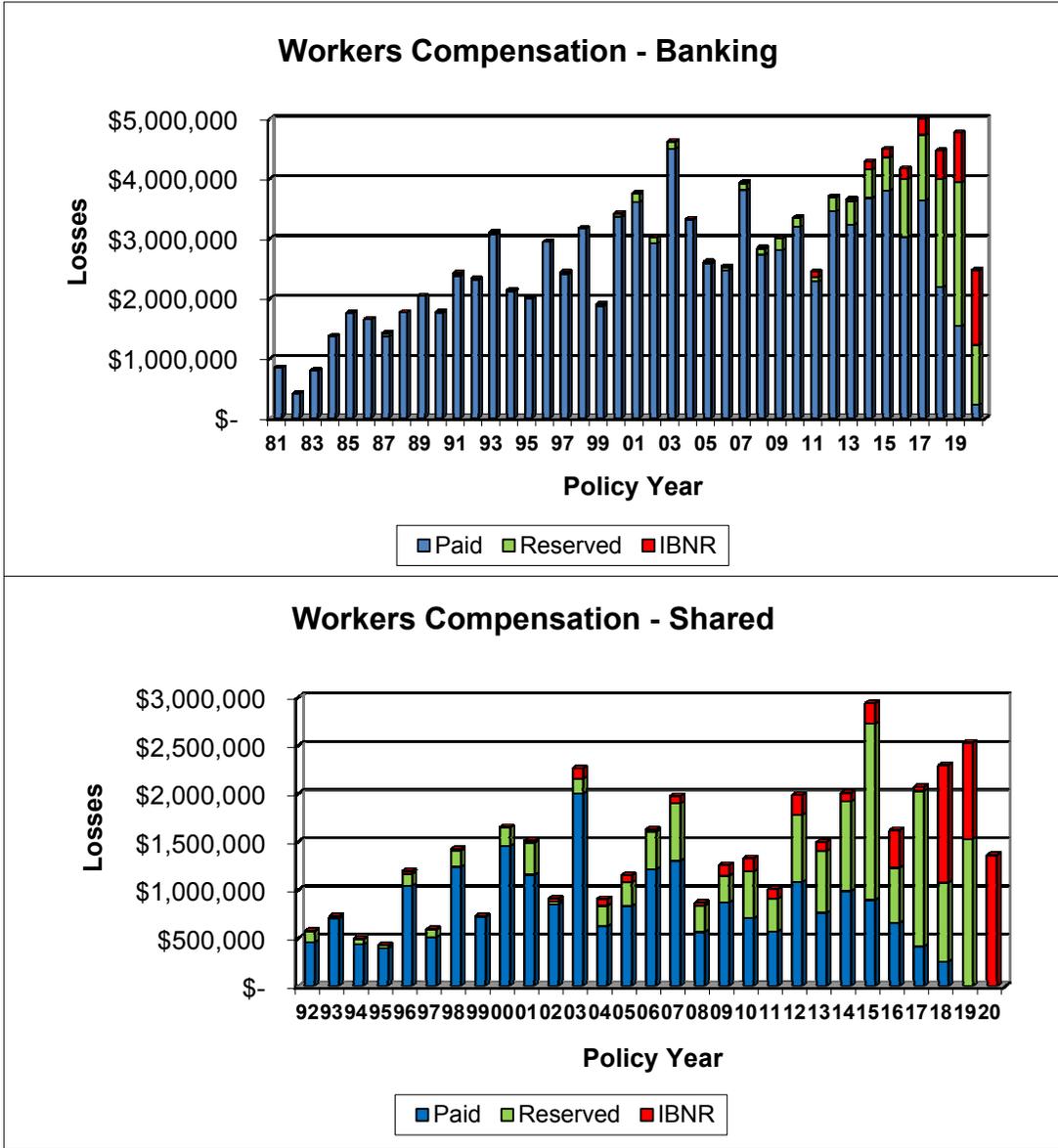
**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Reconciliation of Claims Liability by Program
As of December 31, 2019 and June 30, 2019**

	Liability Banking 2020	Liability Shared Risk 2020	Total Liability Program		WC Banking 2020	WC Shared Risk 2020	Total WC Program		Totals	
			2020	2019			2020	2019	2020	2019
Unpaid claims and claim adjustment expenses at beginning of the fiscal year	\$ 2,439,870	\$ 5,587,856	\$ 8,027,726	\$ 8,748,165	\$ 14,378,470	\$ 18,181,024	\$ 32,559,494	\$ 31,946,609	\$ 40,587,220	\$ 40,694,774
Incurred claims and claim adjustment expenses:										
Provision for insured events of the current fiscal year	817,527	896,810	1,714,337	3,349,125	2,473,616	1,361,361	3,834,977	7,272,102	5,549,314	10,621,227
Increases (Decreases) in provision for insured events of prior fiscal years	(8,950)	(75,158)	(84,108)	(171,744)	95,877	541,279	637,156	(660,071)	553,048	(831,815)
Change in provision for ULAE in current year	-	-	-	-	19,483	60,724	80,207	34,040	80,207	34,040
Total incurred claims and claim adjustment expenses	<u>808,577</u>	<u>821,652</u>	<u>1,630,229</u>	<u>3,177,381</u>	<u>2,588,976</u>	<u>1,963,364</u>	<u>4,552,340</u>	<u>6,646,071</u>	<u>6,182,569</u>	<u>9,823,452</u>
Payments:										
Claims and claim adjustment expenses attributable to insured events of the current fiscal year	21,286	-	21,286	195,960	225,256	-	225,256	826,219	246,542	1,022,179
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	474,302	461,702	936,004	3,214,107	2,012,960	870,017	2,882,977	5,206,967	3,818,981	8,421,074
Total Payments	<u>495,588</u>	<u>461,702</u>	<u>957,290</u>	<u>3,410,068</u>	<u>2,238,216</u>	<u>870,017</u>	<u>3,108,233</u>	<u>6,033,186</u>	<u>4,065,523</u>	<u>9,443,254</u>
Total unpaid claims and claim adjustment expenses at end of the fiscal year	<u>\$ 2,752,859</u>	<u>\$ 5,947,806</u>	<u>\$ 8,700,665</u>	<u>\$ 8,515,478</u>	<u>\$ 14,729,230</u>	<u>\$ 19,274,371</u>	<u>\$ 34,003,601</u>	<u>\$ 32,559,494</u>	<u>\$ 42,704,266</u>	<u>\$ 41,074,972</u>
Claims Liability	\$ 2,752,859	\$ 5,947,806	\$ 8,700,665	\$ 8,515,478	\$ 13,911,169	\$ 18,203,873	\$ 32,115,042	\$ 30,751,142	\$ 40,815,707	\$ 39,266,620
Claims ULAE	-	-	-	-	818,061	1,070,498	1,888,559	1,808,352	1,888,559	1,808,352
Total Claim Liabilities	<u>\$ 2,752,859</u>	<u>\$ 5,947,806</u>	<u>\$ 8,700,665</u>	<u>\$ 8,515,478</u>	<u>\$ 14,729,230</u>	<u>\$ 19,274,371</u>	<u>\$ 34,003,601</u>	<u>\$ 32,559,494</u>	<u>\$ 42,704,266</u>	<u>\$ 41,074,972</u>

Northern California Cities Self Insurance Fund
Graphical Summary of Claims
As of December 31, 2019



Northern California Cities Self Insurance Fund
Graphical Summary of Claims
As of December 31, 2019



See Accompanying Accountant's Report

Northern California Cities Self Insurance Fund
Budget to Actual
As of December 31, 2019

	Budget 2019-2020			YTD Expended 2019-2020			Remaining 2019-2020			
	Total	WC	Liab	Total	WC	Liab	Total \$	Total %	WC	Liab
ADMIN BUDGET										
Administrative Revenue										
41010 Administrative Deposit - See Note 1	\$ 1,314,158	\$ 847,151	\$ 467,007	\$ 654,455	\$ 420,952	\$ 233,503	\$ 659,703	50%	\$ 426,199	\$ 233,504
44030 Change in Fair Value - See Note 2	-	-	-	4,665	2,859	1,806	(4,665)		(2,859)	(1,806)
44040 Interest Income - See Note 2	-	-	-	13,590	6,524	7,066	(13,590)		(6,524)	(7,066)
Total Admin Revenue	\$ 1,314,158	\$ 847,151	\$ 467,007	\$ 686,948	\$ 444,573	\$ 242,375	\$ 627,210	48%	\$ 402,578	\$ 224,632
Administrative Expenses										
52100 Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
52101 Claims Audit	8,500	-	8,500	-	-	-	8,500	100%	-	8,500
52102 Financial Audit	27,700	13,850	13,850	24,000	12,000	12,000	3,700	13%	1,850	1,850
52103 Legal Services	17,000	2,000	15,000	7,030	184	6,846	9,970	59%	1,816	8,154
52104 Actuarial Services	13,060	5,530	7,530	-	-	-	13,060	100%	5,530	7,530
52107 Employee Dishonesty Bonds	-	-	-	7,497	7,497	-	(7,497)		(7,497)	-
52109 Misc Consulting / Contingency	5,000	2,500	2,500	1,050	525	525	3,950	79%	1,975	1,975
Total Admin Expenses	\$ 71,260	\$ 23,880	\$ 47,380	\$ 39,577	\$ 20,206	\$ 19,371	\$ 31,683	44%	\$ 3,674	\$ 28,009
Safety Services										
52201 Outside Training	\$ 30,000	\$ 15,000	\$ 15,000	\$ 13,362	\$ 3,639	\$ 9,723	\$ 16,638	55%	\$ 11,361	\$ 5,277
52202 Risk Mgmt Comm Mtg Expense	1,500	750	750	125	-	125	1,375	92%	750	625
52203 Police Risk Mgmt Comm Training	-	-	-	-	-	-	-	#DIV/0!	-	-
52204 Bickmore Risk Management Services	178,480	89,240	89,240	89,240	44,620	44,620	89,240	50%	44,620	44,620
52207 Member Training and Risk Management	88,000	50,000	38,000	3,516	4,352	(836)	84,484	96%	45,648	38,836
52208 Lexipol Police Manual Updates & DTBs	140,234	140,234	-	84,098	70,117	13,981	56,136	40%	70,117	(13,981)
52209 Police Risk Management Funds	50,000	25,000	25,000	6,705	-	6,705	43,295	87%	25,000	18,295
54200 Safety Grant Fund - See Note 3	-	-	-	1,120	1,120	-	(1,120)		(1,120)	-
Total Safety Services Expenses	\$ 488,214	\$ 320,224	\$ 167,990	\$ 198,166	\$ 123,848	\$ 74,318	\$ 290,048	59%	\$ 196,376	\$ 93,672

Northern California Cities Self Insurance Fund
Budget to Actual
As of December 31, 2019

	Budget 2019-2020			YTD Expended 2019-2020			Remaining 2019-2020			
	Total	WC	Liab	Total	WC	Liab	Total	Total %	WC	Liab
ADMIN BUDGET CONTINUED										
Claims Administration										
52302 Claims Administration Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
52304 State Funding/Fraud Assessment	267,699	267,699	-	140,123	140,123	-	127,576	48%	127,576	-
Total Claims Admin Expenses	\$ 267,699	\$ 267,699	\$ -	\$ 140,123	\$ 140,123	\$ -	\$ 127,576	48%	\$ 127,576	\$ -
Program Administration										
52401 Program Administration and Brokerage Fee	\$ 338,986	\$ 154,084	\$ 184,902	\$ 169,493	\$ 77,042	\$ 92,451	\$ 169,493	50%	\$ 77,042	\$ 92,451
52403 Accounting Services	106,170	53,085	53,085	53,550	26,775	26,775	52,620	50%	26,310	26,310
Total Program Admin Expenses	\$ 445,156	\$ 207,169	\$ 237,987	\$ 223,043	\$ 103,817	\$ 119,226	\$ 222,113	50%	\$ 103,352	\$ 118,761
Board Expenses										
52500 Board of Directors Long Range Planning Session	\$ 8,000	\$ 4,000	\$ 4,000	\$ -	\$ -	\$ -	\$ 8,000	100%	\$ 4,000	\$ 4,000
52501 Executive Committee	2,500	1,250	1,250	280	140	140	2,220	89%	1,110	1,110
52502 Executive Committee Member Travel	4,000	2,000	2,000	290	145	145	3,710	93%	1,855	1,855
52503 Board of Directors Meetings (includes Travel)	8,000	4,000	4,000	1,981	1,522	459	6,019	75%	2,478	3,541
52504 Association Memberships	4,800	2,400	2,400	-	-	-	4,800	100%	2,400	2,400
Total Board Expenses	\$ 27,300	\$ 13,650	\$ 13,650	\$ 2,551	\$ 1,807	\$ 744	\$ 24,749	91%	\$ 11,843	\$ 12,906
Other Administration Expenses - Not identified with above budget line items										
52900 Member Identity Theft Protection	14,529	14,529	-	-	-	-	14,529	100%	14,529	-
Total Other Admin	\$ 14,529	\$ 14,529	\$ -	\$ -	\$ -	\$ -	\$ 14,529	100%	\$ 14,529	\$ -
Total Admin Expenses	\$ 1,314,158	\$ 847,151	\$ 467,007	\$ 603,460	\$ 389,801	\$ 213,659	\$ 710,698	54%	\$ 457,350	\$ 253,348
TOTAL ADMIN REVENUE OVER EXPENSES	\$ -	\$ -	\$ -	\$ 83,488	\$ 54,772	\$ 28,716	\$ (83,488)		\$ (54,772)	\$ (28,716)

Northern California Cities Self Insurance Fund
Budget to Actual
As of December 31, 2019

	Budget 2019-2020			YTD Expended 2019-2020			Remaining 2019-2020				
Banking Layer Revenue											
41020 Banking Layer Deposit - See Note 1	\$ 8,712,000	\$ 6,501,000	\$ 2,211,000	\$ 4,356,001	\$ 3,250,500	\$ 1,105,501	\$ 4,355,999	50%	\$ 3,250,500	\$ 1,105,499	
44030 Change in Fair Value - See Note 2	-	-	-	119,036	93,856	25,180	(119,036)		(93,856)	(25,180)	
44040 Interest Income - See Note 2	-	-	-	301,974	230,367	71,607	(301,974)		(230,367)	(71,607)	
Total Banking Layer Revenue	\$ 8,712,000	\$ 6,501,000	\$ 2,211,000	\$ 4,827,901	\$ 3,574,723	\$ 1,253,178	\$ 3,884,099	45%	\$ 2,926,277	\$ 957,822	
Banking Layer Expenses											
51100 Claims Expense - See Note 4	\$ 6,855,000	\$ 5,169,000	\$ 1,686,000	\$ 2,590,616	\$ 2,238,216	\$ 352,400	\$ 4,264,384	62%	\$ 2,930,784	\$ 1,333,600	
51135 Claims Admin - Liability - See Note 4	-	-	-	143,187	-	143,187	(143,187)		-	(143,187)	
51400 OS Liability Adjustment - See Note 4	-	-	-	644,266	331,277	312,989	(644,266)		(331,277)	(312,989)	
51800 ULAE Adjustment - See Note 4	-	-	-	19,482	19,482	-	(19,482)		(19,482)	-	
52300 Claims Admin - Monthly WC Only - See Note 4	856,332	608,392	247,940	304,196	304,196	-	552,136	64%	304,196	247,940	
Total Banking Layer Expenses	\$ 7,711,332	\$ 5,777,392	\$ 1,933,940	\$ 3,701,747	\$ 2,893,171	\$ 808,576	\$ 4,009,585	52%	\$ 2,884,221	\$ 1,125,364	
TOTAL BANKING REVENUE OVER EXPENSES	\$ 1,000,668	\$ 723,608	\$ 277,060	\$ 1,126,154	\$ 681,552	\$ 444,602	\$ (125,486)		\$ 42,056	\$ (167,542)	

Northern California Cities Self Insurance Fund
Budget to Actual
As of December 31, 2019

	Budget 2019-2020			YTD Expended 2019-2020			Remaining 2019-2020			
Shared Layer Revenue										
41030 Shared Risk Layer Deposit - See Note 1	\$ 5,934,000	\$ 3,560,000	\$ 2,374,000	\$ 2,967,000	\$ 1,780,000	\$ 1,187,000	\$ 2,967,000	50%	\$ 1,780,000	\$ 1,187,000
41040 Excess Deposit/Premium - See Note 1	3,165,968	1,668,420	1,497,548	1,586,274	837,500	748,774	1,579,694	50%	830,920	748,774
44030 Change in Fair Value	-	-	-	147,013	107,828	39,185	(147,013)		(107,828)	(39,185)
44040 Interest Income	-	-	-	317,662	224,298	93,364	(317,662)		(224,298)	(93,364)
44060 Property Premium - See Note 1	2,041,230	-	2,041,230	1,026,360	-	1,026,360	1,014,870	50%	-	1,014,870
44070 Crime Premium - See Note 1	53,523	-	53,523	26,762	-	26,762	26,761	50%	-	26,761
Total Shared Layer Revenue	\$ 11,194,721	\$ 5,228,420	\$ 5,966,301	\$ 6,071,071	\$ 2,949,626	\$ 3,121,445	\$ 5,123,650	46%	\$ 2,278,794	\$ 2,844,856
Shared Layer Expenses										
51100 Claims Expense	\$ 4,708,000	\$ 2,857,000	\$ 1,377,000	\$ 2,877,429	\$ 1,885,919	\$ 991,510	\$ 1,830,571	39%	\$ 971,081	\$ 385,490
54100 Excess Deposit/Premium Exp - See Note 5	3,165,968	1,668,420	1,497,548	1,566,116	834,210	731,906	1,599,852	51%	834,210	765,642
54150 Member Property Coverage - See Note 5	2,041,230	-	2,041,230	1,028,581	-	1,028,581	1,012,649	50%	-	1,012,649
54150 Member Crime Coverage - See Note 5	53,523	-	53,523	26,762	-	26,762	26,761	50%	-	26,761
Total Shared Layer Expenses	\$ 9,968,721	\$ 4,525,420	\$ 4,969,301	\$ 5,498,888	\$ 2,720,129	\$ 2,778,759	\$ 4,469,833	45%	\$ 1,805,291	\$ 2,190,542
TOTAL SHARED REVENUE OVER EXPENSES	\$ 1,226,000	\$ 703,000	\$ 997,000	\$ 572,183	\$ 229,497	\$ 342,686	\$ 653,817		\$ 473,503	\$ 654,314
OTHER INCOME/(EXPENSE)										
52505 Board Expenses - Other	-	-	-	\$ (1,064)	-	(1,064)	1,064		-	1,064
52109 Assetworks/Lexipol Pass Through Billing	-	-	-	\$ -	-	-	-		-	-
Rounding	-	-	-	(5)	(8)	3	5		8	(3)
Total Other Income/(Expense)	\$ -	\$ -	\$ -	\$ (1,069)	\$ (8)	\$ (1,061)	\$ 1,069		\$ 8	\$ 1,061
TOTAL INCOME/(EXPENSE)	\$ 2,226,668	\$ 1,426,608	\$ 1,274,060	\$ 1,780,756	\$ 965,813	\$ 814,943	\$ 445,912		\$ 460,795	\$ 459,117

Northern California Cities Self Insurance Fund
Notes to Budget to Actual
As of December 31, 2019

1. Revenue Recognition

The budget presents revenue to be earned during the entire fiscal year. In accordance with the accrual basis of accounting, the YTD Expended columns show only the amount earned by the organization, year-to-date.

2. Investment Income

No budget is developed for the Change in Fair Value and Interest Income amounts, as it is difficult to predict the yield on the organization's portfolio.

3. CJPRMA Refund

For budgeting purposes, the CJPRMA refund is recorded in the year following its approval. In accordance with the accrual basis of accounting, the refund to the organization is recorded on the books in the period it was declared.

4. Claims Expenses

Claims related expenses are budgeted based on the estimated claims expense for the year. Claims related expenses are recorded on the books in several additional categories. Review of the budget to actual performance of claims related items should take this into consideration.

5. Insurance Expense Recognition

The budget presents excess and other insurance expense based on the policy fee paid for entire fiscal year. In accordance with the accrual basis of accounting, the YTD Expended columns show only the portion of the policy used by the organization, year-to-date. The remainder of the policy fee paid, but not used to date is recorded in Prepaid Expenses on the Statement of Net Position, as applicable.

**Northern California Cities Self Insurance Fund
Risk Management Reserves Historic Usage Report
As of December 31, 2019**

Member	ADA Grants Declared in FY 2009 Board Meeting 4/24/2009		Risk Management Reserve Fund elected to be retained in WC admin by members from their WC shared refund								Total funds available FY 2009 - FY 2018 for Risk Management	Total Disbursements Paid through Last Update	Risk Management Reserve Funds Available
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2017	FY 2018					
Anderson	\$ 6,496.00	\$ 8,039.00	\$ 7,650.00	\$ 7,540.00	\$ 7,451.00	\$ 3,860.00	\$ -	\$ -	\$ -	\$ -	\$ 41,036.00	\$ 31,355.00	\$ 9,681.00
Auburn	6,397.00	-	-	8,098.00	-	-	-	16,672.00	-	-	31,167.00	6,397.00	24,770.00
Colusa	6,258.00	-	-	5,817.00	5,662.00	-	-	-	-	17,737.00	17,737.00	-	-
Coming	6,157.00	6,149.00	5,788.00	5,678.00	-	-	-	-	-	23,772.00	23,772.00	-	-
Dixon	6,592.00	-	-	-	10,379.00	-	10,602.00	-	-	27,573.00	20,207.24	7,365.76	-
Elk Grove	-	-	-	-	-	-	-	-	-	-	-	-	-
Folsom	16,732.00	62,977.00	-	61,737.00	61,566.00	32,328.00	57,693.00	117,055.00	-	410,088.00	411,917.37	(1,829.37)	-
Galt	7,613.00	14,375.00	14,135.00	14,171.00	14,153.00	11,310.00	16,586.00	-	-	92,343.00	84,412.00	7,931.00	-
Gridley	6,144.00	6,391.00	-	6,507.00	6,476.00	5,152.00	6,614.00	-	-	37,284.00	6,144.00	31,140.00	-
Ione	-	-	-	-	514.00	-	-	-	-	514.00	-	514.00	-
Jackson	5,627.00	3,510.00	3,487.00	-	-	-	4,285.00	-	-	16,909.00	5,500.00	11,409.00	-
Lincoln	6,303.00	8,638.00	10,028.00	-	10,854.00	-	10,078.00	-	-	45,901.00	37,112.69	8,788.31	-
Marysville	6,758.00	-	-	-	-	-	-	13,095.00	-	19,853.00	731.00	19,122.00	-
Nevada City	5,665.00	-	-	-	3,618.00	1,896.00	4,275.00	-	-	15,454.00	13,001.00	2,453.00	-
Oroville	7,633.00	-	-	-	-	-	12,309.00	-	-	19,942.00	17,412.50	2,529.50	-
Placerville	6,883.00	-	-	-	-	9,048.00	-	-	-	15,931.00	6,883.00	9,048.00	-
Paradise	7,182.00	-	-	-	-	-	-	-	-	7,182.00	7,182.00	-	-
Red Bluff	7,339.00	12,860.00	12,493.00	12,290.00	-	-	-	-	-	44,982.00	44,982.00	-	-
Rio Vista	5,818.00	-	4,770.00	4,766.00	-	3,759.00	-	-	-	19,113.00	19,113.00	-	-
Rocklin	9,178.00	24,019.00	25,254.00	25,419.00	25,476.00	20,260.00	22,851.00	51,560.00	-	204,017.00	118,471.80	85,545.20	-
Willows	5,856.00	4,618.00	4,412.00	-	-	3,405.00	7,156.00	2,000.00	-	27,447.00	25,448.00	1,999.00	-
Yuba City	8,607.00	-	-	22,184.00	-	-	-	-	-	30,791.00	30,791.00	-	-
	\$ 145,238.00	\$ 151,576.00	\$ 88,017.00	\$ 174,207.00	\$ 145,635.00	\$ 91,532.00	\$ 152,449.00	\$ 200,382.00		\$ 1,149,036.00	\$ 928,569.60	\$ 220,466.40	

**Northern California Cities Self Insurance Fund
Police Risk Management Grants Historic Usage Report
As of December 31, 2019**

Member	Police Risk Management Grant Funds					Total funds granted FY 2015 - FY 2019 for Police Risk Management	Total Disbursements Paid through Last Update	Police Risk Management Grant Funds Available
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019			
Anderson	\$1,515.00	\$1,515.00	\$ 1,515.00	\$ 1,515.00	\$ 1,515.00	\$7,575.00	\$ -	\$ 7,575.00
Auburn	3,030.00	3,030.00	3,030.00	3,030.00	3,030.00	\$15,150.00	12,120.00	3,030.00
Colusa	1,515.00	1,515.00	1,515.00	1,515.00	1,515.00	\$7,575.00	3,030.00	4,545.00
Corning	1,515.00	1,515.00	1,515.00	1,515.00	1,515.00	\$7,575.00	5,592.38	1,982.62
Dixon	3,030.00	3,030.00	3,030.00	3,030.00	3,030.00	\$15,150.00	8,994.38	6,155.62
Elk Grove	3,030.00	3,030.00	3,030.00	3,030.00	3,030.00	\$15,150.00	12,120.00	3,030.00
Folsom	3,787.50	3,787.50	3,788.00	3,787.50	3,787.50	\$18,938.00	7,576.00	11,362.00
Galt	3,030.00	3,030.00	3,030.00	3,030.00	3,030.00	\$15,150.00	-	15,150.00
Gridley	1,515.00	1,515.00	1,515.00	1,515.00	1,515.00	\$7,575.00	4,543.26	3,031.74
Ione	1,515.00	1,515.00	1,515.00	1,515.00	1,515.00	\$7,575.00	4,626.01	2,948.99
Jackson	1,515.00	1,515.00	1,515.00	1,515.00	1,515.00	\$7,575.00	-	7,575.00
Lincoln	3,030.00	3,030.00	3,030.00	3,030.00	3,030.00	\$15,150.00	6,548.50	8,601.50
Marysville	2,272.50	2,272.50	2,273.00	2,272.50	2,272.50	\$11,363.00	4,919.87	6,443.13
Nevada City	1,515.00	1,515.00	1,515.00	1,515.00	1,515.00	\$7,575.00	6,060.00	1,515.00
Oroville	3,030.00	3,030.00	3,030.00	3,030.00	3,030.00	\$15,150.00	12,120.00	3,030.00
Placerville	1,515.00	1,515.00	1,515.00	1,515.00	1,515.00	\$7,575.00	7,645.07	(70.07)
Paradise	2,272.50	2,272.50	2,273.00	2,272.50	2,272.50	\$11,363.00	6,440.50	4,922.50
Red Bluff	2,272.50	2,272.50	2,273.00	2,272.50	2,272.50	\$11,363.00	4,545.00	6,818.00
Rio Vista	1,515.00	1,515.00	1,515.00	1,515.00	1,515.00	\$7,575.00	4,241.15	3,333.85
Rocklin	3,030.00	3,030.00	3,030.00	3,030.00	3,030.00	\$15,150.00	12,120.00	3,030.00
Willows	1,515.00	1,515.00	1,515.00	1,515.00	1,515.00	\$7,575.00	2,130.00	5,445.00
Yuba City	3,030.00	3,030.00	3,030.00	3,030.00	3,030.00	\$15,150.00	6,060.00	9,090.00
	<u>\$ 49,995.00</u>	<u>\$ 49,995.00</u>	<u>\$ 49,997.00</u>	<u>\$ 49,995.00</u>	<u>\$ 49,995.00</u>	<u>\$ 249,977.00</u>	<u>\$ 131,432.12</u>	<u>\$ 118,544.88</u>

Schedule includes payments made through December 31, 2019

Designated for Risk Management	
Risk Management Reserves	\$ 220,466
Police Risk Management Grants	118,545
Total	<u>\$ 339,011</u>



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020**

Agenda Item I.2.

BUDGET TO ACTUAL AS OF DECEMBER 31, 2019

INFORMATION ITEM

ISSUE: Members have asked for this item to be reviewed at each meeting to ensure that NCCSIF is on track. They have requested that the Program Administrators discuss any items pertaining to the budget, updating members on the status of the current budget-to-actual.

NCCSIF administrative expenses year-to-date are currently on track with the FY 19/20 Budget. The annual State Workers' Compensation Assessment is inherently difficult to budget but this year it is closer than most, with \$267,000 budgeted and a \$280,000 fee.

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: None.

ATTACHMENT(S): Please refer to pages 26 and 27 of the Quarterly Financial Report for Period Ending December 31, 2019 - Budget to Actual as of December 31, 2019.



Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020

Agenda Item J.1.

FY 20/21 NCCSIF ADMINISTRATION BUDGET

INFORMATION ITEM

ISSUE: The Executive Committee reviews and recommends to the Board the budget for the next fiscal year. Attached is the preliminary budget for review and discussion. The Administrative Costs are discussed in more detail below. The budget to actual revenues provided by our accountant are used in creating the FY 20/21 budget.

Administrative Expenses

1. Claim Audits - Every year either the Liability or Workers' Compensation claims are audited. The Liability Claims audit in FY 19/20 was budgeted at \$8,500. For FY 20/21 the Workers' Compensation Claims audit is budgeted at \$11,600.
2. The Financial Audit increased by 1% pending approval of the auditor's proposal.
3. Actuarial Services are increasing by \$360 (2.8%) per current service agreement.
4. Accounting Services are expected to increase \$3,600 (3.4%) per current contract.
5. York's Risk Control services are the same as last year based on the current contract, and the rest of the risk control budget is expected to be flat, pending Lexipol renewal.
6. State Funding/Fraud Assessment has been estimated to increase by 15% from the actual expense of \$280,247 in FY 19/20. This is hard to predict as it is based on the amount of indemnity payments during the year.
7. The Program Administration and Brokerage Fee is increasing by \$11,017 (3.2%) per the terms of the current agreement.

RECOMMENDATION: None - information item only. The EC may give direction regarding the funding for the next draft budget.

FISCAL IMPACT: Total administrative expenses are estimated to be \$1,391,692, an increase of \$77,069 (5.9%) increase over FY 19/20, driven largely by the estimated increase of \$54,585 in the State's Self-Insured Assessment. The remainder is due to scheduled service contract increases. A small amount of surplus offset may be available to reduce the funding, to be determined as we get closer to the fiscal year end.

BACKGROUND: None

ATTACHMENT(S): Preliminary FY 20/21 NCCSIF Budget

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND

ADMIN BUDGET - PRELIMINARY

July 1, 2020 to June 30, 2021

		WORK COMP	LIABILITY	GROUP PURCHASE	FY 20/21 TOTAL	FY 19/20 PRIOR YEAR	\$ CHANGE	% CHANGE
REVENUES								
Est	WC Program Banking Layer					\$6,501,000	(\$6,501,000)	-100%
Est	WC Program Shared Layer				\$0	\$3,560,000	(\$3,560,000)	-100%
Est	WC Program Admin Expense				\$0	\$847,151	(\$847,151)	-100%
Est	Excess WC Coverage (EIA)	\$1,820,944			\$1,820,944	\$1,668,420	\$152,524	9%
Est	Liability Program Banking Layer				\$0	\$2,211,000	(\$2,211,000)	-100%
Est	Liability Program Shared Layer				\$0	\$2,374,000	(\$2,374,000)	-100%
Est	Liability Program Admin Expense				\$0	\$467,007	(\$467,007)	-100%
Est	Excess Liability Coverage (CJPRMA)				\$0	\$1,497,548	(\$1,497,548)	-100%
Est	Group Purchase Property Coverage (APIP)				\$0	\$2,102,104	(\$2,102,104)	-100%
Est	Group Purchase Crime Coverage (ACIP)				\$0	\$51,449	(\$51,449)	-100%
Est	Group Purchase Coverage (ADWRP)				\$0	\$11,491	(\$11,491)	-100%
Est	Pass through Cost - Lexipol Fire Manual and DTBs				\$35,756	\$27,099	\$8,657	32%
N/A	Pass through Cost - Appraisal Services			N/A	N/A	N/A		
Est	Pass through Cost - Drone Coverage		\$4,736		\$4,736	\$4,440	\$296	7%
	Pass through Cost - Cordico APP					\$0	\$0	#DIV/0!
	Pass through Cost - Laura Cole Retainer					\$0	\$0	#DIV/0!
	Total Revenues	\$1,820,944	\$4,736	\$0	\$1,861,436	\$21,322,709		

Quote included one new member, City of Yuba City
 Next appraisal in 2023
 19/20 coverage cost deducted from member's GL Banking Layer: Anderson, Folsom, Lincoln, Marysville and Red Bluff
 NEW - pending negotiation with Cordico and BOD approval
 NEW - TBD

		WORK COMP	LIABILITY		FY 20/21 TOTAL	FY 19/20 PRIOR YEAR	\$ CHANGE	% CHANGE
EXPENSES								
Administrative Expenses:								
Consultants								
52101	Claims Audit	\$11,600			\$11,600	\$8,500	\$3,100	36.5%
52102	Financial Audit	\$13,850	\$13,850		\$28,000	\$27,700	\$300	1.1%
52103	Legal Services	\$2,000	\$15,000		\$17,000	\$17,000	\$0	0.0%
52104	Actuarial Review	\$5,710	\$7,710		\$13,420	\$13,060	\$360	2.8%
52105	Computer Services				N/A	N/A	N/A	N/A
52106	CAJPA Accreditation (every 3 years: not until 2021)				N/A	N/A	N/A	N/A
52109	Misc. Consulting/Contingency	\$2,500	\$2,500		\$5,000	\$5,000	\$0	0.0%
	Total Consultant Expenses	\$35,660	\$39,060		\$74,720	\$71,260	\$3,460	4.9%
Safety Services:								
52204	Risk Control Services Agreement	\$89,240	\$89,240		\$178,480	\$178,480	\$0	0.0%
52201	Outside Training	\$15,000	\$15,000		\$30,000	\$30,000	\$0	0.0%
52202	Risk Mgmt Comm Mtg Expense	\$750	\$750		\$1,500	\$1,500	\$0	0.0%
52207	Member Training and Risk Management	\$50,000	\$38,000		\$88,000	\$88,000	\$0	0.0%
52208	Lexipol Police Manual Updates & DTBs	\$144,441			\$144,441	\$140,234	\$4,207	3.0%
52209	Police Risk Management Funds	\$25,000	\$25,000		\$50,000	\$50,000	\$0	0.0%
	Total Safety Services Expenses	\$324,431	\$167,990		\$492,421	\$488,214	\$4,207	0.9%

19/20 GL audit last year less than WC; about 3.6% increase based on 18/19 WC cost of \$11,200.
 TBD; pending contract award from RFP
 Per engagement letter including 6/30 Updates
 Moved as part of Accounting Services
 last accreditation in 2018
 Per 2019-22 contract
 \$4,000 per member annual allocation for training/conferences
 Pending RMC recommendation

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND

ADMIN BUDGET - PRELIMINARY

July 1, 2020 to June 30, 2021

		WORK COMP	LIABILITY	GROUP PURCHASE	FY 20/21 TOTAL	FY 19/20 PRIOR YEAR	\$ CHANGE	% CHANGE	
Claims Administration									
52302	Claims Administration Fee (Reports, etc.) Annual	\$0	\$0		\$0	\$0	\$0	#DIV/0!	Flat fee pricing beginning FY 19/20
	Claims Adjustment Fee*								
52304	State Funding/Fraud Assessment	\$322,284			\$322,284	\$267,699	\$54,585	20.4%	Actual 19/20 = \$280,247 + 15% Est. increase
	Total Claims Administration Expenses	\$322,284	\$0		\$322,284	\$267,699	\$54,585	20.4%	
Program Administration									
52401	Program Administration and Brokerage Fee	\$159,092	\$190,911		\$350,003	\$338,986	\$11,017	3.2%	Per 2019-24 contract
52403	Accounting Services	\$54,885	\$54,885		\$109,770	\$106,170	\$3,600	3.4%	Per 2018-22 contract
	Total Program Administration Expenses	\$213,977	\$245,796		\$459,773	\$445,156	\$14,617	3.3%	
Board Expenses									
52501	Executive Committee	\$1,250	\$1,250		\$2,500	\$2,500	\$0	0.0%	
52502	Executive Committee Member Travel	\$2,000	\$2,000		\$4,000	\$4,000	\$0	0.0%	
52503	Board of Directors Meetings (includes Travel)	\$4,000	\$4,000		\$8,000	\$8,000	\$0	0.0%	
52509	Board of Directors Long Range Planning (every 3 years, last LRP January 2020)	\$4,000	\$4,000		\$8,000	\$8,000	\$0	0.0%	Includes Board Training Day in December
52504	Association Memberships (PARMA, CAJPA, AGRIP)	\$2,500	\$2,500		\$5,000	\$4,800	\$200	4.2%	20/21 AGRIP membership increased by 10%
	Total Board Expenses	\$13,750	\$13,750		\$27,500	\$27,300	\$200	0.7%	
OTHER Administration Expenses (Not identified with above budget line items)									
52000	Administrative Expense	\$0	\$0		\$0	\$0	\$0	0.0%	
52001	Administration Expense - Other	\$0	\$0		\$0	\$0	\$0	0.0%	
52900	Member Identity Theft Protection	\$14,529	0		\$14,994	\$14,994	\$0	0.0%	TBD; will be based on new quote from Travelers
	Total Other Admin	\$14,529	\$0		\$14,994	\$14,994	\$0	0.0%	
	Total Admin Expenses	\$924,631	\$466,596		\$1,391,692	\$1,314,623	\$77,069	5.9%	
	Net Loss/Admin Surplus Offset					TBD		0.0%	Possible offset TBD

* WC of \$706,000 included in Banking Layer Funding. GL time and expense billed to file.



Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020

Agenda Item J.2.a

ACTUARIAL STUDY FOR WORKERS' COMPENSATION PROGRAM

ACTION ITEM

ISSUE: NCCSIF's actuary annually provides a report to assist in making funding, dividend and assessment decisions. Below is a summary of this year's report that will be discussed in greater detail at the meeting.

FY 19/20 Funding

Total recommended funding for the Banking and Shared Risk Layers is \$10,061,000 at the current 80% Confidence Level (CL). *Overall the rates have decreased 2.9%, from \$4.475 to \$4.346, with a 4% decrease in the Banking Layer and a 1.4% decrease for the Shared Layer.*

Outstanding Liabilities at June 30th

The actuary estimates that NCCSIF will have total assets of approximately \$46,258,000 on June 30, 2019, compared to \$44,489,000 last year. The estimated total Outstanding Liability at June 30 is \$38,721,000 at the 90% Confidence Level (CL), compared to \$38,057,000 last year. *This results in a 17% increase in estimated net position above the 90% CL, \$7,537,000 v. \$6,432,000 last year.*

Assets for the Banking Layer are estimated at \$23,353,000 as of June 30, 2019, \$1,095,000 above the estimate of \$22,258,000 in 2018. Banking Layer liabilities are \$17,594,000 at the 90% CL, compared to \$17,388,000 last year. *This means the Banking Layer net position above the 90% CL is estimated at \$5,759,000 compared to \$4,870,000 last year.*

Assets for the Shared Risk Layer are estimated to be \$22,905,000 at June 30, 2019, compared to \$22,231,000 in 2018. Liabilities are estimated at \$21,127,000 at the 90% CL, compared to \$20,669,000 last year. *The net position in excess of the 90% CL is estimated to be \$1,778,000, compared to \$1,562,000 last year.*

RECOMMENDATION: Accept and file the report.

FISCAL IMPACT: T.B.D.; while rates are decreasing the overall funding is increasing due to an increase in payroll of 5.3%, from \$220 to \$231 million. No change is expected to the CL of 80%.

BACKGROUND: NCCSIF annually receives an actuary report to determine the estimated Outstanding Liabilities (OL) for the Workers' Compensation program as of June 30 and to estimate the amount of funding required for the upcoming fiscal year. These figures are used for financial reporting purposes and to prepare the budget for member deposits. *The funding CL was increased from 75% to 80% for FY 18/19.*

ATTACHMENT(S): Workers' Compensation Program Actuarial Study for FY 19/20 – Summary



Bickmore

Actuarial

Actuarial Review of the Self-Insured Workers' Compensation Program

*Outstanding Liabilities as of June 30, 2020
Forecast for Program Years 2020-21*

Presented to
Northern California Cities Self-Insurance Fund

March 5, 2020

Thursday, March 5, 2020

Mr. Marcus Beverly
Vice President
Northern California Cities Self Insurance Fund
c/o Alliant Insurance Services, Inc.
2180 Harvard Street, Suite 460
Sacramento, CA 95815

Re: Actuarial Review of the Self-Insured Workers' Compensation Program

Dear Mr. Beverly:

As you requested, we have completed our review of Northern California Cities Self Insurance Fund's self-insured workers' compensation program. Assuming an SIR of \$500,000 per occurrence, we estimate the ultimate cost of claims and expenses for claims incurred during the 2020-21 program year to be \$9,381,000. This amount includes allocated loss adjustment expenses (ALAE), unallocated loss adjustment expenses (ULAE), and a discount for anticipated investment income, but excludes 4850 TD (Temporary Disability) and 4850 SC (Salary Continuation). Of this amount, \$6,312,000 is for the banking layer (\$0 – \$100,000 per occurrence) and \$3,069,000 is for the shared layer (\$100,000 – \$500,000 per occurrence). ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes). The discount for investment income is calculated based on the likely payout pattern of NCCSIF's claims, assuming a 1.5% return on investments per year. For budgeting purposes, the expected cost of 2020-21 claims translates to a rate of \$3.787 per \$100 of payroll, \$2.548 for the banking layer and \$1.239 for the shared layer (assuming \$247,700,000 in rated payroll).

In addition, we estimate the program's liability for outstanding claims to be \$35,405,000 as of June 30, 2020 again including ALAE and ULAE, and discounted for anticipated investment income, but excluding 4850 TD and 4850 SC benefits. Given estimated program assets of \$51,065,000 as of June 30, 2020, the program will be funded above the 90% confidence level on a combined basis and for both the banking layer and shared layer separately (see Graphs 1a, 1b and 1c on pages 11, 12, and 13).

The \$35,405,000 estimate is the minimum liability to be booked by NCCSIF at June 30, 2020 for its workers' compensation program, in accordance with Governmental Accounting Standards Board (GASB) Statement #10. GASB #10 requires NCCSIF to accrue a liability on its financial statements for the ultimate cost of claims and expenses associated with all reported and unreported claims, including ALAE and ULAE. GASB #10 does not prohibit the discounting of losses to recognize investment income.

Our conclusions regarding NCCSIF's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2020 are summarized in the table below.

Northern California Cities Self Insurance Fund
Self-Insured Workers' Compensation Program
Estimated Liability for Unpaid Loss and LAE
Banking and Shared Layer Combined
at June 30, 2020
Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$35,512,000					
ULAE	1,914,000					
Investment Income Offset	<u>(2,021,000)</u>					
Discounted Loss and LAE	\$35,405,000	\$38,273,000	\$39,441,000	\$40,751,000	\$42,344,000	\$44,469,000
Assets	<u>51,065,000</u>					
Surplus or (Deficit)	\$15,660,000	\$12,792,000	\$11,624,000	\$10,314,000	\$8,721,000	\$6,596,000

Northern California Cities Self Insurance Fund
Self-Insured Workers' Compensation Program
Estimated Liability for Unpaid Loss and LAE
Banking Layer
at June 30, 2020
Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$16,098,000					
ULAE	1,914,000					
Investment Income Offset	<u>(973,000)</u>					
Discounted Loss and LAE	\$17,039,000	\$18,112,000	\$18,504,000	\$18,930,000	\$19,459,000	\$20,140,000
Assets	<u>25,850,000</u>					
Surplus or (Deficit)	\$8,811,000	\$7,738,000	\$7,346,000	\$6,920,000	\$6,391,000	\$5,710,000

Northern California Cities Self Insurance Fund
 Self-Insured Workers' Compensation Program
 Estimated Liability for Unpaid Loss and LAE
 Shared Layer
 at June 30, 2020
 Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$19,414,000					
ULAE	0					
Investment Income Offset	(1,048,000)					
Discounted Loss and LAE	\$18,366,000	\$20,161,000	\$20,937,000	\$21,821,000	\$22,885,000	\$24,329,000
Assets	25,215,000					
Surplus or (Deficit)	\$6,849,000	\$5,054,000	\$4,278,000	\$3,394,000	\$2,330,000	\$886,000

GASB #10 does not address an actual asset requirement for the program, but only speaks to the liability to be recorded on NCCSIF's financial statements. Because actuarial estimates of claims costs are subject to some uncertainty, we recommend that an amount in addition to the discounted expected loss costs be set aside as a risk margin for contingencies. Generally, the amount should be sufficient to fund assets to the 75% to 85% confidence level for primary programs. We consider funding assets to the 70% confidence level to be marginally acceptable and funding assets to the 90% confidence level to be conservative.

Furthermore, the CSAC Excess Insurance Authority standard states that based upon the actuarial recommendations, the member should maintain assets and make funding contributions equal to or exceeding the present value of expected losses and a reasonable margin for contingencies.

The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2020-21 fiscal year.

Northern California Cities Self Insurance Fund
 Self-Insured Workers' Compensation Program
 Loss and LAE Funding Guidelines for 2020-21
 Banking and Shared Layers Combined
 Banking Layer: \$0 to \$100,000
 Shared Layer: \$100,000 to \$500,000
 Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$8,980,000					
ULAE	790,000					
Investment Income Offset	(389,000)					
Discounted Loss and LAE	\$9,381,000	\$10,338,000	\$10,722,000	\$11,163,000	\$11,698,000	\$12,411,000
Rate per \$100 of 2020-21 Payroll	\$3.787	\$4.174	\$4.329	\$4.507	\$4.723	\$5.010

Northern California Cities Self Insurance Fund
 Self-Insured Workers' Compensation Program
 Loss and LAE Funding Guidelines for 2020-21
 Banking Layer: \$0 to \$100,000
 Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$5,784,000					
ULAE	790,000					
Investment Income Offset	(262,000)					
Discounted Loss and LAE	\$6,312,000	\$6,823,000	\$7,006,000	\$7,215,000	\$7,461,000	\$7,789,000
Rate per \$100 of 2020-21 Payroll	\$2.548	\$2.755	\$2.828	\$2.913	\$3.012	\$3.145

Northern California Cities Self Insurance Fund
 Self-Insured Workers' Compensation Program
 Loss and LAE Funding Guidelines for 2020-21
 Shared Layer: \$100,000 to \$500,000
 Net of 4850 TD and 4850 SC

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$3,196,000					
ULAE	0					
Investment Income Offset	(127,000)					
Discounted Loss and LAE	\$3,069,000	\$3,515,000	\$3,716,000	\$3,948,000	\$4,237,000	\$4,622,000
Rate per \$100 of 2020-21 Payroll	\$1.239	\$1.419	\$1.500	\$1.594	\$1.711	\$1.866

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2020. They are for losses and loss adjustment expenses only, and do not include a provision for loss control, overhead, excess insurance premiums, and other expenses associated with the program. They do not include 4850 TD and 4850 SC benefits.

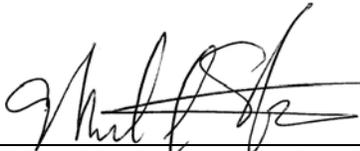
The loss projections in this report reflect the estimated impact of benefit legislation contained in AB749, AB227, SB228, SB899, SB863, and recent WCAB court decisions based upon information provided by the WCIRB. The ultimate impact on loss costs of legislated benefit adjustments are generally difficult to forecast in advance because the changes typically take place over a period of several years following enactment. Furthermore, actuarially derived benefit level evaluations often underestimate actual future cost levels. The shortfalls result from a variety of circumstances, including: increases in utilization levels, unanticipated changes in administrative procedures, and cost shifting among benefit categories. Thus, actual cost increases could differ, perhaps substantially, from the WCIRB's estimates.

The report that follows outlines the scope of our study, its background, and our conclusions, recommendations, and assumptions. Judgments regarding the appropriateness of our conclusions and recommendations should be made only after studying the report in its entirety, including the graphs, attachments, exhibits and appendices. Our report has been developed for NCCSIF's internal use. It is not intended for general circulation.

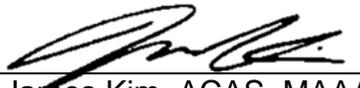
We appreciate the opportunity to be of service to Northern California Cities Self Insurance Fund in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162, James Kim at (916) 290-4644 or Eric Small at (916) 244-1165 with any questions you may have concerning this report.

Sincerely,

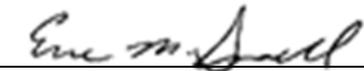
Bickmore Actuarial



Mike Harrington, FCAS, MAAA
President and Principal, Bickmore Actuarial
Fellow, Casualty Actuarial Society
Member, American Academy of Actuaries



James Kim, ACAS, MAAA
Senior Analyst, Bickmore Actuarial
Associate, Casualty Actuarial Society
Member, American Academy of Actuaries



Eric Small
Consulting Actuary, Bickmore Actuarial

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I. BACKGROUND

Northern California Cities Self Insurance Fund began its self-insured workers' compensation program on July 1, 1979. Its purpose was to provide excess workers' compensation coverage to its members which consist of Northern California municipalities. The original NCCSIF program was comprised of eight members. Currently, the program includes the twenty two members shown below.

ANDERSON	ELK GROVE	JACKSON	PARADISE	WILLOWS
AUBURN	FOLSOM	LINCOLN	PLACERVILLE	YUBA CITY
COLUSA	GALT	MARYSVILLE	RED BLUFF	
CORNING	GRIDLEY	NEVADA CITY	RIO VISTA	
DIXON	IONE	OROVILLE	ROCKLIN	

The Program's current self-insured retention is \$500,000, and excess coverage is provided by the CSAC Excess Insurance Authority. Claims administration services are provided by Sedgwick. Additional background on the program is given in Appendix K. Please note that the estimates contained in this report exclude costs for 4850 TD (temporary disability) and 4850 SC (salary continuation).

Although NCCSIF carries a self-insured retention of \$500,000, the program is actually split into two parts, a banking layer and a shared risk layer. The banking layer applies to the first \$100,000 of each loss and each member is directly responsible for its actual losses in this layer. The shared risk layer applies to the portion of each loss between \$100,000 and \$500,000. The shared risk layer losses are pooled among members. The table below shows the confidence levels to which each layer was funded by year.

Accident Year	Shared Layer	Banking Layer
1996-97	70%	70%
1997-01	80%	70%
2001-02	80%	Expected
2002-03	60%	70%
2003-04	70%	70%
2004-05	70%	Expected
2005-06	70%	70%
2006-07	70%	70%
2007-08	70%	70%
2008-09	60%	60%
2009-10	60%	60%
2010-11	60%	60%
2011-12	60%	60%
2012-13	60%	60%
2013-14	60%	60%
2014-15	65%	65%
2015-16	67.5%	67.5%
2016-17	70%	70%
2017-18	75%	75%
2018-19	80%	80%
2019-20	80%	80%
2020-21	80%	80%

The purpose of this review is to provide a guide to NCCSIF to determine reasonable funding levels for its self-insurance program according to the funding policy NCCSIF has adopted and to comply with Governmental Accounting Standards Board Statements #10 and #30. The specific objectives of the study are to estimate NCCSIF's liability for outstanding claims as of June 30, 2020, project ultimate loss costs for 2020-21, and provide funding guidelines to meet these liabilities and future costs.

II. CONCLUSIONS AND RECOMMENDATIONS

A. LIABILITY FOR OUTSTANDING CLAIMS

Graphs 1a, 1b and 1c on the following pages summarize our assessment of NCCSIF's funding position as of June 30, 2020. The dark-colored bars indicate our estimates of the program's liability for outstanding claims before recognition of the investment income that can be earned on the assets held before the claim payments come due. The horizontal line across each graph indicates NCCSIF's available assets at June 30, 2020.

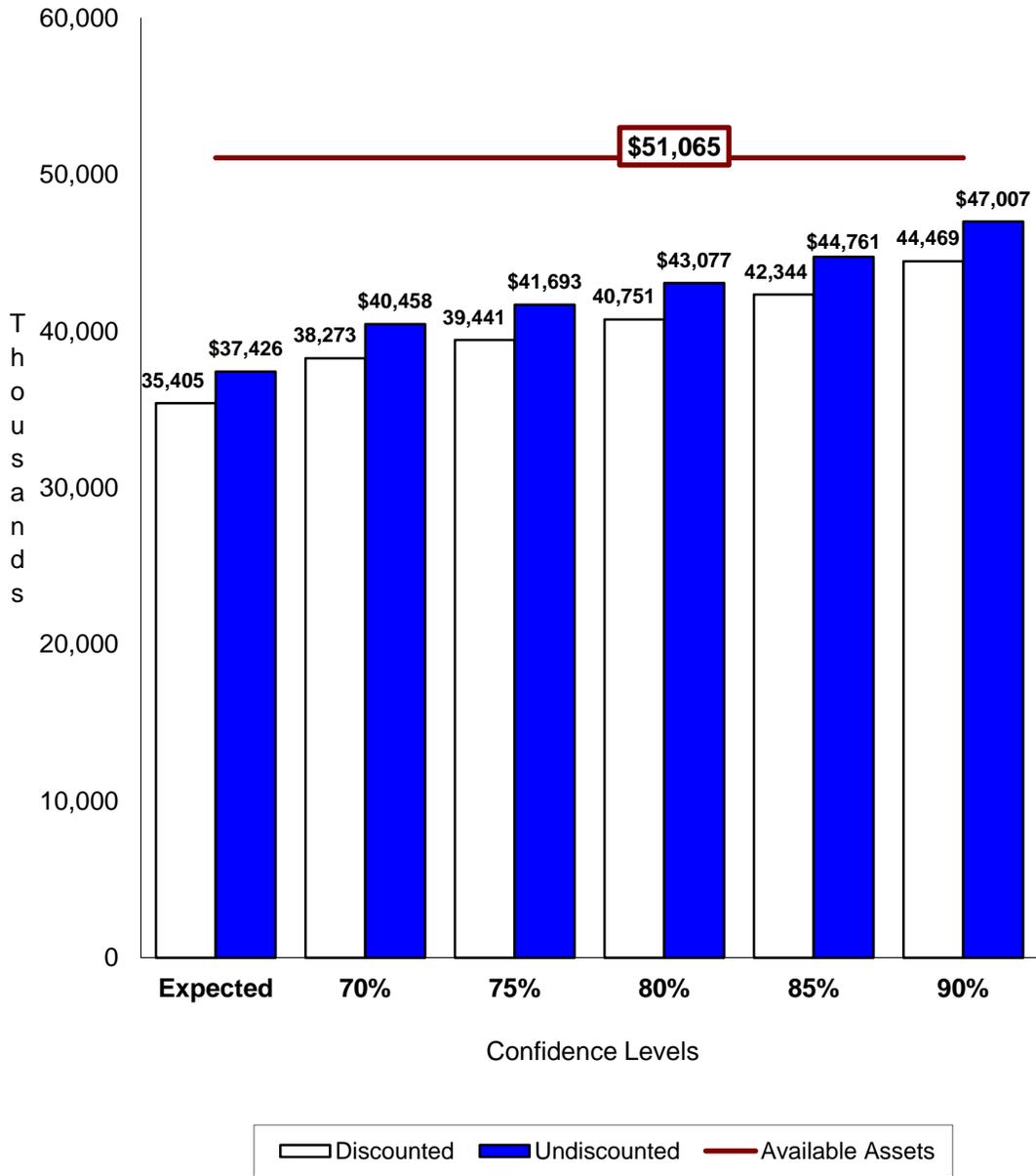
Our best estimate of the full value of NCCSIF's liability for outstanding claims within its pool limit is \$37,426,000, \$18,012,000 is for the banking layer and \$19,414,000 is for the shared layer as of June 30, 2020. These amounts include losses, allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expenses (ULAE), but exclude 4850 TD and 4850 SC benefits. ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer claims to final settlement, which may be years in the future (e.g. claims adjusters' salaries, taxes).

There is some measure of uncertainty associated with our best estimate because of the random nature of much of the process that determines ultimate claims costs. For this reason, we generally recommend that a program such as this include some funding margin for the possibility that actual loss costs will be greater than the best estimate. We generally measure the amount of this margin by thinking in terms of the probability distribution of actual possible results around our best estimate. As the margin grows, the probability that the corresponding funding amount will be sufficient to meet actual claim liabilities increases. We typically refer to this probability as the "confidence level" of funding. Graphs 1a, 1b and 1c show the liabilities for outstanding claims at several confidence levels that are typically of interest to risk managers in formulating funding policies for self-insurance programs.

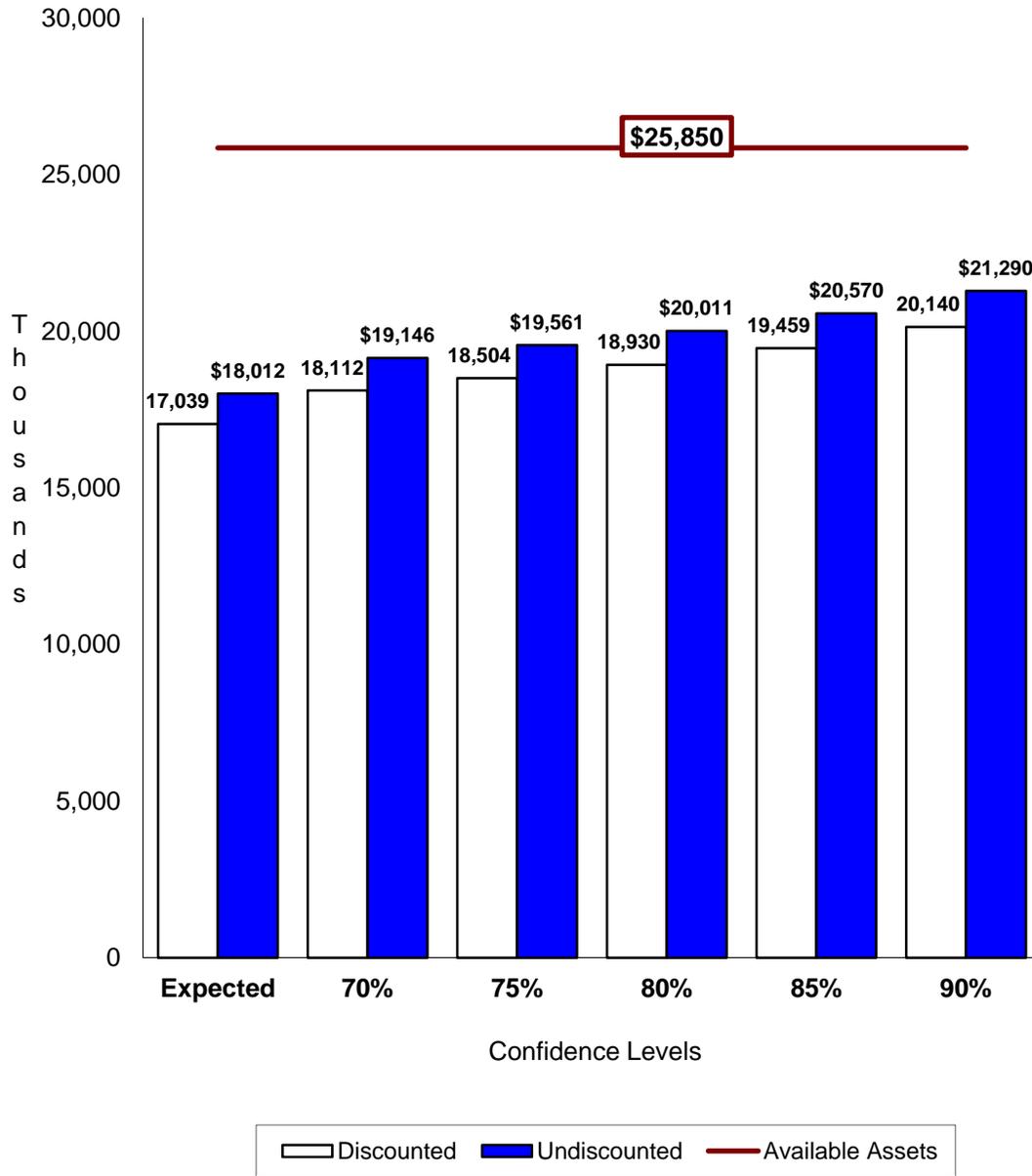
NCCSIF can earn investment income on the assets it holds until claims payments come due. Assuming a long-term average annual return on investments of 1.5%, we estimate the impact of investment income earnings to be about 5.4% if the program is funded within the range indicated in the graphs, resulting in a discounted liability for outstanding claims of \$35,405,000, \$17,039,000 for the banking layer and \$18,366,000 for the shared layer as of June 30, 2020.

Investment income earnings will be less than this when the program does not maintain sufficient funding, and more when there is excess funding. Thus, thinking in terms of liabilities discounted for investment income can actually mask funding deficiencies and redundancies that might otherwise be obvious. However, the discounted liabilities do represent legitimate funding targets. The light-colored bars on Graphs 1a, 1b and 1c show our estimates of NCCSIF's discounted liability for outstanding claims.

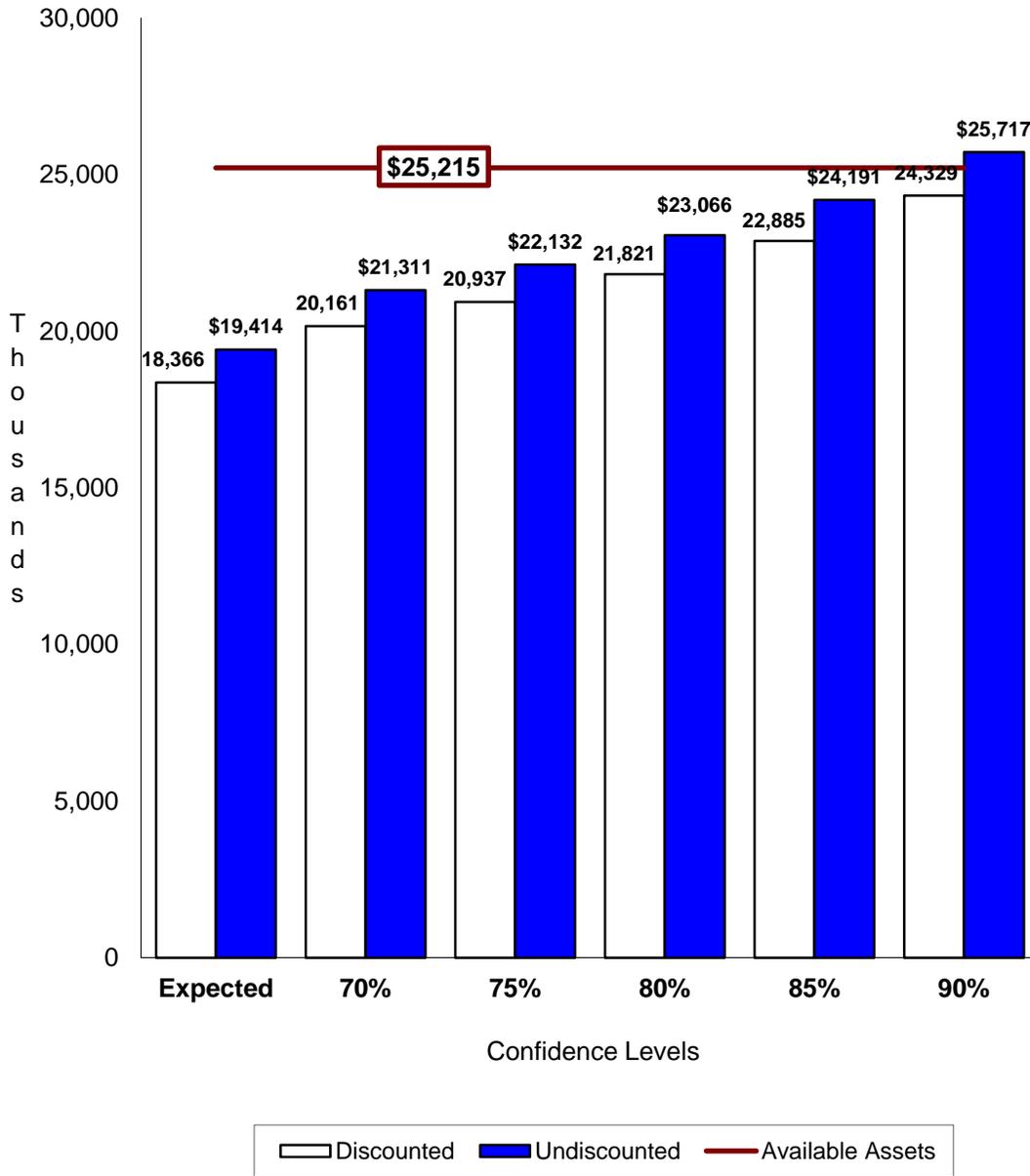
NCCSIF - Workers' Compensation
 Available Assets vs Outstanding Liability (\$000's)
 at June 30, 2020
 Banking and Shared Layers Combined
 Net of 4850 TD and 4850 SC



NCCSIF - Workers' Compensation
 Available Assets vs Outstanding Liability (\$000's)
 at June 30, 2020
 Banking Layer
 Net of 4850 TD and 4850 SC



NCCSIF - Workers' Compensation
 Available Assets vs Outstanding Liability (\$000's)
 at June 30, 2020
 Shared Layer
 Net of 4850 TD and 4850 SC



The table below displays a breakdown of the program's outstanding loss and LAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2020, before recognition of investment income.

Northern California Cities Self Insurance Fund
 Self-Insured Workers' Compensation Program
 Estimated Liability for Unpaid Loss and LAE at June 30, 2020
 Banking and Shared Layers Combined
 Net of 4850 TD and 4850 SC

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$880,255	\$42,093	\$922,348
1999-00	236,718	13,407	250,125
2000-01	448,959	24,944	473,903
2001-02	126,214	31,037	157,251
2002-03	270,416	72,466	342,882
2003-04	223,859	60,514	284,373
2004-05	281,647	63,265	344,912
2005-06	454,845	76,467	531,312
2006-07	739,337	130,986	870,323
2007-08	370,835	99,674	470,509
2008-09	480,510	128,259	608,769
2009-10	639,764	160,524	800,288
2010-11	410,243	141,877	552,120
2011-12	906,777	216,593	1,123,370
2012-13	1,007,039	110,129	1,117,168
2013-14	1,451,873	252,431	1,704,304
2014-15	2,378,467	294,207	2,672,674
2015-16	1,443,467	820,340	2,263,807
2016-17	2,490,486	758,944	3,249,430
2017-18	2,306,611	1,480,795	3,787,406
2018-19	3,749,492	2,214,773	5,964,265
2019-20	1,760,754	5,259,689	7,020,443
Loss and ALAE	\$23,058,568	\$12,453,414	\$35,511,982
ULAE		1,913,785	1,913,785
Total	\$23,058,568	\$14,367,199	\$37,425,767

B. PROGRAM FUNDING: GOALS AND OBJECTIVES

As self-insurance programs have proliferated among public entities, it has become apparent that there is a large measure of inconsistency in the way in which these programs recognize and account for their claims costs. This is the result of the fact that there have been several different sources of guidance available, none of which has been completely relevant to public entity self-insurance programs.

According to the Governmental Accounting Standards Board (GASB), the most relevant source of guidance on the subject is Financial Accounting Standards Board Statement #60. A liability for unpaid claim costs, including all loss adjustment expenses, should be accrued at the time the self-insured events occur. This liability should include an allowance for incurred but not reported claims. It may be discounted for investment income at an appropriate rate of return, provided the discounting is disclosed. The regulations detailing the way in which this must be done are outlined in GASB's statements #10 and #30. These regulations are required to be applied by NCCSIF.

GASB #10 and #30 do not address asset requirements. They do, however, allow a range of amounts to be recognized for accounting purposes; specifically, GASB #10 and #30 allow recognition of a risk margin for unexpectedly adverse loss experience. Thus, for accounting purposes, it is possible to formulate a funding policy from a range of alternatives. The uncertainty in any estimate of the program's liability for outstanding claims should be taken into consideration in determining funding policy, but it may be offset by recognizing anticipated investment income earnings. This usually means developing a funding program based on discounted claims costs with some risk margin for unexpected adverse loss experience.

The amount of the risk margin should be a question of long-term funding policy. We recommend that the risk margin be determined by thinking in terms of the probability that a given level of assets will prove to be adequate. For example, a reasonable goal might be to maintain assets at the 85% confidence level.

A key factor to consider in determining funding policy is the degree to which stability is required in the level of contributions to the program from year to year. If you elect to maintain assets at a low confidence level, the chances are much greater that future events will prove that additional contributions should have been made for old claims. The additional contributions for old claims may be required at the same time that costs are increasing dramatically on new claims. The burden of funding for increases on past years as well as on current years, may well be prohibitive.

We generally recommend maintaining program assets at the 80% confidence level, after recognition of investment income, with a recommended range of the 75% to 85% confidence levels. We tend to think of the 70% confidence level as marginally acceptable and of the 90% confidence level as conservative. We recommend the 75% to 85% confidence level range because the probabilities are reasonably high that resulting assets will be sufficient to meet claim liabilities, yet the required risk margins are not so large that they will cause most self-insured entities to experience undue financial hardship. In addition, within this range, anticipated investment income generally offsets the required risk margin for the most part, which means that assets are likely sufficient on an undiscounted basis.

We also strongly believe, however, that the confidence level to which any future year is funded should be evaluated in light of the relative certainty of the assumptions underlying the actuarial analysis, NCCSIF's other budgetary constraints, and the relative level of risk it is believed appropriate to assume. This means formulating both short and long-term funding goals, which may be the same in some years, but different in others.

In general, we recommend funding each year's claims costs in that year. When surpluses or deficits have developed on outstanding liabilities and funding adjustments are necessary, they should be clearly identified as such so that the habit of funding each year's claims costs that year is maintained. We also recommend that you reduce a surplus more slowly than you would accumulate funding to reduce a deficit.

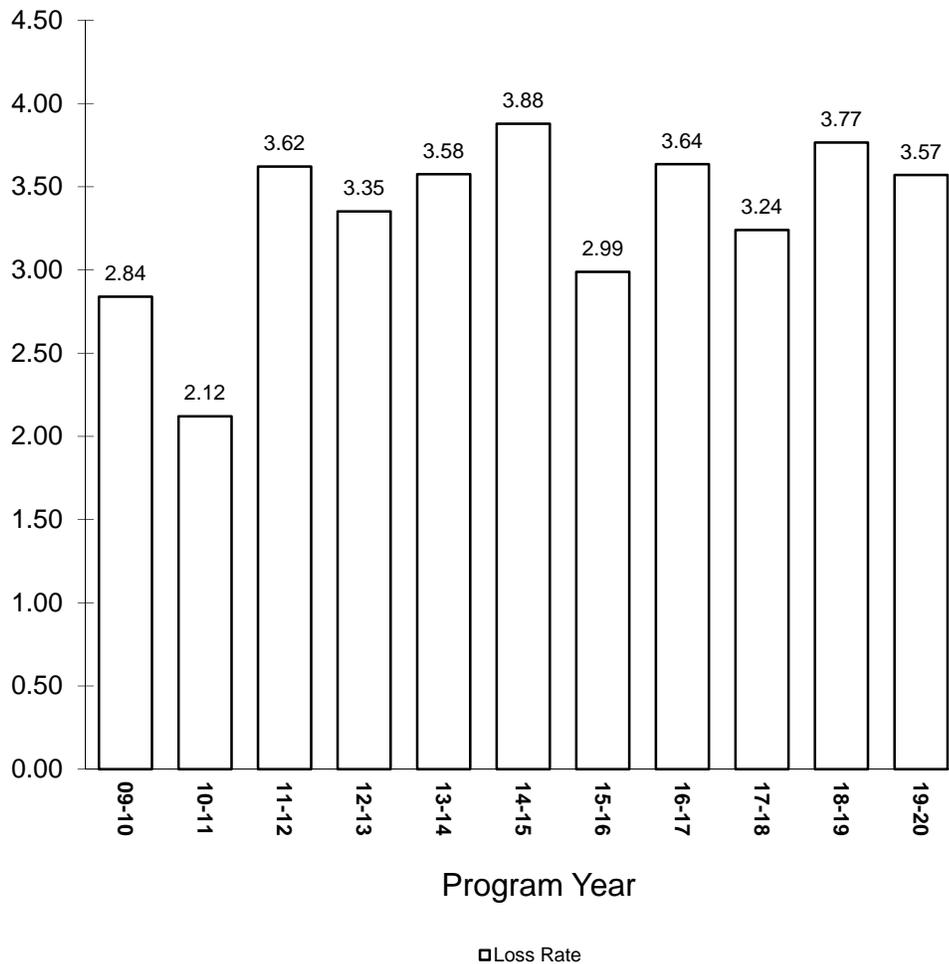
It is estimated that program assets will be \$51,065,000 at June 30, 2020, \$25,850,000 for the banking layer and \$25,215,000 for the shared layer, resulting in the program being funded above the 90% confidence level on a combined basis and for both the banking layer and shared layer separately

C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM

The program's loss rate per \$100 of payroll has been relatively flat during the last eight years, averaging \$3.51 per \$100 of payroll. We selected a loss rate of \$3.57 per \$100 of payroll for the 2019-20 program year based on the assumption that this trend will continue. See Graph 2a below.

Graph 2a

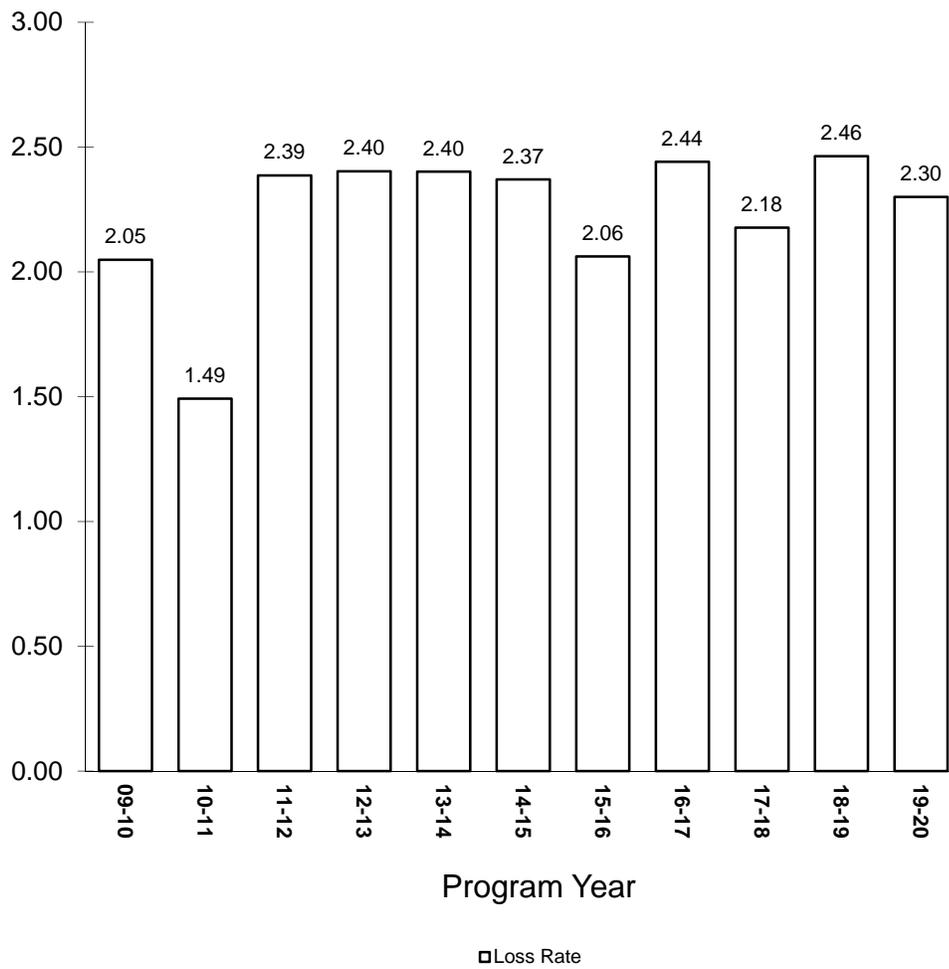
NCCSIF - Workers' Compensation
Banking and Shared Layers Combined
Dollars of Loss per
\$100 of Payroll
Net of 4850 TD and 4850 SC



The banking layer loss rate per \$100 of payroll has been relatively flat during the last eight years. Our projected 2019-20 loss rate of \$2.30 per \$100 of payroll reflects this trend. See Graph 2b below.

Graph 2b

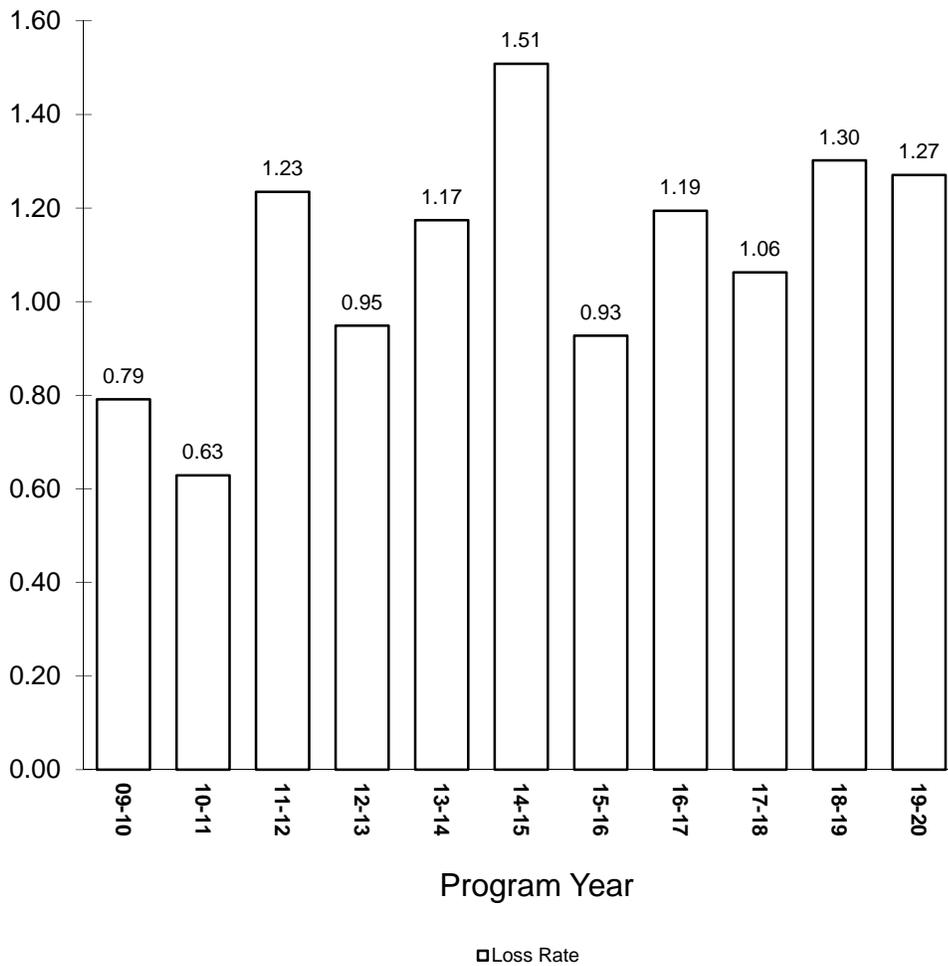
NCCSIF - Workers' Compensation
Banking Layer
Dollars of Loss per
\$100 of Payroll
Net of 4850 TD and 4850 SC



The shared layer loss rate has varied a great deal over the last ten years, typical for excess layers losses. Overall rates appear to follow an increasing trend in the most recent nine years. We projected 2019-20 loss rate of \$1.27 based on this trend. See Graph 2c below.

Graph 2c

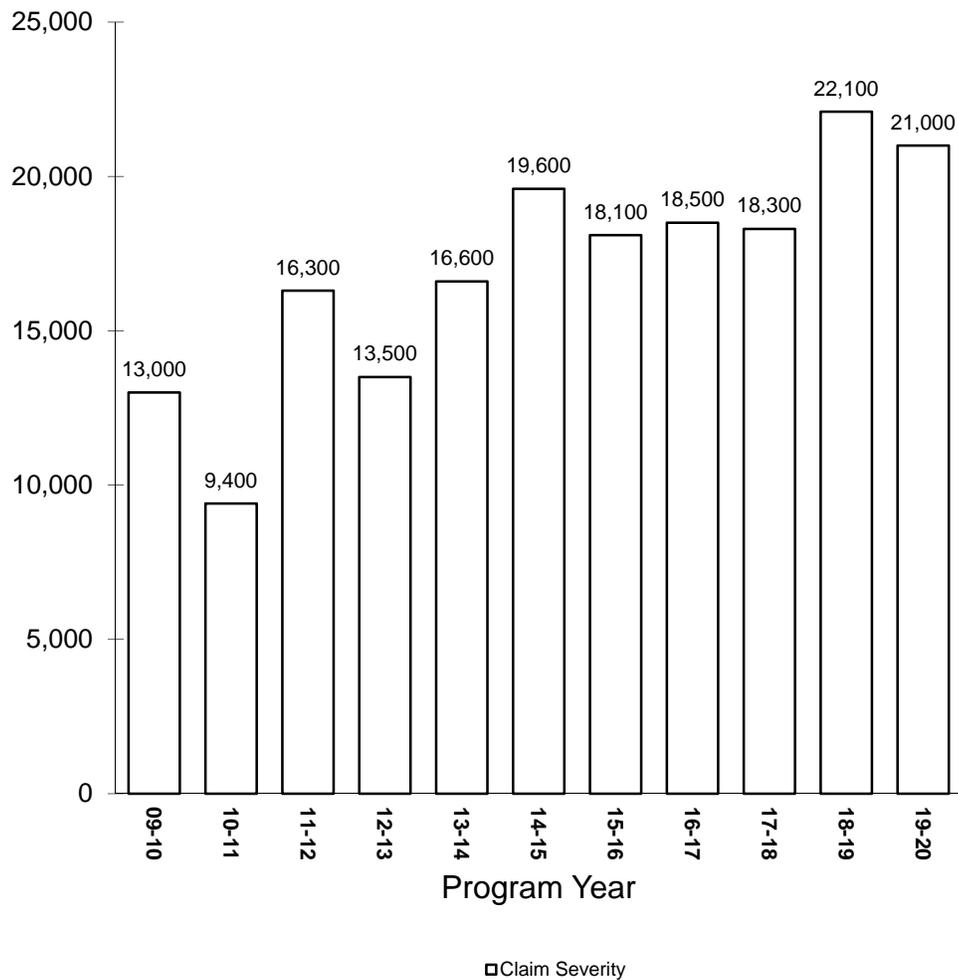
NCCSIF - Workers' Compensation
Shared Layer
Dollars of Loss per
\$100 of Payroll
Net of 4850 TD and 4850 SC



The program's average cost per claim has been following a generally increasing trend over the past ten years. The program's average cost per claim has ranged from a low of \$9,400 to a high of \$22,100. Our projected 2019-20 average cost of \$21,000 per claim reflects this upward trend. See Graph 3a below.

Graph 3a

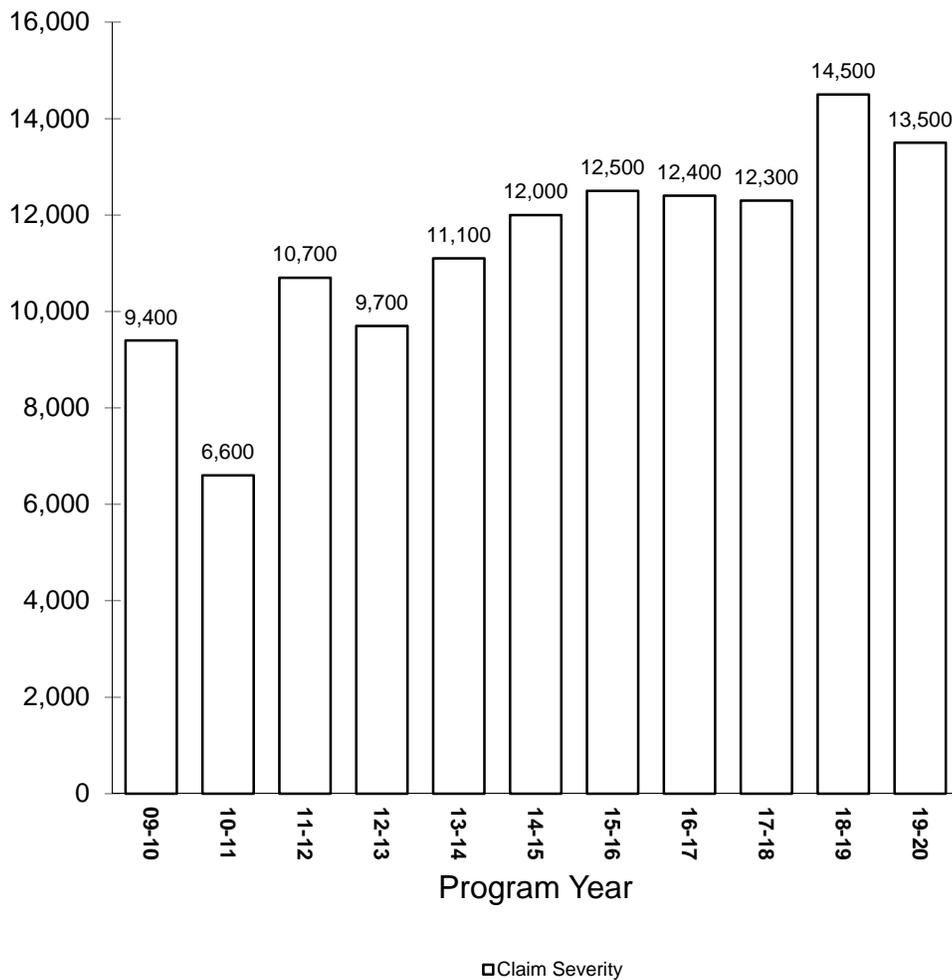
NCCSIF - Workers' Compensation
Banking and Shared Layers Combined
Dollars of Loss per Claim
Net of 4850 TD and 4850 SC



The banking layer's average cost per claim been following a generally increasing trend over the past ten years. The program's average cost per claim has ranged from a low of \$6,600 to a high of \$14,500. Our projected 2019-20 average cost of \$13,500 per claim reflects this upward trend. See Graph 3b below.

Graph 3b

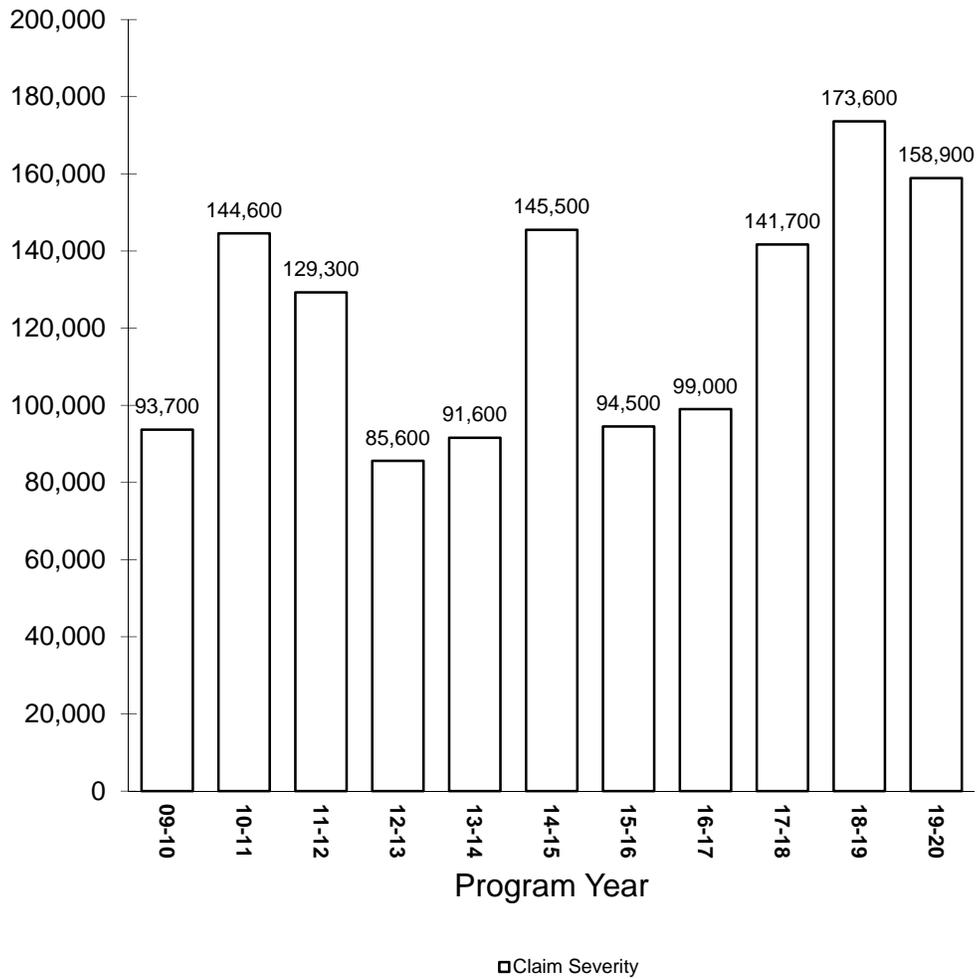
NCCSIF - Workers' Compensation
Banking Layer
Dollars of Loss per Claim
Net of 4850 TD and 4850 SC



The shared layer average cost per claim has been volatile over the period shown below but has been generally increasing during the past ten years. We project the 2019-20 shared layer severity to be \$158,900 per claim. See Graph 3c Below.

Graph 3c

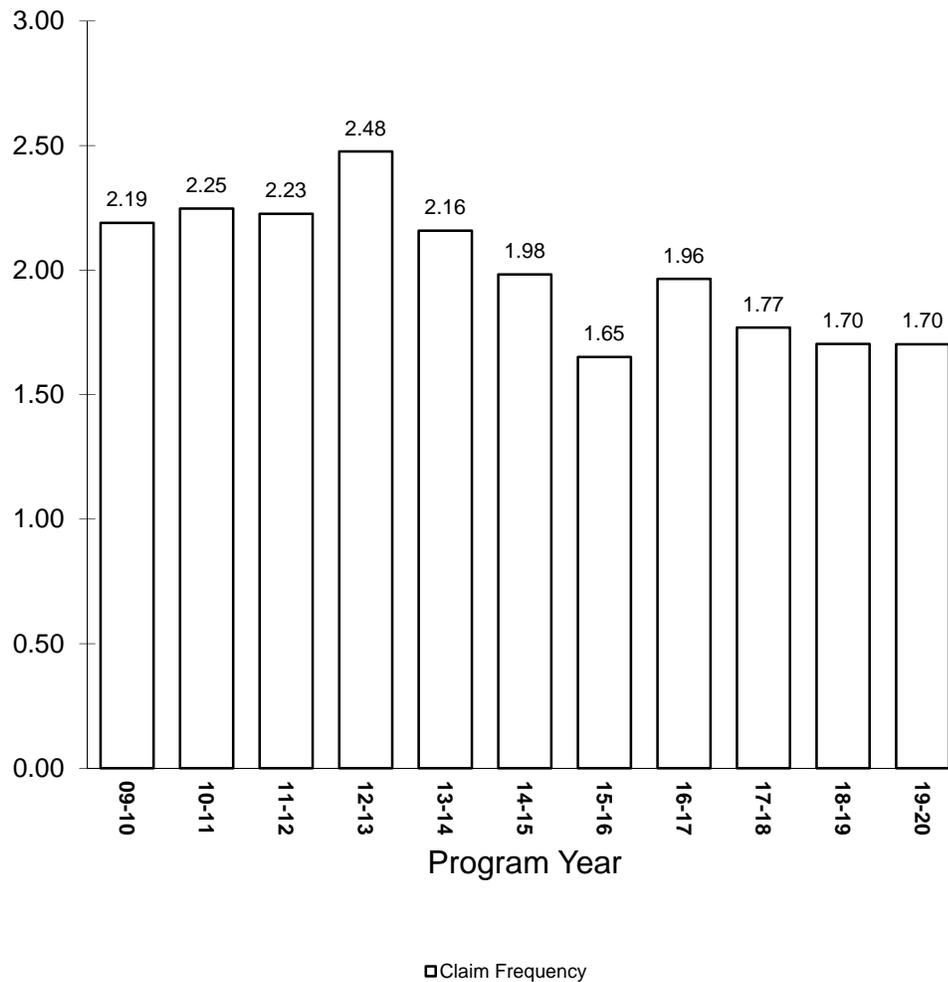
NCCSIF - Workers' Compensation
Shared Layer
Dollars of Loss per Claim
Net of 4850 TD and 4850 SC



The program's frequency of claims per \$1 million payroll has been generally trending downward. The projected 2019-20 frequency of 1.70 is based on that decreasing trend. See Graph 4a below. (Note that banking layer frequency is the same as shown below for the program.)

Graph 4a

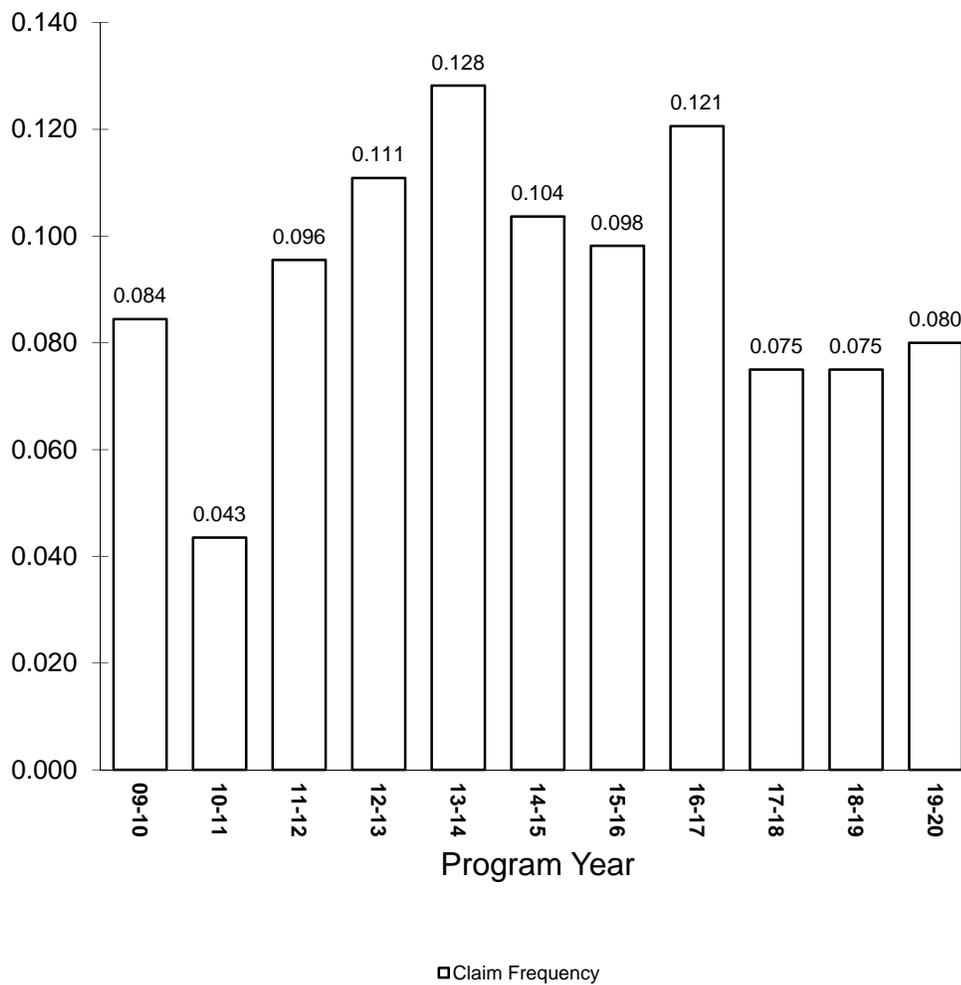
NCCSIF - Workers' Compensation
Number of Claims per
\$1 Million of Payroll



The shared layer frequency of claims per \$1 million payroll has been quite volatile, following no discernable pattern. Such volatility is not unexpected since the program receives very few claims per year. Thus even one additional claim can have a significant impact. We project the 2019-20 shared layer frequency to be 0.080 claims per \$1 million payroll. See Graph 4b below.

Graph 4b

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



D. COMPARISON WITH PREVIOUS RESULTS

The prior report for Northern California Cities Self Insurance Fund was dated March 1, 2019. In the table below we display actual versus expected development of incurred losses and ALAE by accident year between the December 31, 2018 evaluation date of the prior report and the December 31, 2019 evaluation date of the current report.

Actual Versus Expected Incurred Loss and ALAE Development

Net of 4850 TD and 4850 SC

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Prior	\$45,000	\$200,000	\$155,000
1999-00	14,000	64,000	50,000
2000-01	14,000	207,000	193,000
2001-02	12,000	(7,000)	(19,000)
2002-03	19,000	(7,000)	(26,000)
2003-04	13,000	113,000	100,000
2004-05	11,000	39,000	28,000
2005-06	11,000	52,000	41,000
2006-07	16,000	349,000	333,000
2007-08	15,000	66,000	51,000
2008-09	20,000	(38,000)	(58,000)
2009-10	43,000	226,000	183,000
2010-11	36,000	12,000	(24,000)
2011-12	62,000	(55,000)	(117,000)
2012-13	53,000	353,000	300,000
2013-14	63,000	226,000	163,000
2014-15	88,000	661,000	573,000
2015-16	209,000	(91,000)	(300,000)
2016-17	511,000	1,309,000	798,000
2017-18	1,174,000	1,128,000	(46,000)
2018-19	3,160,000	4,391,000	1,231,000
Total	\$5,589,000	\$9,198,000	\$3,609,000

As shown, actual incurred development was greater than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that incurred losses would increase by \$5,589,000 between the two evaluation dates. However, actual development was approximately \$9,198,000; or about \$3,609,000 more than expected. Most accident years have developed greater than expected, however, 2011-12 and 2015-16 are emerging much less than expected.

In the table below we display actual versus expected development of paid losses and ALAE by accident year between the December 31, 2018 evaluation date of the prior report and the December 31, 2019 evaluation date of the current report.

Actual Versus Expected Paid Loss and ALAE Development

Net of 4850 TD and 4850 SC

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
Prior	\$127,000	\$189,000	\$62,000
1999-00	33,000	13,000	(20,000)
2000-01	43,000	23,000	(20,000)
2001-02	25,000	38,000	13,000
2002-03	44,000	55,000	11,000
2003-04	22,000	53,000	31,000
2004-05	34,000	90,000	56,000
2005-06	49,000	44,000	(5,000)
2006-07	70,000	202,000	132,000
2007-08	55,000	86,000	31,000
2008-09	110,000	109,000	(1,000)
2009-10	149,000	198,000	49,000
2010-11	117,000	27,000	(90,000)
2011-12	269,000	276,000	7,000
2012-13	178,000	134,000	(44,000)
2013-14	309,000	232,000	(77,000)
2014-15	583,000	380,000	(203,000)
2015-16	723,000	403,000	(320,000)
2016-17	1,335,000	1,000,000	(335,000)
2017-18	1,425,000	866,000	(559,000)
2018-19	1,864,000	1,292,000	(572,000)
Total	\$7,564,000	\$5,710,000	(\$1,854,000)

As shown, actual paid development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that paid losses would increase by \$7,564,000 between the two evaluation dates. However, actual development was approximately \$5,710,000; or about \$1,854,000 less than expected.

In the table below we display the change in our estimates of the program's ultimate losses and ALAE by accident year since our prior report.

Change in Ultimate Loss and ALAE

Net of 4850 TD and 4850 SC

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	\$42,215,000	\$42,411,000	\$196,000
1999-00	5,037,000	5,087,000	50,000
2000-01	5,090,000	5,283,000	193,000
2001-02	3,961,000	3,942,000	(19,000)
2002-03	6,892,000	6,866,000	(26,000)
2003-04	4,136,000	4,237,000	101,000
2004-05	3,749,000	3,777,000	28,000
2005-06	4,202,000	4,244,000	42,000
2006-07	5,682,000	6,019,000	337,000
2007-08	3,742,000	3,792,000	50,000
2008-09	4,380,000	4,323,000	(57,000)
2009-10	4,571,000	4,759,000	188,000
2010-11	3,500,000	3,454,000	(46,000)
2011-12	5,878,000	5,760,000	(118,000)
2012-13	4,989,000	5,211,000	222,000
2013-14	6,310,000	6,512,000	202,000
2014-15	7,069,000	7,609,000	540,000
2015-16	6,448,000	6,211,000	(237,000)
2016-17	7,209,000	7,717,000	508,000
2017-18	6,959,000	6,958,000	(1,000)
2018-19	7,590,000	8,422,000	832,000
Total	\$149,609,000	\$152,594,000	\$2,985,000

As shown, overall we have increased our estimated ultimates by \$2,985,000 since our prior report. These changes track well with actual versus expected incurred and paid development mentioned above.

At the time of the prior report, we estimated the liability for outstanding claims as of June 30, 2019 to be \$30,804,000 at the discounted, expected level. Our current estimate as of June 30, 2020, is \$35,405,000, an increase in our assessment of NCCSIF's outstanding liabilities, as shown below:

Outstanding Claim Liabilities for Loss and LAE
Banking and Shared Layers Combined
Net of 4850 TD and 4850 SC

	Prior Report at June 30, 2019	Current Report at June 30, 2020	Change
(A) Case Reserves:	\$18,920,000	\$23,059,000	\$4,139,000
(B) IBNR Reserves:	11,833,000	12,453,000	620,000
(C) Claims Administration Reserves:	1,809,000	1,914,000	105,000
(D) Total Reserves:	\$32,562,000	\$37,426,000	\$4,864,000
(E) Offset for Investment Income:	(1,758,000)	(2,021,000)	(263,000)
(F) Total Outstanding Claim Liabilities:	\$30,804,000	\$35,405,000	\$4,601,000

As shown, our estimate of outstanding claims liabilities at the discounted, expected level has increased between June 30, 2019 and June 30, 2020 as reflected in our prior and current reports respectively.

At the time of the prior report, available assets were estimated to be \$46,258,000 as of June 30, 2019, which corresponded to the then-estimated discounted liability for outstanding claims above the 90% confidence level. Available assets are currently estimated to be \$51,065,000 as of June 30, 2020, which corresponds to the currently estimated liability for outstanding claims above the 90% confidence level. It can be summarized as follows:

Funding Margin
Banking and Shared Layers Combined
Net of 4850 TD and 4850 SC

	Prior Report at June 30, 2019	Current Report at June 30, 2020	Change
(A) Outstanding Liability at the Discounted Expected Level:	\$30,804,000	\$35,405,000	\$4,601,000
(B) Estimated Assets At June 30:	46,258,000	51,065,000	4,807,000
(C) Surplus/(Deficit):	\$15,454,000	\$15,660,000	\$206,000

At the time of the prior report, our funding estimate for the 2019-20 year was \$8,426,000 at the discounted, expected level. That amount included allocated loss adjustment expenses (ALAE), unallocated loss adjustment expenses (ULAE), and a discount for anticipated investment income. Our current estimate for the 2020-21 year is \$9,381,000 at the discounted, expected level, an increase in the program's expected loss costs, as shown in the table below:

Comparison of Funding for Loss and LAE
Banking and Shared Layers Combined
Net of 4850 TD and 4850 SC

	Prior Report 2019-20 Pool Limit = \$500,000	Current Report 2020-21 Pool Limit = \$500,000	Change
(A) Ultimate Loss and ALAE:	\$8,026,000	\$8,980,000	\$954,000
(B) Ultimate Claims Administration (ULAE):	749,000	790,000	41,000
(C) Total Claim Costs:	\$8,775,000	\$9,770,000	\$995,000
(D) Offset for Investment Income:	(349,000)	(389,000)	(40,000)
(E) Total Recommended Funding:	\$8,426,000	\$9,381,000	\$955,000
(F) Funding per \$100 of Payroll:	\$3.64	\$3.79	\$0.15

As you can see, our funding recommendations at the discounted, expected level have increased between 2019-20 and 2020-21, as shown in our prior and current reports respectively. This increase is due to greater than expected claims experience coupled with an increase in payroll.

E. DATA PROVIDED FOR THE ANALYSIS

Overall, the data utilized in preparing this report appears to be accurate.

Comments and issues regarding the data are as follows:

- We have assumed that the program's self-insured retention will remain at \$500,000 per occurrence for 2019-20 and 2020-21 (See Appendix K).
- We estimated the June 30, 2020 asset balance by beginning with the June 30, 2019 asset balance, and adjusting for anticipated revenue and expense for 2019-20 (see Appendix L).
- We received loss data evaluated as of December 31, 2019 (See Appendix M). We also utilized the data from NCCSIF's most recent actuarial study for our assessment of loss development.
- We have assumed that NCCSIF's payroll for 2020-21 will be \$247,736,166 based upon information provided by NCCSIF (See Appendix N).
- Please note that the estimates contained in this report do not include costs for 4850 TD (Temporary Disability) and 4850 SC (salary continuation). The loss run provided separated losses into various layers, including Banking and Shared. However, additional fields were developed which removed voucher amounts which are not paid from the insurance fund. These vouchers are the responsibility of the individual member.

The data provided for the analysis appears to be reasonable for use in this actuarial valuation of liabilities and projection of loss costs.

III. ASSUMPTIONS AND LIMITATIONS

Any quantitative analysis is developed within a very specific framework of assumptions about conditions in the outside world, and actuarial analysis is no exception. We believe that it is important to review the assumptions we have made in developing the estimates presented in this report. By doing so, we hope you will gain additional perspective on the nature of the uncertainties involved in maintaining a self-insurance program. Our assumptions, and some observations about them, are as follows:

- Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by NCCSIF. We have accepted all of this information without audit.
- We have also made use of loss statistics that have been developed from the information gathered and compiled from other California counties participating in the CSAC Excess Insurance Authority's workers' compensation program.
- We have assumed that the future development of incurred and paid losses can be reasonably predicted on the basis of development of such losses in the recent past. We have also assumed that the historical development patterns for the participants of the CSAC Excess Insurance Authority's workers' compensation program in the aggregate form a reasonable basis of comparison to the patterns from Northern California Cities Self Insurance Fund's data.
- We have made use of cost relationships for claims of various sizes derived from the most recent actuarial review of the CSAC Excess Insurance Authority's workers' compensation program.
- We have assumed that there is a continuing relationship between past and future loss costs.
- It is not possible to predict future claim costs precisely. Most of the costs of workers' compensation claims arise from a small number of incidents involving serious injury. A relatively small number of such claims could generate enough loss dollars to significantly reduce, or even deplete, the self-insurance fund.
- We cannot predict and have not attempted to predict the impact of future law changes and court rulings on claims costs. This is one major reason why we believe our funding recommendations are reasonable now, but should not be extrapolated into the future.
- The changes in cost levels associated with benefit increases and administrative changes typically take place over a period of several years following their enactment, and these changes are very difficult to forecast in advance. We have based our benefit level factors on those produced by the Workers' Compensation Insurance Rating Bureau of California (WCIRB). See Appendix E for a display of the benefit level cost indices by fiscal year.

- We have assumed that the loss rate trend associated with claim costs increases at 1.5% per year. We have assumed that claim severity increases at 1.5% per year, and that claim frequency will remain flat.
- We have assumed that payroll and other inflation-sensitive exposure measures increase 2.5% annually due to inflation.
- We have assumed that assets held for investment will generate an average annual return of 1.5% over the duration of payment of the loss liabilities. It should be noted that actual future investment returns may vary significantly from this assumption, depending upon the prevailing investment market conditions.
- The claims costs we have estimated include indemnity and medical payments, and all loss adjustment expenses. We have not included estimates for excess insurance contributions to the CSAC-EIA and other expenses associated with the program based upon information provided by NCCSIF.
- Our funding recommendations do not include provisions for catastrophic events not in NCCSIF's history, such as earthquakes, flooding, mass civil disorder, or mass occupational disease.
- Our estimates assume that all excess insurance is valid and collectible. Further, our funding recommendations do not include a provision for losses greater than NCCSIF's excess coverage.
- NCCSIF's assets available for the program are estimated to be \$51,065,000 as of June 30, 2020 for use in this report. This is shown in further detail in Appendix L.

IV. GLOSSARY OF ACTUARIAL TERMS

Accident Year - Year during which the accidents that generate a group of claims occurs, regardless of when the claims are reported, payments are made, or reserves are established.

Allocated Loss Adjustment Expenses (ALAE) - Expense incurred in settling claims that can be directly attributed to specific individual claims (e.g., legal fees, investigative fees, court charges, etc.)

Benefit Level Factor - Factor used to adjust historical losses to the current level of workers' compensation benefits.

Case Reserve - The amount left to be paid on a claim, as estimated by the claims administrator.

Claim Count Development Factor - A factor that is applied to the number of claims reported in a particular accident period in order to estimate the number of claims that will ultimately be reported.

Claim Frequency - Number of claims per \$1 million of payroll.

Confidence Level - An estimated probability that a given level of funding will be adequate to pay actual claims costs. For example, the 85% confidence level refers to an estimate for which there is an 85% chance that the amount will be sufficient to pay loss costs.

Discount Factor - A factor to adjust estimated loss costs to reflect anticipated investment income from assets held prior to actual claim payout.

Expected Losses - The best estimate of the full, ultimate value of loss costs.

Incurred but not Reported (IBNR) Losses - Losses for which the accident has occurred but the claim has not yet been reported. This is the ultimate value of losses, less any amount that has been set up as reported losses by the claims adjuster. It includes both amounts for claims incurred but not yet received by the administrator and loss development on already reported claims.

Loss Development Factor - A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled (see Section IV).

Loss Rate - Ultimate losses per \$100 of payroll.

Non-Claims Related Expenses – Program expenses not directly associated with claims settlement and administration, such as excess insurance, safety program expenses, and general overhead. These exclude expenses associated with loss settlements (Indemnity/Medical, BI/PD), legal expenses associated with individual claims (ALAE), and claims administration (ULAE).

Outstanding Losses - Losses that have been incurred but not paid. This is the ultimate value of losses less any amount that has been paid.

Paid Losses - Losses actually paid on all reported claims.

Program Losses - Losses, including ALAE, limited to the SIR for each occurrence.

Reported Losses - The total expected value of losses as estimated by the claims administrator. This is the sum of paid losses and case reserves.

Self-Insured Retention (SIR) - The level at which an excess insurance policy is triggered to begin payments on a claim. Financially, this is similar to an insurance deductible.

Severity - Average claim cost.

Ultimate Losses - The value of claim costs at the time when all claims have been settled. This amount must be estimated until all claims are actually settled.

Unallocated Loss Adjustment Expenses (ULAE) – Claim settlement expenses that cannot be directly attributed to individual claims (e.g., claims adjusters' salaries, taxes, etc.)

Northern California Cities Self Insurance Fund - WC

Funding Options for Program Year 2020-2021 (INCLUDING 4850 TD and 4850 SC)

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

	<u>Total</u>	<u>Banking</u>	<u>Shared</u>
(A) Estimated Ultimate Losses Incurred in Accident Year 2020-2021:	\$10,776,000	\$6,941,000	\$3,835,000
(B) Estimated Claims Administration Fees Incurred in Accident Year 2020-2021: (From Exhibit 5, Page 1, item (L))	790,000	790,000	0
(C) Total Claims Costs Incurred in Accident Year 2020-2021: ((A) + (B))	<u>\$11,566,000</u>	<u>\$7,731,000</u>	<u>\$3,835,000</u>
(D) Anticipated Investment Income: ((C) x [1 - Appendix I, Page 2, (F)])	460,000	308,000	153,000
(E) Discounted Total Claims Costs Incurred in Accident Year 2020-2021: ((C) - (D))	<u>\$11,106,000</u>	<u>\$7,423,000</u>	<u>\$3,682,000</u>
(F) Funding Rates for 2020-2021 Incurred Claims Costs	\$4.484	\$2.997	\$1.486
	<u>Total</u>	<u>Banking</u>	<u>Shared</u>
(H) Confidence Level Factor: (From Appendix J)			
60%	1.033	1.031	1.037
65%	1.066	1.055	1.089
67.5%	1.084	1.068	1.117
70%	1.102	1.081	1.145
75%	1.143	1.110	1.210
80%	1.190	1.143	1.285
85%	1.247	1.182	1.378
90%	1.323	1.234	1.503
(I) Total Required Required Funding for 2020-2021 Incurred Claims Costs ((G) * (H))			
60%	\$11,472,000	\$7,653,000	\$3,819,000
65%	11,839,000	7,831,000	4,008,000
67.5%	12,042,000	7,928,000	4,114,000
70%	12,239,000	8,024,000	4,215,000
75%	12,694,000	8,240,000	4,454,000
80%	13,216,000	8,484,000	4,732,000
85%	13,849,000	8,774,000	5,075,000
90%	14,693,000	9,160,000	5,533,000
(I) Funding Rates for 2020-2021 Incurred Claims Costs			
60%	\$4.631	\$3.090	\$1.542
65%	4.780	3.161	1.618
67.5%	4.862	3.201	1.661
70%	4.941	3.239	1.702
75%	5.125	3.327	1.798
80%	5.335	3.425	1.910
85%	5.591	3.542	2.049
90%	5.932	3.698	2.234

Rates based on 2020-2021 payroll of \$247,700,000



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020

Agenda Item J.2.b.

ACTUARIAL STUDY FOR LIABILITY PROGRAM

ACTION ITEM

ISSUE: NCCSIF's actuary annually provides a report to assist in making funding, dividend and assessment decisions. Below is a summary of this year's report that will be discussed in greater detail at the meeting.

FY 20/21 Funding

Total recommended funding for the Banking and Shared Risk Layers is \$5,269,999 at the current 80% Confidence Level (CL) and \$500,000 SIR, compared to \$4,585,000 for FY 19/20. Payroll accounts for 5% of the increase in total funding, from \$172 to \$180 million. The rate at the 80% CL is \$2.722 per \$100 of payroll, compared to \$2.551 last year, an **increase of 6.7%**. The total increase reflects an *increase of 1.2% in the Banking Layer but an 11.8% increase in the Shared Layer*, based on relatively favorable and unfavorable loss development in those layers, respectively.

Outstanding Liabilities at June 30th

The Actuary estimates the Liability Program will have total assets of approximately \$16,194,000 on June 30, 2020, compared to \$13,958,000 last year. The estimated total Outstanding Liability at June 30 is \$11,985,000 at the 90% Confidence Level (CL), compared to \$10,653,000 last year. *This results in an estimated net position of \$4,209,000 above the 90% CL, compared to a net position of \$3,305,000 last year.*

Assets for the Banking Layer are estimated at \$6,935,000 as of June 30, 2020, compared to \$5,660,000 in 2019. Banking Layer liabilities are \$3,524,000 at the 90% confidence level, compared to \$3,049,000 last year. *This means the Banking Layer net position above the 90% CL is estimated at \$3,411,000, compared to \$2,611,000 in 2019.*

Assets for the Shared Risk Layer are estimated to be \$9,259,000 at June 30, 2020, compared to \$8,298,000 in 2019. Liabilities are estimated at \$8,461,000 at the 90% CL, compared to \$7,604,000 last year. *This results in an estimated net position of \$798,000 above the 90% CL, compared to \$694,000 last year.*

RECOMMENDATION: Accept and file the report.

FISCAL IMPACT: T.B.D.; the rate increase of 6.7% is at the \$500,000 SIR level. The rate at the \$750,000 is \$3.010, an 18% increase but with a decrease in the excess funding that will be presented in a later item.

BACKGROUND: NCCSIF annually receives an actuary report to determine the estimated Outstanding Liabilities (OL) for the Liability program as of June 30 and to estimate the amount of funding required for the upcoming fiscal year. These figures are used for financial reporting purposes and to prepare the budget for member deposits. The funding CL was increased from 75% to 80% for FY 18/19.

ATTACHMENT(S): Liability Program Actuarial Study for FY 20/21 – *Summary Only*



Bickmore

Actuarial

Actuarial Review of the Self-Insured Liability Program

*Outstanding Liabilities as of June 30, 2020
Forecast for Program Years 2020-21*

Presented to
**Northern California Cities Self-Insurance
Fund**

March 17, 2020

Tuesday, March 17, 2020

Mr. Marcus Beverly
Vice President
Northern California Cities Self Insurance Fund
C/o Alliant Insurance Services, Inc.
1792 Tribute Road, Suite 450
Sacramento, CA 95815

Re: Actuarial Review of the Self-Insured Liability Program

Dear Mr. Beverly:

As you requested, we have completed our review of Northern California Cities Self Insurance Fund's self-insured liability program. Assuming a pool limit of \$500,000 per occurrence, we estimate the ultimate cost of claims and expenses for claims incurred during the 2020-21 program years to be \$3,950,000. Of this amount, \$1,806,000 is for the banking layer (\$0 – \$50,000 per occurrence) and \$2,144,000 is for the shared layer (\$50,000 – \$500,000 per occurrence). These amounts include allocated loss adjustment expenses (ALAE), unallocated loss adjustment expenses (ULAE), and a discount for anticipated investment income. ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes). The discount for investment income is calculated based on the likely payout pattern of NCCSIF's claims, assuming a 1.5% return on investments per year. For budgeting purposes, the expected cost of 2020-21 claims translates to rates of \$2.191 per \$100 payroll, \$1.002 for the banking layer and \$1.189 for the shared layer (assuming \$180,300,406 in 2019 DE-9 payroll).

In addition, we estimate the program's liability for outstanding claims to be \$8,635,000 as of June 30, 2020, again including ALAE and ULAE, and discounted for anticipated investment income. Of this amount, \$2,642,000 is for the banking layer and \$5,993,000 is for the shared layer. Given estimated program assets of \$16,194,000 as of June 30, 2020, the program is expected to be funded above the 90% confidence levels on a combined basis. The banking layer is expected to be funded above the 90% confidence level. The shared layer is expected to be funded above the 90% confidence level. (See Graphs 1a, 1b and 1c on pages 13, 14, and 15.)

The \$8,635,000 estimate is the minimum liability to be booked by NCCSIF at June 30, 2020 for Northern California Cities Self Insurance Fund's liability program, in accordance with Governmental Accounting Standards Board (GASB) Statement #10. GASB #10 requires NCCSIF to accrue a liability on its financial statements for the ultimate cost of claims and expenses associated with all reported and unreported claims, including ALAE and ULAE. GASB #10 does not prohibit the discounting of losses to recognize investment income.

Our conclusions regarding NCCSIF's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2020 are summarized in the table below.

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Estimated Liability for Unpaid Loss and LAE
Banking and Shared Layers Combined
at June 30, 2020

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$8,884,000					
ULAE*	0					
Investment Income Offset	<u>(249,000)</u>					
Discounted Loss and LAE	\$8,635,000	\$9,611,000	\$10,034,000	\$10,535,000	\$11,156,000	\$11,985,000
Assets	<u>16,194,000</u>					
Surplus or (Deficit)	\$7,559,000	\$6,583,000	\$6,160,000	\$5,659,000	\$5,038,000	\$4,209,000

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Estimated Liability for Unpaid Loss and LAE
Banking Layer
at June 30, 2020

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$2,718,000					
ULAE*	0					
Investment Income Offset	<u>(76,000)</u>					
Discounted Loss and LAE	\$2,642,000	\$2,901,000	\$3,012,000	\$3,144,000	\$3,308,000	\$3,524,000
Assets	<u>6,935,000</u>					
Surplus or (Deficit)	\$4,293,000	\$4,034,000	\$3,923,000	\$3,791,000	\$3,627,000	\$3,411,000

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Estimated Liability for Unpaid Loss and LAE
Shared Layer
at June 30, 2020

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$6,166,000					
ULAE*	0					
Investment Income Offset	(173,000)					
Discounted Loss and LAE	\$5,993,000	\$6,710,000	\$7,022,000	\$7,391,000	\$7,848,000	\$8,461,000
Assets	9,259,000					
Surplus or (Deficit)	\$3,266,000	\$2,549,000	\$2,237,000	\$1,868,000	\$1,411,000	\$798,000

* ULAE is included with Loss and ALAE

GASB #10 does not address an actual asset requirement for the program, but only speaks to the liability to be recorded on NCCSIF's financial statements. Because actuarial estimates of claims costs are subject to some uncertainty, we recommend that an amount in addition to the discounted expected loss costs be set aside as a risk margin for contingencies. Generally, the amount should be sufficient to fund assets to the 75% to 85% confidence level for primary programs. We consider funding assets to the 70% confidence level to be marginally acceptable and funding assets to the 90% confidence level to be conservative.

The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2020-21 fiscal year.

Northern California Cities Self Insurance Fund
 Self-Insured Liability Program
 Loss and LAE Funding Guidelines for 2020-21
 Banking and Shared Layers Combined
 Banking Layer: \$0 to \$50,000
 Shared Layer: \$50,000 to \$500,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$4,082,000					
ULAE	0					
Investment Income Offset	(132,000)					
Discounted Loss and LAE	\$3,950,000	\$4,598,000	\$4,906,000	\$5,269,000	\$5,724,000	\$6,328,000
Rate per \$100 of 2019 DE-9 Payroll	\$2.191	\$2.550	\$2.721	\$2.922	\$3.175	\$3.510

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
 Self-Insured Liability Program
 Loss and LAE Funding Guidelines for 2020-21
 Banking Layers
 Banking Layer: \$0 to \$50,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$1,843,000					
ULAE	0					
Investment Income Offset	(37,000)					
Discounted Loss and LAE	\$1,806,000	\$2,103,000	\$2,245,000	\$2,410,000	\$2,617,000	\$2,893,000
Rate per \$100 of 2019 DE-9 Payroll	\$1.002	\$1.166	\$1.245	\$1.337	\$1.451	\$1.605

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
 Self-Insured Liability Program
 Loss and LAE Funding Guidelines for 2020-21
 Shared Layers
 Shared Layer: \$50,000 to \$500,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$2,239,000					
ULAE	0					
Investment Income Offset	(95,000)					
Discounted Loss and LAE	\$2,144,000	\$2,495,000	\$2,661,000	\$2,859,000	\$3,107,000	\$3,435,000
Rate per \$100 of 2019 DE-9 Payroll	\$1.189	\$1.384	\$1.476	\$1.586	\$1.723	\$1.905

* ULAE is included with Loss and ALAE

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2020. They are for losses and loss adjustment expenses only, and do not include a provision for loss control, overhead, excess insurance premiums, and other expenses associated with the program.

The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2020-21 fiscal year, assuming a \$750,000 pool limit.

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2020-21
Banking and Shared Layers Combined
Banking Layer: \$0 to \$50,000
Shared Layer: \$50,000 to \$750,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$4,514,000					
ULAE	0					
Investment Income Offset	(146,000)					
Discounted Loss and LAE	\$4,368,000	\$5,084,000	\$5,425,000	\$5,827,000	\$6,329,000	\$6,998,000
Rate per \$100 of 2019 DE-9 Payroll	\$2.423	\$2.820	\$3.009	\$3.232	\$3.510	\$3.881

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2020-21
Banking Layers
Banking Layer: \$0 to \$50,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$1,843,000					
ULAE	0					
Investment Income Offset	(37,000)					
Discounted Loss and LAE	\$1,806,000	\$2,103,000	\$2,245,000	\$2,410,000	\$2,617,000	\$2,893,000
Rate per \$100 of 2019 DE-9 Payroll	\$1.002	\$1.166	\$1.245	\$1.337	\$1.451	\$1.605

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
 Self-Insured Liability Program
 Loss and LAE Funding Guidelines for 2020-21
 Shared Layers

Shared Layer: \$50,000 to \$750,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$2,671,000					
ULAE	0					
Investment Income Offset	(109,000)					
Discounted Loss and LAE	\$2,562,000	\$2,981,000	\$3,180,000	\$3,417,000	\$3,712,000	\$4,105,000
Rate per \$100 of 2019 DE-9 Payroll	\$1.421	\$1.653	\$1.764	\$1.895	\$2.059	\$2.277

* ULAE is included with Loss and ALAE

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2020. They are for losses and loss adjustment expenses only, and do not include a provision for loss control, overhead, excess insurance premiums, and other expenses associated with the program.

The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2020-21 fiscal year, assuming a \$1,000,000 pool limit.

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2020-21
Banking and Shared Layers Combined
Banking Layer: \$0 to \$50,000
Shared Layer: \$50,000 to \$1,000,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$4,792,000					
ULAE	0					
Investment Income Offset	(155,000)					
Discounted Loss and LAE	\$4,637,000	\$5,397,000	\$5,759,000	\$6,186,000	\$6,719,000	\$7,428,000
Rate per \$100 of 2019 DE-9 Payroll	\$2.572	\$2.993	\$3.194	\$3.431	\$3.727	\$4.120

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2020-21
Banking Layers
Banking Layer: \$0 to \$50,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$1,843,000					
ULAE	0					
Investment Income Offset	(37,000)					
Discounted Loss and LAE	\$1,806,000	\$2,103,000	\$2,245,000	\$2,410,000	\$2,617,000	\$2,893,000
Rate per \$100 of 2019 DE-9 Payroll	\$1.002	\$1.166	\$1.245	\$1.337	\$1.451	\$1.605

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
 Self-Insured Liability Program
 Loss and LAE Funding Guidelines for 2020-21
 Shared Layers
Shared Layer: \$50,000 to \$1,000,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$2,949,000					
ULAE	0					
Investment Income Offset	(118,000)					
Discounted Loss and LAE	\$2,831,000	\$3,294,000	\$3,514,000	\$3,776,000	\$4,102,000	\$4,535,000
Rate per \$100 of 2019 DE-9 Payroll	\$1.570	\$1.827	\$1.949	\$2.094	\$2.275	\$2.515

* ULAE is included with Loss and ALAE

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2020. They are for losses and loss adjustment expenses only, and do not include a provision for loss control, overhead, excess insurance premiums, and other expenses associated with the program.

The table below shows our funding recommendations for Northern California Cities Self Insurance Fund for the 2020-21 fiscal year, assuming a \$1,250,000 pool limit.

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2020-21
Banking and Shared Layers Combined
Banking Layer: \$0 to \$50,000
Shared Layer: \$50,000 to \$1,250,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$4,954,000					
ULAE	0					
Investment Income Offset	(161,000)					
Discounted Loss and LAE	\$4,793,000	\$5,579,000	\$5,953,000	\$6,394,000	\$6,945,000	\$7,678,000
Rate per \$100 of 2019 DE-9 Payroll	\$2.658	\$3.094	\$3.302	\$3.546	\$3.852	\$4.258

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2020-21
Banking Layers
Banking Layer: \$0 to \$50,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$1,843,000					
ULAE	0					
Investment Income Offset	(37,000)					
Discounted Loss and LAE	\$1,806,000	\$2,103,000	\$2,245,000	\$2,410,000	\$2,617,000	\$2,893,000
Rate per \$100 of 2019 DE-9 Payroll	\$1.002	\$1.166	\$1.245	\$1.337	\$1.451	\$1.605

* ULAE is included with Loss and ALAE

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Loss and LAE Funding Guidelines for 2020-21
Shared Layers
Shared Layer: \$50,000 to \$1,250,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$3,111,000					
ULAE	0					
Investment Income Offset	(124,000)					
Discounted Loss and LAE	\$2,987,000	\$3,476,000	\$3,708,000	\$3,984,000	\$4,328,000	\$4,785,000
Rate per \$100 of 2019 DE-9 Payroll	\$1.657	\$1.928	\$2.057	\$2.210	\$2.400	\$2.654

* ULAE is included with Loss and ALAE

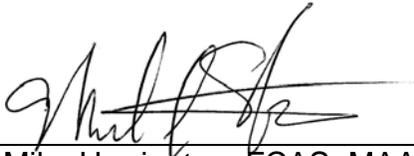
The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2020. They are for losses and loss adjustment expenses only, and do not include a provision for loss control, overhead, excess insurance premiums, and other expenses associated with the program.

The report that follows outlines the scope of our study, its background, and our conclusions, recommendations, and assumptions. Judgments regarding the appropriateness of our conclusions and recommendations should be made only after studying the report in its entirety, including the graphs, attachments, exhibits and appendices. Our report has been developed for NCCSIF's internal use. It is not intended for general circulation.

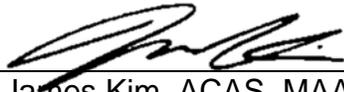
We appreciate the opportunity to be of service to Northern California Cities Self Insurance Fund in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162, James Kim at (916) 290-4644 or Eric Small at (916) 244-1165 with any questions you may have concerning this report.

Sincerely,

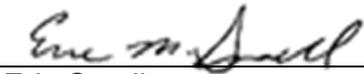
Bickmore Actuarial



Mike Harrington, FCAS, MAAA
President and Principal, Bickmore Actuarial
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James Kim, ACAS, MAAA
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Eric Small
Consulting Actuary, Bickmore Actuarial

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I. BACKGROUND

Northern California Cities Self Insurance Fund began its self-insured liability program on July 1, 1981. The program began with eight members and now includes nineteen Northern California municipalities delineated below.

ANDERSON	FOLSOM	LINCOLN	RIO VISTA
AUBURN	GALT	MARYSVILLE	ROCKLIN
COLUSA	GRIDLEY	OROVILLE	WILLOWS
CORNING	IONE	PARADISE	YUBA CITY
DIXON	JACKSON	RED BLUFF	

Its current self-insured retention is \$500,000, and excess coverage is provided by CJPRMA. Claims administration services are provided by Sedgwick. Additional background on the program is shown in Appendix K.

As of June 30, 2020, NCCSIF is expected to have assets of \$16,194,000 for the program. Additional background on program funding is given in Appendix L.

Although NCCSIF carries a self-insured retention of \$500,000, the program is actually split into two parts, a banking layer and a shared layer. Each member is directly responsible for its actual losses in the banking layer. The shared layer losses are pooled among members.

For program years 2006-07 and prior, the banking layer applies to the first \$25,000 of each loss (\$100,000 for the City of Folsom). The shared layer applies to the portion of each loss between \$25,000 and \$500,000.

Starting with the 2007-08 program year, the banking layer applies to the first \$50,000 of each loss (\$100,000 for the City of Folsom). The shared layer applies to the portion of each loss between \$50,000 and \$1,000,000. Effective 7/1/2013, NCCSIF decreased the shared layer retention to \$500,000. The table below shows the confidence levels to which each layer was funded by year.

Accident Year	Shared Layer	Banking Layer
1996-97	70%	70%
1997-01	80%	70%
2001-02	80%	Expected
2002-03	60%	70%
2003-04	70%	70%
2004-05	70%	Expected
2005-06	70%	70%
2006-07	70%	70%
2007-08	70%	70%
2008-09	60%	60%
2009-10	60%	60%
2010-11	60%	60%
2011-12	60%	60%
2012-13	60%	60%
2013-14	60%	60%
2014-15	65%	65%
2015-16	67.5%	67.5%
2016-17	70%	70%
2017-18	75%	75%
2018-19	80%	80%
2019-20	80%	80%
2020-21	80%	80%

The City of Lone joined NCCSIF on 7/1/2010 and carried a banking layer of \$25,000. Effective 7/1/2013, the City increased the banking layer retention to \$50,000.

The purpose of this review is to provide a guide to NCCSIF to determine reasonable funding levels for its self-insurance program according to the funding policy NCCSIF has adopted and to comply with Governmental Accounting Standards Board Statements #10 and #30. The specific objectives of the study are to estimate NCCSIF's liability for outstanding claims as of June 30, 2020, project ultimate loss costs for 2020-21, and provide funding guidelines to meet these liabilities and future costs.

II. CONCLUSIONS AND RECOMMENDATIONS

A. LIABILITY FOR OUTSTANDING CLAIMS

Graphs 1a, 1b and 1c on the following pages summarize our assessment of NCCSIF's funding position as of June 30, 2020. The dark-colored bars indicate our estimates of the program's liability for outstanding claims before recognition of the investment income that can be earned on the assets held before the claim payments come due. The horizontal line across each graph indicates NCCSIF's available assets at June 30, 2020.

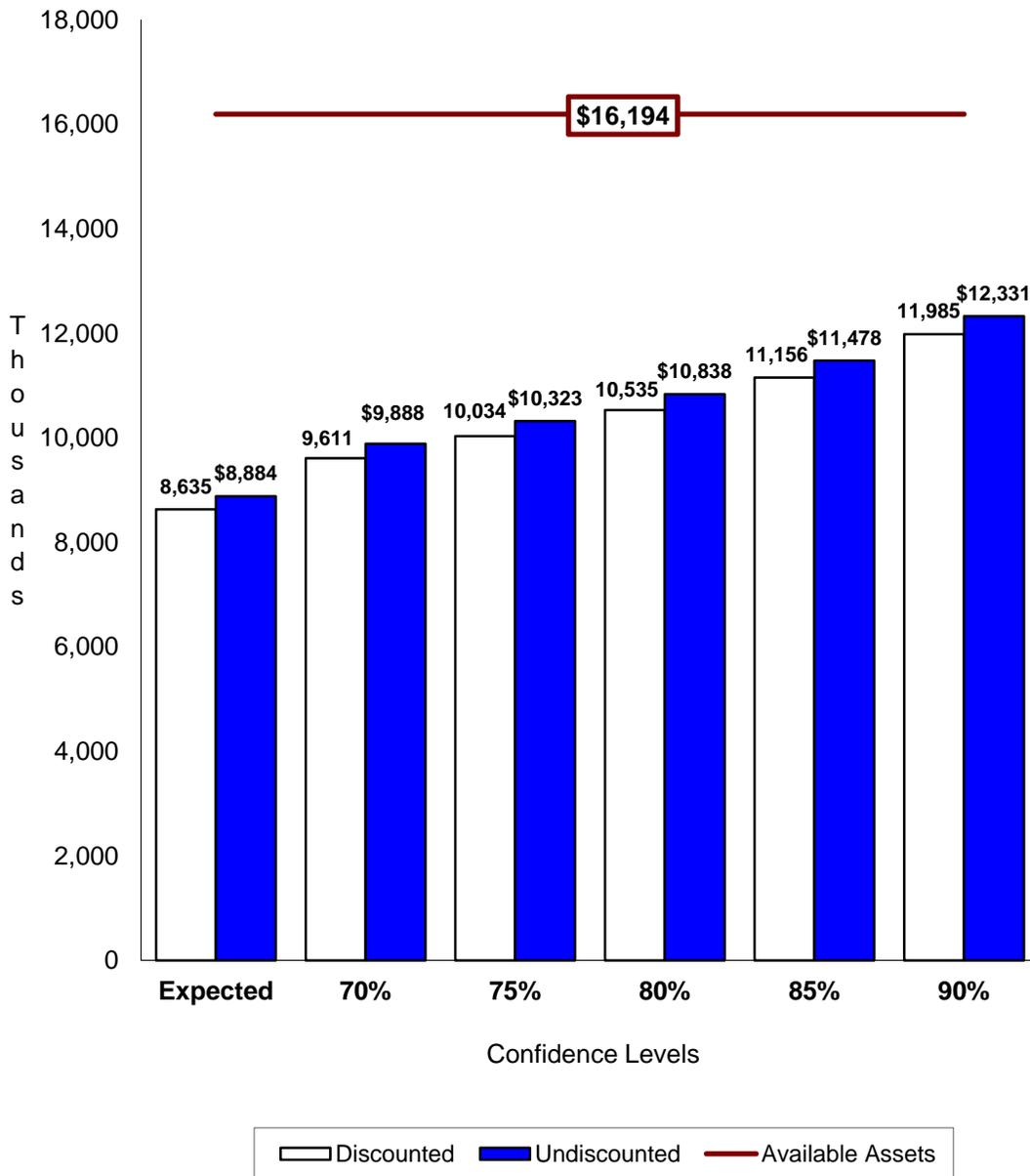
Our best estimate of the full value of NCCSIF's liability for outstanding claims within its pool limit is \$8,884,000, \$2,718,000 for the banking layer and \$6,166,000 for the shared layer as of June 30, 2020. These amounts include losses, allocated loss adjustment expenses (ALAE), and unallocated loss adjustment expenses (ULAE). ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer claims to final settlement, which may be years in the future (e.g. claims adjusters' salaries, taxes).

There is some measure of uncertainty associated with our best estimate because of the random nature of much of the process that determines ultimate claims costs. For this reason, we generally recommend that a program such as this include some funding margin for the possibility that actual loss costs will be greater than the best estimate. We generally measure the amount of this margin by thinking in terms of the probability distribution of actual possible results around our best estimate. As the margin grows, the probability that the corresponding funding amount will be sufficient to meet actual claim liabilities increases. We typically refer to this probability as the "confidence level" of funding. Graphs 1a, 1b and 1c show the liabilities for outstanding claims at several confidence levels that are typically of interest to risk managers in formulating funding policies for self-insurance programs.

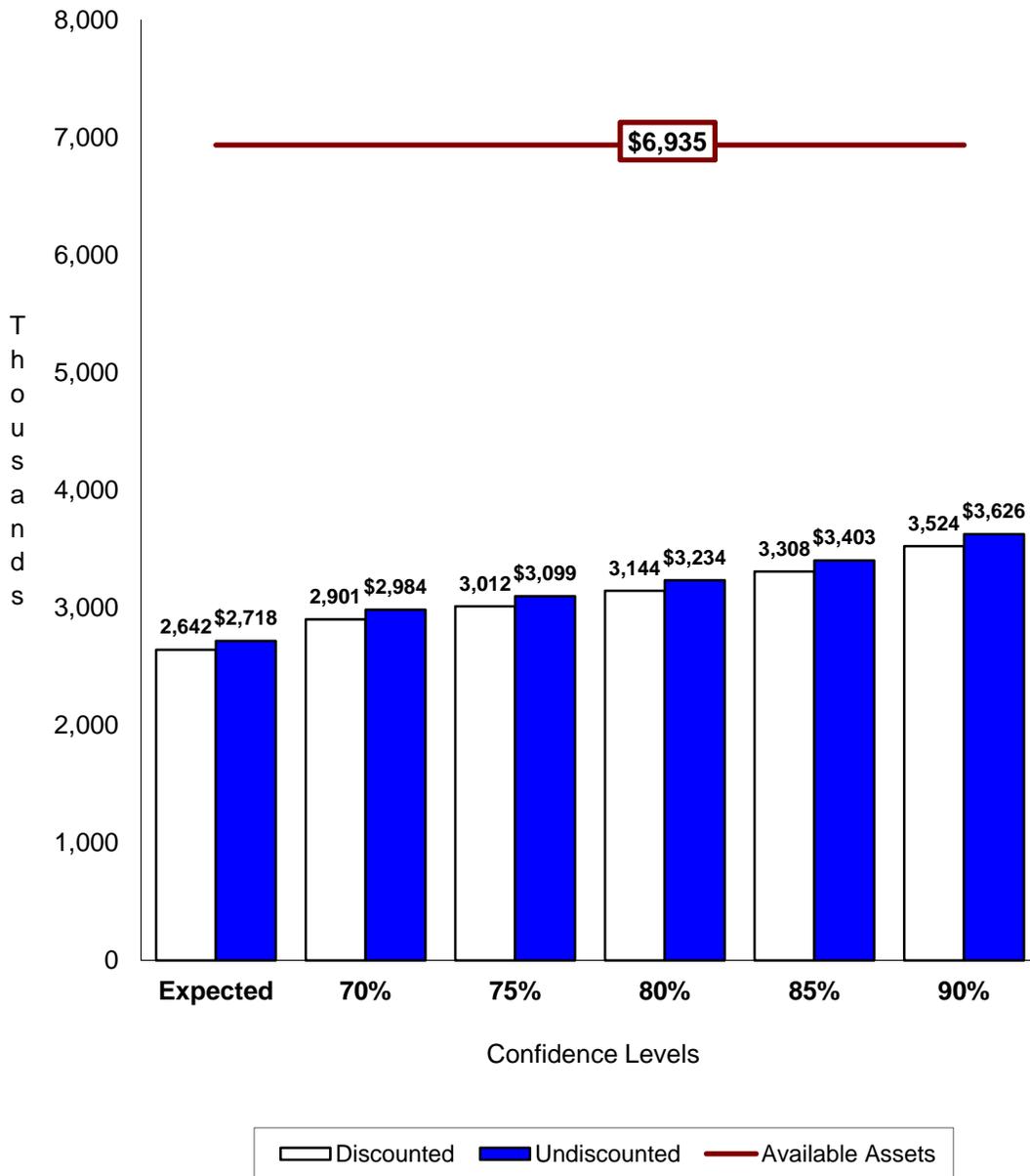
NCCSIF can earn investment income on the assets it holds until claims payments come due. Assuming a long-term average annual return on investments of 1.5%, we estimate the impact of investment income earnings to be about 2.8% if the program is funded within the range indicated in the graphs, resulting in a discounted liability for outstanding claims of \$8,635,000, \$2,642,000 for the banking layer, and \$5,993,000 for the shared layer as of June 30, 2020.

Investment income earnings will be less than this when the program does not maintain sufficient funding, and more when there is excess funding. Thus, thinking in terms of liabilities discounted for investment income can actually mask funding deficiencies and redundancies that might otherwise be obvious. However, the discounted liabilities do represent legitimate funding targets. The light-colored bars on Graphs 1a, 1b and 1c show our estimates of NCCSIF's discounted liability for outstanding claims.

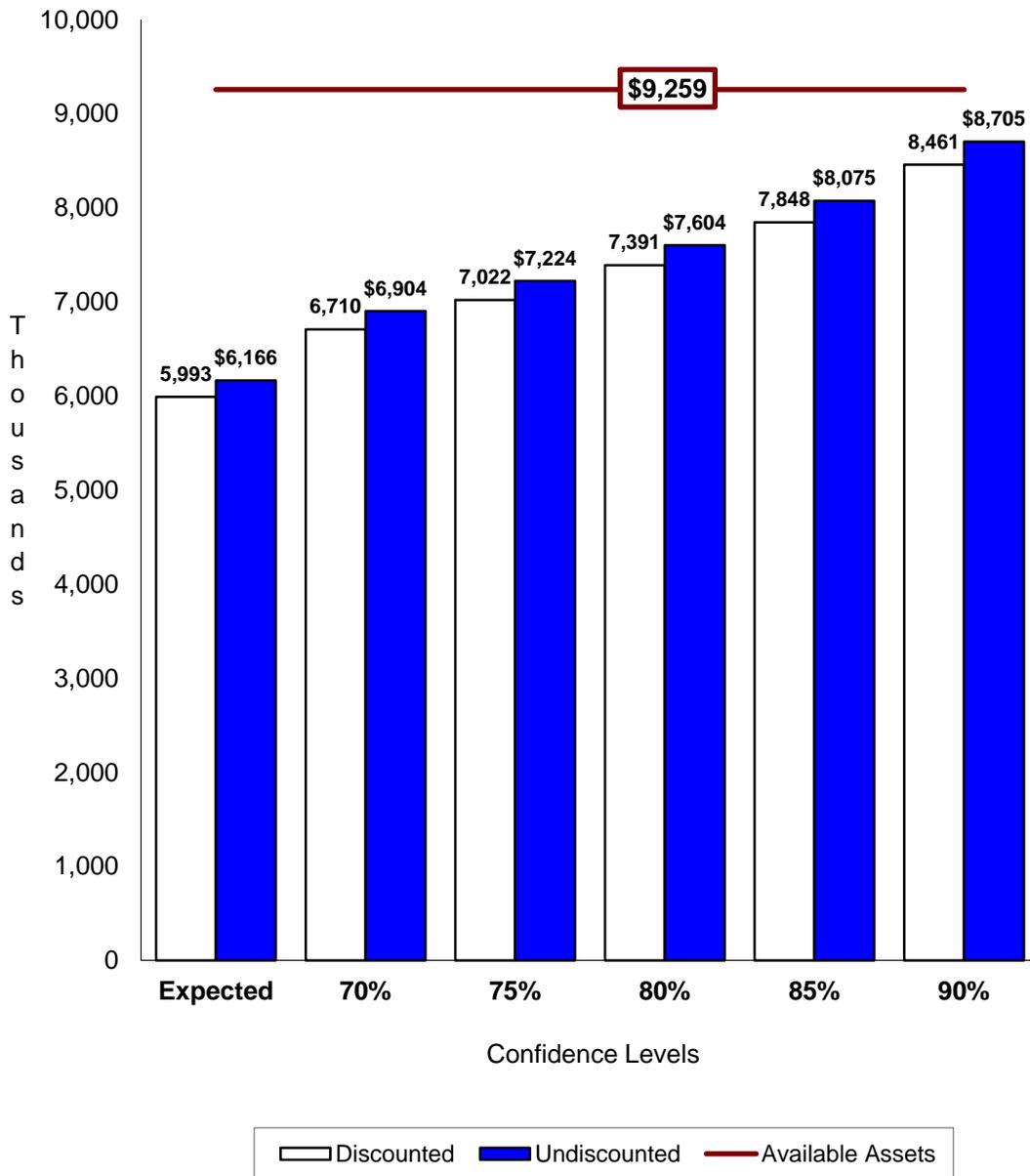
NCCSIF - Liability
 Available Assets vs Outstanding Liability (\$000's)
 at June 30, 2020
 Banking and Shared Layers Combined



NCCSIF - Liability
 Available Assets vs Outstanding Liability (\$000's)
 at June 30, 2020
 Banking Layer



NCCSIF - Liability
 Available Assets vs Outstanding Liability (\$000's)
 at June 30, 2020
 Shared Layer



The table below displays a breakdown of the program's outstanding loss and LAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2020, before recognition of investment income.

Northern California Cities Self Insurance Fund
Self-Insured Liability Program
Estimated Liability for Unpaid Loss and LAE at June 30, 2020

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$0	\$0	\$0
2008-09	0	0	0
2009-10	115,758	9,298	125,056
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	0	0
2013-14	26,066	25,645	51,711
2014-15	240,909	70,809	311,718
2015-16	199,093	111,663	310,756
2016-17	561,691	254,807	816,498
2017-18	698,716	391,244	1,089,960
2018-19	2,178,981	911,455	3,090,436
2019-20	616,207	2,471,446	3,087,653
Loss and ALAE	\$4,637,421	\$4,246,367	\$8,883,788
ULAE		0	0
Total	\$4,637,421	\$4,246,367	\$8,883,788

B. PROGRAM FUNDING: GOALS AND OBJECTIVES

As self-insurance programs have proliferated among public entities, it has become apparent that there is a large measure of inconsistency in the way in which these programs recognize and account for their claims costs. This is the result of the fact that there have been several different sources of guidance available, none of which has been completely relevant to public entity self-insurance programs.

According to the Governmental Accounting Standards Board (GASB), the most relevant source of guidance on the subject is Financial Accounting Standards Board Statement #60. A liability for unpaid claim costs, including all loss adjustment expenses, should be accrued at the time the self-insured events occur. This liability should include an allowance for incurred but not reported claims. It may be discounted for investment income at an appropriate rate of return, provided the discounting is disclosed. The regulations detailing the way in which this must be done are outlined in GASB's statements #10 and #30. These regulations are required to be applied by NCCSIF.

GASB #10 and #30 do not address asset requirements. They do, however, allow a range of amounts to be recognized for accounting purposes; specifically, GASB #10 and #30 allow recognition of a risk margin for unexpectedly adverse loss experience. Thus, for accounting purposes, it is possible to formulate a funding policy from a range of alternatives. The uncertainty in any estimate of the program's liability for outstanding claims should be taken into consideration in determining funding policy, but it may be offset by recognizing anticipated investment income earnings. This usually means developing a funding program based on discounted claims costs with some risk margin for unexpected adverse loss experience.

The amount of the risk margin should be a question of long-term funding policy. We recommend that the risk margin be determined by thinking in terms of the probability that a given level of assets will prove to be adequate. For example, a reasonable goal might be to maintain assets at the 85% confidence level.

A key factor to consider in determining funding policy is the degree to which stability is required in the level of contributions to the program from year to year. If you elect to maintain assets at a low confidence level, the chances are much greater that future events will prove that additional contributions should have been made for old claims. The additional contributions for old claims may be required at the same time that costs are increasing dramatically on new claims. The burden of funding for increases on past years as well as on current years, may well be prohibitive.

We generally recommend maintaining program assets at the 80% confidence level, after recognition of investment income, with a recommended range of the 75% to 85% confidence levels. We tend to think of the 70% confidence level as marginally acceptable and of the 90% confidence level as conservative. We recommend the 75% to 85% confidence level range because the probabilities are reasonably high that resulting assets will be sufficient to meet claim liabilities, yet the required risk margins are not so large that they will cause most self-insured entities to experience undue financial hardship. In addition, within this range, anticipated investment income generally offsets the required risk margin for the most part, which means that assets are likely sufficient on an undiscounted basis.

We also strongly believe, however, that the confidence level to which any future year is funded should be evaluated in light of the relative certainty of the assumptions underlying the actuarial analysis, NCCSIF's other budgetary constraints, and the relative level of risk it is believed appropriate to assume. This means formulating both short and long-term funding goals, which may be the same in some years, but different in others.

In general, we recommend funding each year's claims costs in that year. When surpluses or deficits have developed on outstanding liabilities and funding adjustments are necessary, they should be clearly identified as such so that the habit of funding each year's claims costs that year is maintained. We also recommend that you reduce a surplus more slowly than you would accumulate funding to reduce a deficit.

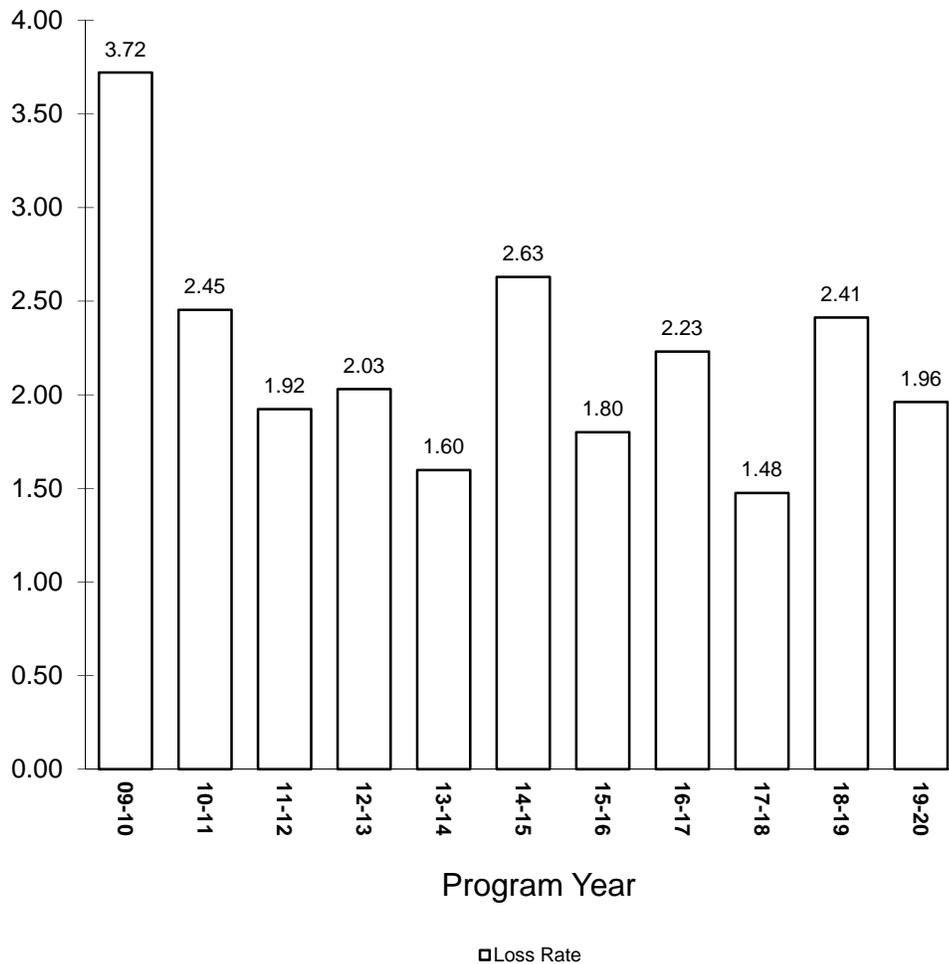
It is estimated that program assets will be \$16,194,000 at June 30, 2020, \$6,935,000 for the banking layer and \$9,259,000 for the shared layer, resulting in the program being funded above the 90% confidence level on a combined basis and for both the banking and shared layer separately.

C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM

The program's loss rate per \$100 payroll has varied during the past ten years, but has been somewhat flat during the most recent nine years. Losses during the 2009-10 to 2012-13 years reflect the higher pool limit of \$1,000,000. Effective July 1, 2013, NCCSIF decreased the pool limit to \$500,000. See Graph 2a below.

Graph 2a

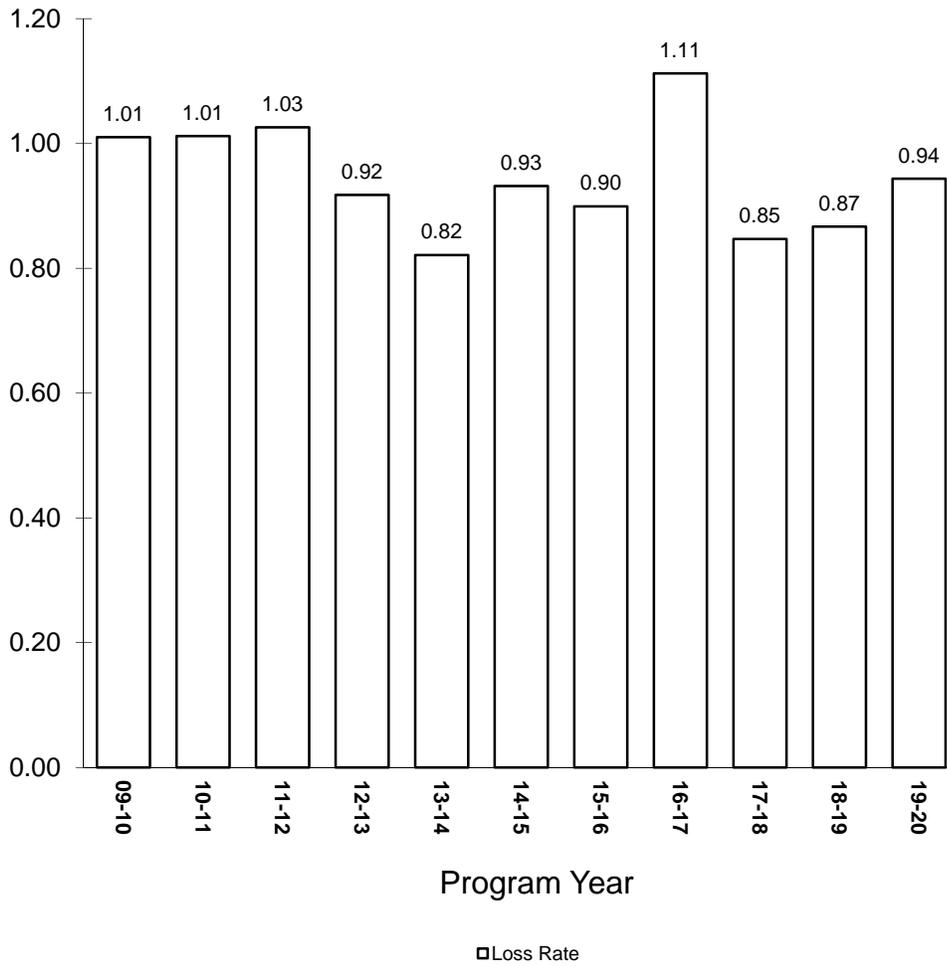
NCCSIF - Liability
Banking and Shared Layers Combined
Dollars of Loss per \$100 of Payroll



The banking loss rate per \$100 payroll has been gradually decreasing over the past ten years. See Graph 2b below.

Graph 2b

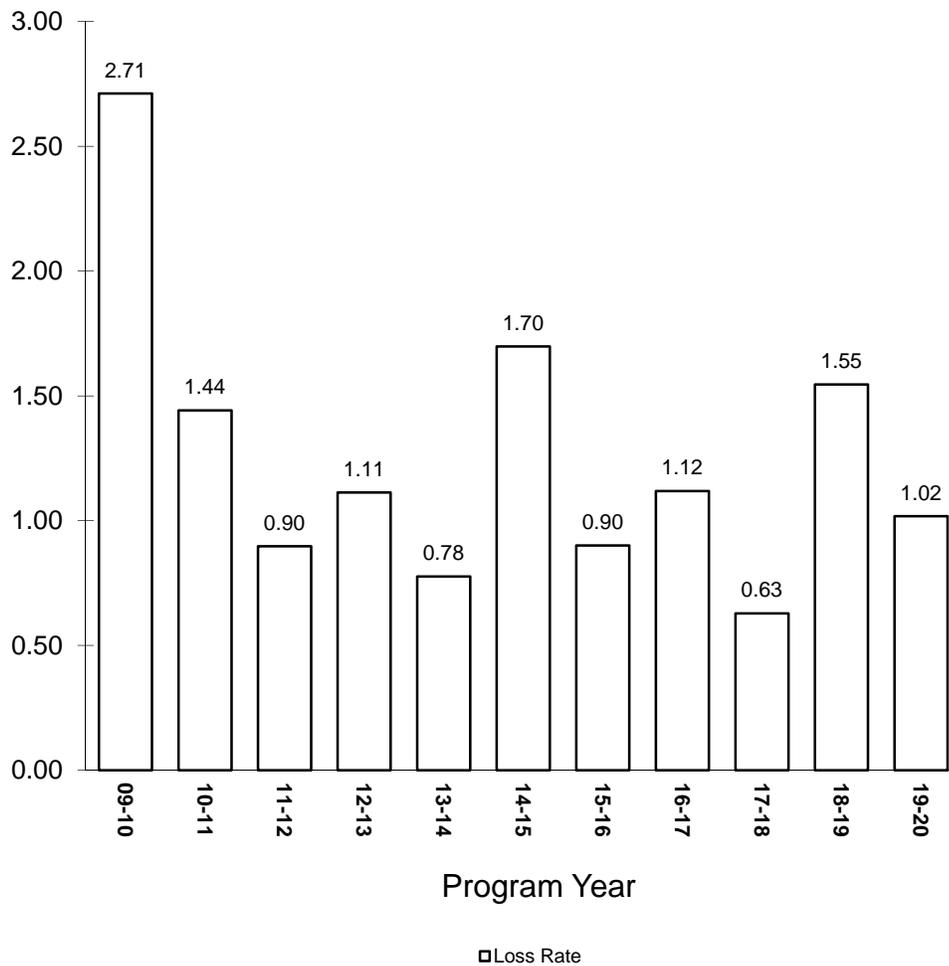
NCCSIF - Liability
Banking Layer
Dollars of Loss per \$100 of Payroll



The shared layer loss rate per \$100 payroll has varied over the past ten years, typical for excess layers, with no apparent trend. The 2009-10 to 2012-13 years reflect the shared layer from \$50,000 to \$1,000,000 per occurrence. The 2013-14 and subsequent years reflect the shared layer from \$50,000 to \$500,000 per occurrence. See Graph 2c below.

Graph 2c

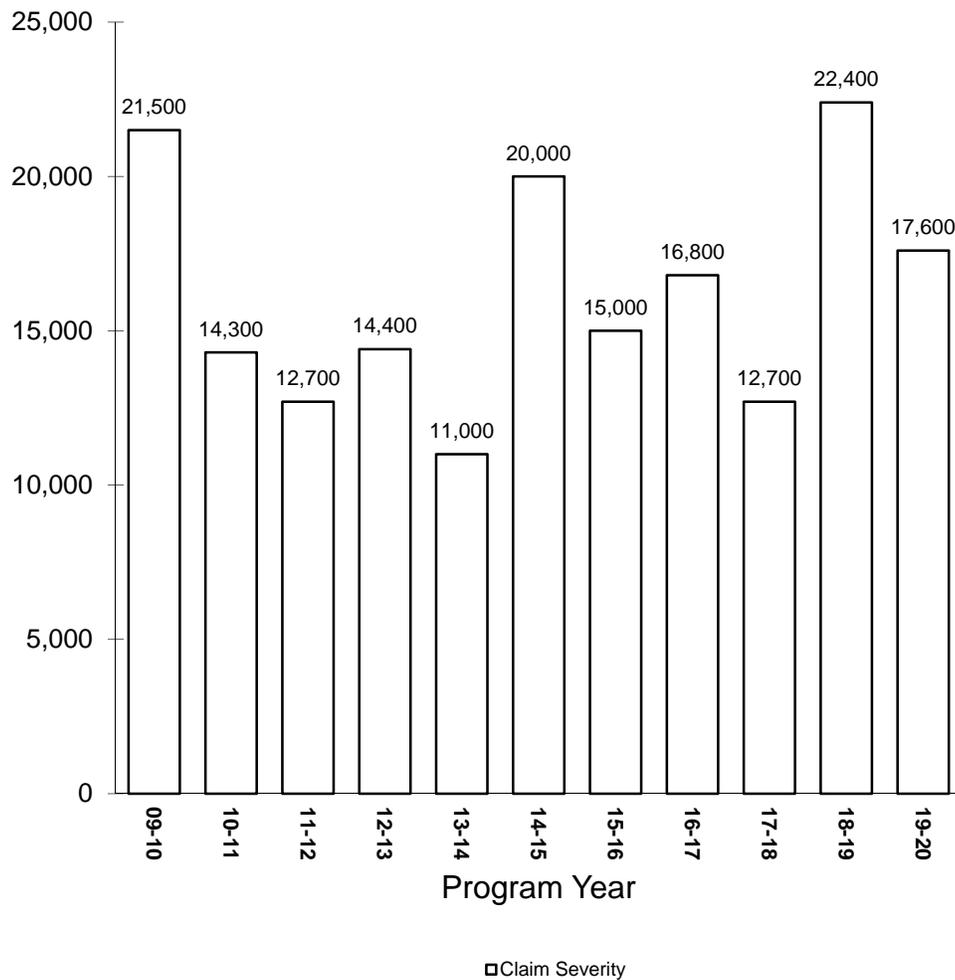
NCCSIF - Liability
Shared Layer
Dollars of Loss per \$100 of Payroll



The program's average cost per claim, or severity, has followed a generally increasing trend over the past ten years, with the 2009-10, 2014-15, and 2018-19 years coming in particularly high. The projected 2019-20 severity reflects that increasing trend. See Graph 3a below.

Graph 3a

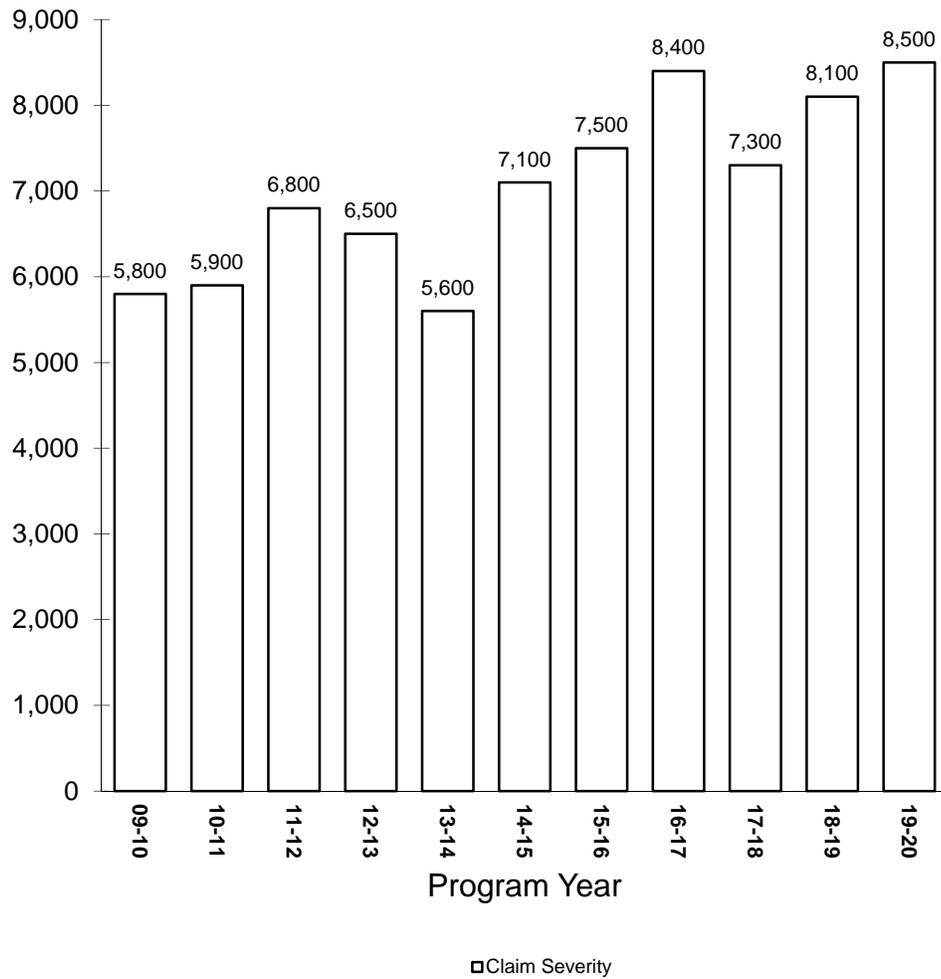
NCCSIF - Liability
Banking and Shared Layers Combined
Dollars of Loss per Claim



The banking layer average cost per claim, or severity, has followed a generally increasing trend over the past ten years. The projected 2019-20 severity reflects that increasing trend. See Graph 3b below.

Graph 3b

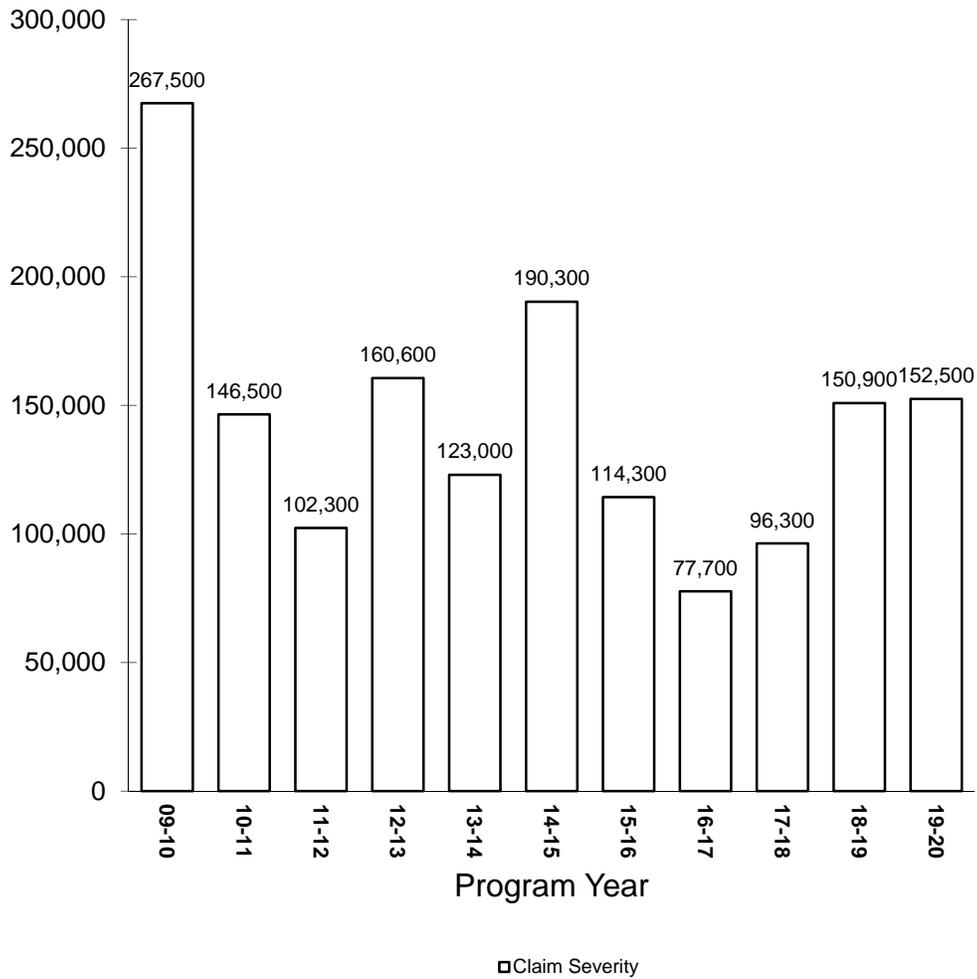
NCCSIF - Liability
Banking Layer
Dollars of Loss per Claim



The shared layer average cost per claim has seen dramatic variation over the past ten years. This is not unexpected since there are few claims in that layer each year; even one claim can have a significant impact. See Graph 3c below.

Graph 3c

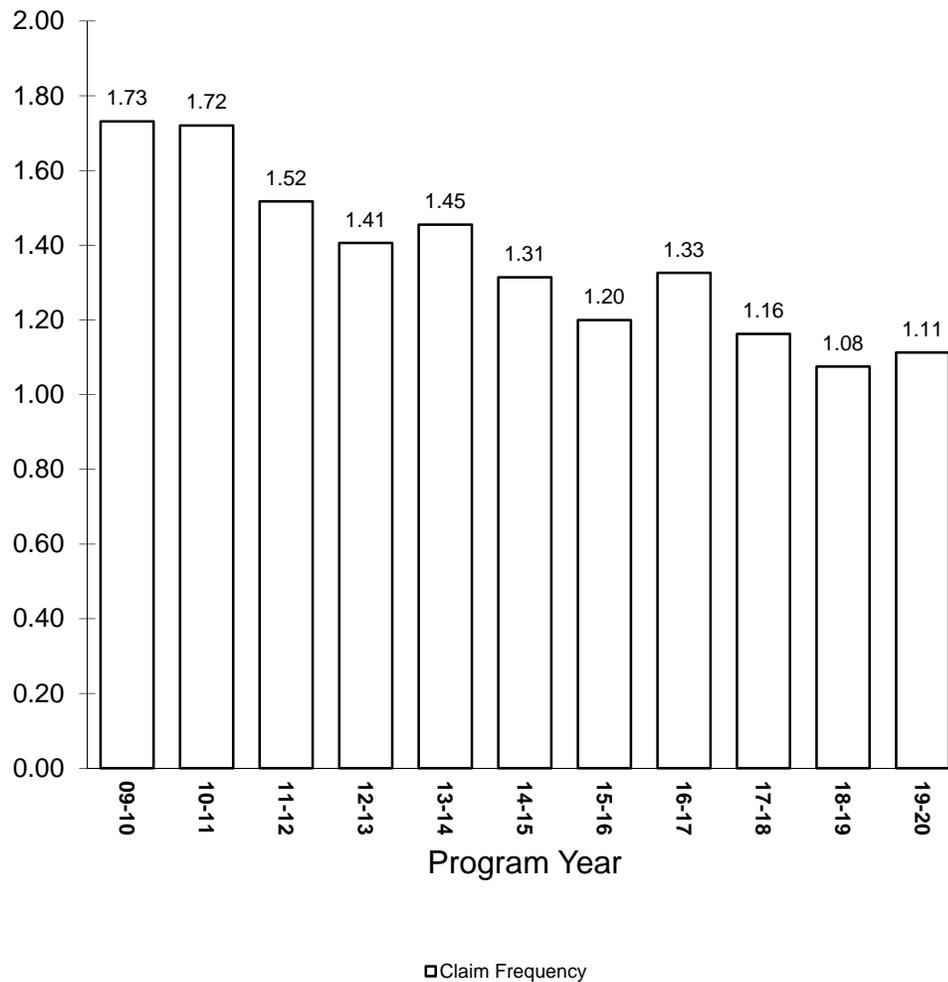
NCCSIF - Liability
Shared Layer
Dollars of Loss per Claim



The program's frequency of claims per \$1 million payroll has been generally decreasing over the past ten years. The projected 2019-20 frequency reflects that decreasing trend. See Graph 4a below. (Note that banking layer frequency is the same as shown below for the program.)

Graph 4a

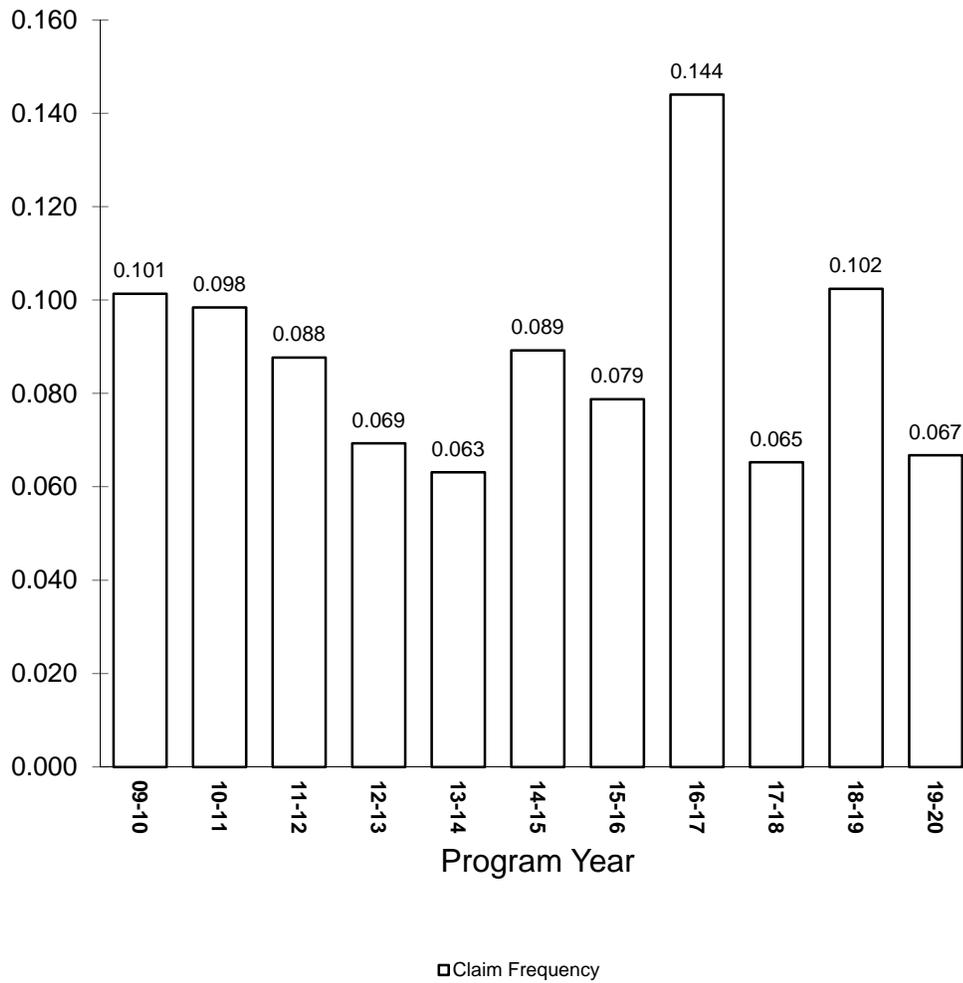
NCCSIF - Liability
Banking and Shared Layers Combined
Number of Claims per \$1 Million of Payroll



The shared layer frequency of claims per \$1 million payroll has been quite volatile but has been generally decreasing since 2009-10. See Graph 4b below.

Graph 4b

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



D. COMPARISON WITH PREVIOUS RESULTS

The prior report for Northern California Cities Self Insurance Fund was dated March 1, 2019. In the table below we display actual versus expected development of incurred losses and ALAE for the years shown by accident year between the December 31, 2018 evaluation date of the prior report and the December 31, 2019 evaluation date of the current report.

Actual Versus Expected Incurred Loss and ALAE Development

Banking and Shared Layers Combined

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Prior	\$0	\$0	\$0
1999-00	0	0	0
2000-01	0	0	0
2001-02	0	0	0
2002-03	0	0	0
2003-04	0	0	0
2004-05	0	0	0
2005-06	0	0	0
2006-07	0	0	0
2007-08	0	0	0
2008-09	2,000	43,000	41,000
2009-10	5,000	(23,000)	(28,000)
2010-11	7,000	(67,000)	(74,000)
2011-12	0	0	0
2012-13	15,000	(6,000)	(21,000)
2013-14	37,000	0	(37,000)
2014-15	65,000	(122,000)	(187,000)
2015-16	114,000	(115,000)	(229,000)
2016-17	188,000	294,000	106,000
2017-18	676,000	584,000	(92,000)
2018-19	1,870,000	2,783,000	913,000
Total	\$2,979,000	\$3,371,000	\$392,000

* ULAE is included with Loss and ALAE

As shown, actual incurred development was greater than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that incurred losses would increase by \$2,979,000 between the two evaluation dates. However, actual development was approximately \$3,371,000; or about \$392,000 more than expected.

In the table below we display actual versus expected development of paid losses and ALAE for the years shown by accident year between the December 31, 2018 evaluation date of the prior report and the December 31, 2019 evaluation date of the current report.

Actual Versus Expected Paid Loss and ALAE Development

Banking and Shared Layers Combined

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
Prior	\$0	\$0	\$0
1999-00	0	0	0
2000-01	0	0	0
2001-02	0	0	0
2002-03	0	0	0
2003-04	0	0	0
2004-05	0	0	0
2005-06	0	0	0
2006-07	0	0	0
2007-08	0	0	0
2008-09	86,000	379,000	293,000
2009-10	90,000	17,000	(73,000)
2010-11	50,000	32,000	(18,000)
2011-12	0	0	0
2012-13	21,000	7,000	(14,000)
2013-14	53,000	6,000	(47,000)
2014-15	507,000	690,000	183,000
2015-16	521,000	289,000	(232,000)
2016-17	684,000	563,000	(121,000)
2017-18	625,000	389,000	(236,000)
2018-19	825,000	424,000	(401,000)
Total	\$3,462,000	\$2,796,000	(\$666,000)

* ULAE is included with Loss and ALAE

As shown, actual paid development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that paid losses would increase by \$3,462,000 between the two evaluation dates. However, actual development was approximately \$2,796,000; or about \$666,000 less than expected.

In the table below we display the change in our estimates of the program's ultimate losses and ALAE for the years shown by accident year since our prior report.

Change in Ultimate Loss and ALAE*
Banking and Shared Layers Combined

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	\$17,346,000	\$17,346,000	\$0
1999-00	2,774,000	2,774,000	0
2000-01	2,020,000	2,020,000	0
2001-02	2,038,000	2,038,000	0
2002-03	2,291,000	2,291,000	0
2003-04	2,054,000	2,054,000	0
2004-05	3,058,000	3,058,000	0
2005-06	2,338,000	2,338,000	0
2006-07	2,898,000	2,898,000	0
2007-08	2,050,000	2,050,000	0
2008-09	2,690,000	2,726,000	36,000
2009-10	6,003,000	5,975,000	(28,000)
2010-11	3,911,000	3,823,000	(88,000)
2011-12	2,928,000	2,928,000	0
2012-13	3,079,000	3,032,000	(47,000)
2013-14	2,423,000	2,383,000	(40,000)
2014-15	4,246,000	4,062,000	(184,000)
2015-16	3,192,000	2,956,000	(236,000)
2016-17	3,501,000	3,718,000	217,000
2017-18	2,569,000	2,487,000	(82,000)
2018-19	3,450,000	4,241,000	791,000
Total	\$76,859,000	\$77,198,000	\$339,000

* ULAE is included with Loss and ALAE

As shown, overall we have increased our estimated ultimates by \$339,000 since our prior report. The greater than anticipated incurred loss development mentioned above translates to an increase in our estimates of ultimate losses. The changes by accident year generally track well with the actual versus expected incurred loss development.

At the time of the prior report, we estimated the liability for outstanding claims as of June 30, 2019 to be \$7,653,000 at the discounted, expected level. Our current estimate as of June 30, 2020, is \$8,635,000, an increase in our assessment of NCCSIF's outstanding liabilities, as shown below:

Outstanding Claim Liabilities for Loss and LAE
Banking and Shared Layers Combined

	Prior Report at June 30, 2019	Current Report at June 30, 2020	Change
(A) Case Reserves:	\$3,976,000	\$4,638,000	\$662,000
(B) IBNR Reserves:	3,889,000	4,246,000	357,000
(C) Claims Administration (ULAE*):	0	0	0
(D) Total Reserves:	\$7,865,000	\$8,884,000	\$1,019,000
(E) Offset for Investment Income:	(212,000)	(249,000)	(37,000)
(F) Total Outstanding Claim Liabilities:	\$7,653,000	\$8,635,000	\$982,000

* ULAE is included with Loss and ALAE

As shown, our estimate of outstanding claims liabilities at the discounted, expected level has increased between June 30, 2019 and June 30, 2020 as reflected in our prior and current reports respectively.

The increase in claim reserves (case and IBNR) is driven primarily by greater than expected claims experience coupled with lower than expected claims payments as previously discussed. Reserves for future claims administration expenses are included with Loss and ALAE, resulting in a \$1,019,000 increase in total claim reserves. This increase in reserves leads to a larger offset for investment income. The net change due to the above factors is an overall increase of \$982,000 in our estimate of outstanding claim liabilities for loss and LAE.

At the time of the prior report, available assets were estimated to be \$13,958,000 as of June 30, 2019, which corresponded to the then-estimated discounted liability for outstanding claims above the 90% confidence levels. Available assets are currently estimated to be \$16,194,000 as of June 30, 2020, which corresponds to the currently estimated liability for outstanding claims above the 90% confidence level. It can be summarized as follows:

Funding Margin
Banking and Shared Layers Combined

	Prior Report at June 30, 2019	Current Report at June 30, 2020	Change
(A) Outstanding Liability at the Discounted Expected Level:	\$7,653,000	\$8,635,000	\$982,000
(B) Estimated Assets At June 30:	13,958,000	16,194,000	2,236,000
(C) Surplus/(Deficit):	\$6,305,000	\$7,559,000	\$1,254,000

As you can see, our estimate of the program's funding margin at the discounted, expected level has increased by \$1,254,000 between June 30, 2019 (as previously estimated) and June 30, 2020 (as currently estimated). This is driven by an increase in the estimated fund assets between the two points, partially offset by an increase in the estimated outstanding liability.

At the time of the prior report, our funding estimate for the 2019-20 year was \$3,422,000 at the discounted, expected level. That amount included allocated loss adjustment expenses (ALAE), unallocated loss adjustment expenses (ULAE), and a discount for anticipated investment income. Our current estimate for the 2020-21 year is \$3,950,000 at the discounted, expected level, an increase in the program's expected loss costs, as shown in the table below:

Comparison of Funding for Loss and LAE
Banking and Shared Layers Combined

	Prior Report 2019-20 Pool Limit = \$500,000	Current Report 2020-21 Pool Limit = \$500,000	Change
(A) Ultimate Loss and ALAE:	\$3,537,000	\$4,082,000	\$545,000
(B) Ultimate Claims Administration (ULAE)*:	0	0	0
(C) Total Claim Costs:	\$3,537,000	\$4,082,000	\$545,000
(D) Offset for Investment Income:	(115,000)	(132,000)	(17,000)
(E) Total Recommended Funding:	\$3,422,000	\$3,950,000	\$528,000
(F) Funding per \$100 of Payroll**:	\$1.991	\$2.191	\$0.199

* ULAE is included with Loss and ALAE

** Payroll is 2018 DE-9 for 2019-20 Funding and 2019 DE-9 for 2020-21 Funding.

As you can see, our funding recommendations at the discounted, expected level have increased between 2019-20 and 2020-21, as shown in our prior and current reports respectively.

Our estimates of ultimate loss and ALAE have increased by \$545,000, driven primarily by adverse loss experience as previously discussed and an increase in exposure. Investment income is expected to be higher, driven by the higher loss estimate. The net change due to the above factors is an overall increase of \$528,000 in our annual funding estimate for loss and LAE.

E. DATA PROVIDED FOR THE ANALYSIS

Overall, the data utilized in preparing this report appears to be accurate.

Comments and issues regarding the data are as follows:

- We have assumed that the program's self-insured retention will remain at \$500,000 per occurrence for 2019-20 and 2020-21 (See Appendix K).
- We estimated the June 30, 2019 asset balance by beginning with the December 31, 2019 asset balance, and adjusting for anticipated revenue and expense for the last six months of 2019-20 (see Appendix L).
- We received loss data evaluated as of December 31, 2019 (See Appendix M). We also utilized the data from NCCSIF's most recent actuarial study for our assessment of loss development.
- We have assumed that NCCSIF's payroll for 2020-21 will be \$193,564,768, based upon information provided by NCCSIF (See Appendix N).
- We have calculated funding rates using 2019 DE-9 payroll of \$180,300,406 since that is used as the rating base for the 2020-21 premiums.

The data provided for the analysis appears to be reasonable for use in this actuarial valuation of liabilities and projection of loss costs.

III. ASSUMPTIONS AND LIMITATIONS

Any quantitative analysis is developed within a very specific framework of assumptions about conditions in the outside world, and actuarial analysis is no exception. We believe that it is important to review the assumptions we have made in developing the estimates presented in this report. By doing so, we hope you will gain additional perspective on the nature of the uncertainties involved in maintaining a self-insurance program. Our assumptions, and some observations about them, are as follows:

- Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by NCCSIF. We have accepted all of this information without audit.
- We have also made use of loss statistics that have been developed from the information gathered and compiled from other California public entities with self-insured liability programs.
- We have assumed that the future development of incurred and paid losses can be reasonably predicted on the basis of development of such losses in the recent past. We have also assumed that the historical development patterns for other California public entities with self-insured liability programs in the aggregate form a reasonable basis of comparison to the patterns from Northern California Cities Self Insurance Fund's data.
- We have made use of cost relationships for claims of various sizes derived from the most recent actuarial review of other California public entities with self-insured liability programs in the aggregate.
- We have assumed that there is a continuing relationship between past and future loss costs.
- It is not possible to predict future claim costs precisely. Most of the costs of liability claims arise from a small number of incidents involving serious injury. A relatively small number of such claims could generate enough loss dollars to significantly reduce, or even deplete, the self-insurance fund.
- We cannot predict and have not attempted to predict the impact of future law changes and court rulings on claims costs. This is one major reason why we believe our funding recommendations are reasonable now, but should not be extrapolated into the future.
- We have assumed that the loss rate trend associated with claim costs increases at 0.9% per year. We have assumed that claim severity increases at 3.5% per year, and that claim frequency decreases at 2.5% per year.
- We have assumed that payroll and other inflation-sensitive exposure measures increase 2.5% annually due to inflation.

- We have assumed that assets held for investment will generate an average annual return of 1.5% over the duration of payment of the loss liabilities. It should be noted that actual future investment returns may vary significantly from this assumption, depending upon the prevailing investment market conditions.
- The claims costs we have estimated include indemnity and medical payments, and all loss adjustment expenses. We have not included estimates for excess insurance contributions and other expenses associated with the program based upon information provided by NCCSIF.
- Our funding recommendations do not include provisions for catastrophic events not in NCCSIF's history, such as earthquakes, flooding, mass civil disorder, or mass occupational disease.
- Our estimates assume that all excess insurance is valid and collectible. Further, our funding recommendations do not include a provision for losses greater than NCCSIF's excess coverage.
- NCCSIF's assets available for the program are estimated to be \$16,194,000 as of June 30, 2020 for use in this report. This is shown in further detail in Appendix L.

IV. GLOSSARY OF ACTUARIAL TERMS

Accident Year - Year during which the accidents that generate a group of claims occurs, regardless of when the claims are reported, payments are made, or reserves are established.

Allocated Loss Adjustment Expenses (ALAE) - Expense incurred in settling claims that can be directly attributed to specific individual claims (e.g., legal fees, investigative fees, court charges, etc.)

Benefit Level Factor - Factor used to adjust historical losses to the current level of liability benefits.

Case Reserve - The amount left to be paid on a claim, as estimated by the claims administrator.

Claim Count Development Factor - A factor that is applied to the number of claims reported in a particular accident period in order to estimate the number of claims that will ultimately be reported.

Claim Frequency - Number of claims per \$1 million of payroll.

Confidence Level - An estimated probability that a given level of funding will be adequate to pay actual claims costs. For example, the 85% confidence level refers to an estimate for which there is an 85% chance that the amount will be sufficient to pay loss costs.

Discount Factor - A factor to adjust estimated loss costs to reflect anticipated investment income from assets held prior to actual claim payout.

Expected Losses - The best estimate of the full, ultimate value of loss costs.

Incurred but not Reported (IBNR) Losses - Losses for which the accident has occurred but the claim has not yet been reported. This is the ultimate value of losses, less any amount that has been set up as reported losses by the claims adjuster. It includes both amounts for claims incurred but not yet received by the administrator and loss development on already reported claims.

Loss Development Factor - A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled (see Section IV).

Loss Rate - Ultimate losses per \$100 of payroll.

Non-Claims Related Expenses – Program expenses not directly associated with claims settlement and administration, such as excess insurance, safety program expenses, and general overhead. These exclude expenses associated with loss settlements (Indemnity/Medical, BI/PD), legal expenses associated with individual claims (ALAE), and claims administration (ULAE).

Outstanding Losses - Losses that have been incurred but not paid. This is the ultimate value of losses less any amount that has been paid.

Paid Losses - Losses actually paid on all reported claims.

Program Losses - Losses, including ALAE, limited to the SIR for each occurrence.

Reported Losses - The total expected value of losses as estimated by the claims administrator. This is the sum of paid losses and case reserves.

Self-Insured Retention (SIR) - The level at which an excess insurance policy is triggered to begin payments on a claim. Financially, this is similar to an insurance deductible.

Severity - Average claim cost.

Ultimate Losses - The value of claim costs at the time when all claims have been settled. This amount must be estimated until all claims are actually settled.

Unallocated Loss Adjustment Expenses (ULAE) – Claim settlement expenses that cannot be directly attributed to individual claims (e.g., claims adjusters' salaries, taxes, etc.)



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020

Agenda Item J.3.a

**WORKERS COMPENSATION PROGRAM
ANNUAL BANKING PLAN ADJUSTMENTS**

ACTION ITEM

ISSUE: Each year NCCSIF adjusts Members' Banking Layer Fund balances by refunding amounts in excess of required funding or assessing members whose balances fall below the required funding. James Marta & Company has prepared the recommended dividend and assessment calculations for the Workers' Compensation Program.

RECOMMENDATION: Review, discuss and approve Banking Layer Fund adjustments. The recommended dividend is 35% of the available Net Position. The assessment at 20% of the amount below the target benchmark is per the NCCSIF Policy and Procedure A-1.

FISCAL IMPACT: TBD - based on review and discussion at meeting.

BACKGROUND: On an annual basis, in accordance with Policy and Procedure A-1, Banking Plan Fund Adjustments, the NCCSIF Board of Directors reviews and determines whether to approve distribution of excess funds to members. This plan allows for redistribution to the members of funds in excess of the outstanding liabilities at a 90% Confidence Level plus a Buffer Layer of \$1,000,000 (*ten times the Self Insured Retention (SIR) of \$100,000*).

At the Board meeting, on January 8, 2015, members agreed to make a change to the adjustment formula by allocating the Buffer Layer contingency funds to all members rather than allocating the funds only to members whose balances are above the required funding levels. The formula spreadsheet was also revised to include more annotations explaining the calculations.

ATTACHMENT(S): Workers' Compensation Banking Layer Plan Adjustments

NCCSIF

Banking Layer Targeted Equity and Dividend and Assessment Worksheet

Workers Compensation Banking Layer

Evaluation of Equity by member above 90% confidence level

as of 12/31/19

\$10,000 or less assess

	Adjusted Net Position Equity at 12/31/19 A	O/S @ Exp times 90% Factor B	margin to 90% claims C	10 x SIR \$1M Layer Allocated D	Net Margin above (below) 90% and 10xSIR E	Members above target Amount Available F	Limited Amount Available Above target G	35% Net Equity above pool 10xsir and 90% conf. level H	100%, else 20% Expected Assessment I
		5530			A-C-D		Limited to the net margin above target should equal col E		
		1.182							
		Exhibit 1 Pg 2							
ANDERSON	101,770	391,425	60,271	18,372	23,127	23,127	11,871	4,155	-
AUBURN	28,387	1,055,602	162,538	52,572	(186,723)	-	-	-	(37,345)
COLUSA	59,901	152,873	23,539	7,449	28,913	28,913	14,841	5,194	-
CORNING	35,140	236,561	36,425	11,710	(12,995)	-	-	-	(10,000)
DIXON	355,381	671,606	103,411	36,950	215,020	215,020	110,367	38,628	-
ELK GROVE	(277,483)	2,764,590	425,681	138,772	(841,936)	-	-	-	(168,387)
FOLSOM	1,536,812	4,436,913	683,180	212,997	640,635	640,635	328,831	115,091	-
GALT	76,757	1,074,214	165,404	58,015	(146,662)	-	-	-	(29,332)
GRIDLEY	549,528	137,103	21,110	7,864	520,554	520,554	267,194	93,518	-
IONE	4,295	72,907	11,226	3,734	(10,665)	-	-	-	(10,000)
JACKSON	179,005	145,925	22,469	7,234	149,302	149,302	76,635	26,822	-
LINCOLN	637,399	623,452	95,997	32,471	508,931	508,931	261,229	91,430	-
MARYSVILLE	(153,525)	722,004	111,172	32,330	(297,027)	-	-	-	(59,405)
NEVADA CITY	108,063	231,727	35,681	11,424	60,958	60,958	31,289	10,951	-
OROVILLE	812,984	253,648	39,056	14,935	758,993	758,993	389,583	136,354	-
PARADISE	399,571	560,411	86,290	25,204	288,077	288,077	147,867	51,753	-
PLACERVILLE	125,241	617,824	95,131	32,058	(1,948)	-	-	-	(1,948)
RED BLUFF	(243,862)	1,835,576	282,635	84,638	(611,135)	-	-	-	(122,227)
RIO VISTA	148,712	265,787	40,925	14,709	93,078	93,078	47,776	16,722	-
ROCKLIN	1,059,722	1,679,364	258,582	89,056	712,084	712,084	365,505	127,927	-
WILLOWS	455	158,936	24,473	7,747	(31,765)	-	-	-	(10,000)
YUBA CITY	814,586	2,051,502	315,883	99,759	398,944	398,944	204,773	71,671	-

	6,358,839	20,139,950	3,101,079	1,000,000	2,257,760	4,398,616	2,257,761	790,216	(448,644)
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Total					3,101,079				
Margin to 90%					1,000,000				
Plus 10x SIR					4,101,079				
Total Target Margin					2,257,760				
Amount above (below) Margin					-				



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020**

Agenda Item J.3.b

**WORKERS COMPENSATION PROGRAM
ANNUAL SHARED RISK PLAN ADJUSTMENTS**

ACTION ITEM

ISSUE: Each year NCCSIF reviews the financial status of the Shared Risk Layer Fund to determine if refunds or assessments may be declared. The total adjustment is allocated to members based on their pro-rata share of the total Shared contributions.

Based on the latest actuarial report, the Fund has \$886,000 in excess of the minimum required assets, defined as the lesser of total assets less outstanding liabilities at the 90% Confidence Level or Net Position of five times the SIR of \$400,000 (\$2,000,000). Please refer to the attached for details and discussion points, including how much of the available funds to disburse to each member.

RECOMMENDATION: Refund no more than 50% of the available amount, or 443,000 per the attached breakdown by member.

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

BACKGROUND: On an annual basis in accordance with Policy and Procedure A-12, Shared Risk Layer Plan Fund Adjustments, the NCCSIF Board of Directors reviews and determines whether to approve distributions of excess Shared Risk Layer Funds to the members or if assessments need to be declared.

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

NCCSIF Shared Risk Layer Plan Fund Adjustments - WORKERS' COMPENSATION for 2020 Distribution

Estimated Available Assets as of June 30, 2020				Discounted Outstanding Liabilities @ Expected	Outstanding Liabilities @ 80%	Outstanding Liabilities @ 90%	5 times \$400K SIR	Available Refund, Lesser of the Two Formulas
A	B			C	D	E	F	A-E or A-F
\$25,215,000				\$18,366,000	\$21,821,000	\$24,329,000	\$2,000,000	\$886,000
	Net Position/NP over 5x SIR =			\$6,849,000	\$3,394,000	\$886,000	\$4,849,000	
						Recommended Refund 50% =		\$443,000
Members	Historical Shared Layer Contributions FY 06/07 to FY 15/16	Total %	Available Refund	Assessment	50% of Available Refund	<i>Any Available Refund should be in excess of the liabilities at the 90% confidence level and excess of the liabilities at expected plus 3-5 times SIR. This year we suggest 5 times SIR</i>		
Anderson	\$525,248	2.28%	\$20,173		\$10,086			
Auburn	\$830,398	3.60%	\$31,892		\$15,946			
Colusa	\$309,731	1.34%	\$11,895		\$5,948			
Corning	\$382,067	1.66%	\$14,674		\$7,337			
Dixon	\$1,079,984	4.68%	\$41,478		\$20,739			
Elk Grove	\$929,088	4.03%	\$35,682		\$17,841			
Folsom	\$5,046,001	21.87%	\$193,796		\$96,898			
Galt	\$1,198,446	5.19%	\$46,027		\$23,014			
Gridley	\$552,527	2.40%	\$21,220		\$10,610			
Ione	\$120,440	0.52%	\$4,626		\$2,313			
Jackson	\$309,283	1.34%	\$11,878		\$5,939			
Lincoln	\$1,555,952	6.74%	\$59,758		\$29,879			
Maysville	\$556,878	2.41%	\$21,387		\$10,694			
Nevada City	\$297,308	1.29%	\$11,418		\$5,709			
Oroville	\$952,132	4.13%	\$36,567		\$18,284			
Placerville	\$883,579	3.83%	\$33,935		\$16,967			
Paradise	\$822,535	3.57%	\$31,590		\$15,795			
Red Bluff	\$968,103	4.20%	\$37,181		\$18,590			
Rio Vista	\$459,976	1.99%	\$17,666		\$8,833			
Rocklin	\$2,476,518	10.74%	\$95,113		\$47,556			
Willows	\$309,565	1.34%	\$11,889		\$5,945			
Yuba City	\$2,503,634	10.85%	\$96,154		\$48,077			
Total	\$23,069,393	100.00%	\$886,000		\$443,000			



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020

Agenda Item J.3.c.

**WORKERS COMPENSATION PROGRAM
FY 20/21 DEPOSIT PREMIUM CALCULATIONS**

ACTION ITEM

ISSUE: Each year the Executive Committee reviews the actuary's recommended funding levels for the upcoming fiscal year and recommends the Deposit Premium to the Board.

Total funding at an 80% Confidence Level (CL) is estimated at \$13,794,424, an **increase of 9.7%** over current funding at the 80% CL. This compares favorably to the *total payroll increase of 7%*. The individual funding increase cap of 40% is not applicable this year, with member changes varying from (-15%) to as much as a 31% increase (including 11% payroll increase). The average funding and payroll change for the group is 8.8% over last year.

The excess coverage estimate as of March 2020 is \$1,711,000, a 3% increase over last year and 3.5% of the total premium increase for FY 20/21.

RECOMMENDATION: Maintain funding at the 80% Confidence Level.

FISCAL IMPACT: TBD, based on final excess and admin expenses.

BACKGROUND: Members have steadily increased the Confidence Level of annual funding over the years, from 65% to 70%, 75%, and as of FY 18/19 the current 80% CL. Over the same period the Discount Factor has decreased from 3% to 1.5%. Both of these changes have contributed to an increase in total funding, in addition to increases in payroll. NCCSIF's Funding Policy sets a goal of annual funding at an 80% CL.

ATTACHMENTS:

1. Preliminary FY 20/21 Workers' Compensation Deposit Calculations, 80% CL
2. Workers' Compensation Program Funding Changes FY 19/20 to FY 20/21
3. EIA FY 20/21 Excess Workers' Compensation Premium Estimate

FY 19/20 NCCSIF Workers' Compensation Allocation PRELIMINARY

80% Confidence Level Total Admin Expense = \$924,631

A	B	C	D	E	F	G	H	I	J	K	
Formula/Allocation		Member Share of: Last 5 Years Average Losses, Weighted 75%; FY 18/19	Member Share of EX MOD Adjusted Payroll	Member Share of: Last 5 Years Average Losses, Weighted 25%; FY 18/19	Member Share of Banking, Shared & Excess Premium	22 Equal Shares	C+D+E+F+G			Member % of Total Payroll Without Capped Members x Capped Amount	
	FY 20/21 Estimated PAYROLL (P)	BANKING LAYER \$0 to \$100K	SHARED LAYER \$100K to \$500K	CSAC-EIA EXCESS LAYER \$500K TO STATUTORY	Variable ADMIN EXPENSE 65%	Fixed ADMIN EXPENSE 35%	Preliminary FY 20/21 DEPOSIT	FY 19/20 DEPOSIT	% Change DEPOSIT	Total FY 19/20 Deposit With Cap of 40%	Payroll Change from FY 19/20
Rate/Amount	Exposure Base	\$7,215,000	\$3,948,000	\$1,711,000	\$601,010	\$323,621	80% CL	80% CL		\$ -	
Anderson	\$4,054,052	\$167,639	\$76,191	\$30,820	\$12,822	\$14,710	\$302,182	\$264,058	14.4%	\$302,182	5.6%
Auburn	\$7,039,088	\$295,262	\$139,671	\$65,831	\$23,378	\$14,710	\$538,852	\$410,471	31.3%	\$538,852	11.4%
Colusa	\$2,315,522	\$65,082	\$38,878	\$20,959	\$5,832	\$14,710	\$145,462	\$165,669	-12.2%	\$145,462	7.9%
Corning	\$3,045,046	\$45,984	\$55,542	\$16,332	\$5,502	\$14,710	\$138,070	\$119,780	15.3%	\$138,070	8.0%
Dixon	\$16,104,633	\$411,351	\$199,264	\$124,254	\$34,307	\$14,710	\$783,886	\$605,118	29.5%	\$783,886	45.4%
Elk Grove	\$43,846,037	\$1,005,807	\$634,660	\$215,140	\$86,627	\$14,710	\$1,956,944	\$1,804,257	8.5%	\$1,956,944	5.0%
Folsom	\$45,420,903	\$1,222,600	\$656,282	\$321,974	\$102,745	\$14,710	\$2,318,310	\$2,053,776	12.9%	\$2,318,310	2.0%
Galt	\$12,440,697	\$399,416	\$217,227	\$76,225	\$32,346	\$14,710	\$739,924	\$641,262	15.4%	\$739,924	-0.5%
Gridley	\$4,458,227	\$90,493	\$67,685	\$26,649	\$8,629	\$14,710	\$208,166	\$172,508	20.7%	\$208,166	18.0%
Ione	\$1,615,600	\$39,851	\$24,802	\$11,510	\$3,556	\$14,710	\$94,428	\$82,332	14.7%	\$94,428	18.2%
Jackson	\$2,327,553	\$115,868	\$43,117	\$21,746	\$8,437	\$14,710	\$203,878	\$240,361	-15.2%	\$203,878	2.2%
Lincoln	\$14,194,860	\$279,502	\$188,983	\$89,516	\$26,050	\$14,710	\$598,761	\$567,363	5.5%	\$598,761	12.3%
Marysville	\$4,057,841	\$183,680	\$73,120	\$33,991	\$13,575	\$14,710	\$319,077	\$249,766	27.8%	\$319,077	12.2%
Nevada City	\$2,722,499	\$154,656	\$55,443	\$26,137	\$11,028	\$14,710	\$261,975	\$265,569	-1.4%	\$261,975	-1.2%
Oroville	\$7,199,488	\$256,844	\$131,753	\$57,213	\$20,812	\$14,710	\$481,332	\$522,214	-7.8%	\$481,332	17.0%
Paradise	\$4,650,691	\$216,785	\$93,025	\$33,091	\$16,008	\$14,710	\$373,619	\$412,065	-9.3%	\$373,619	6.3%
Placerville	\$7,602,862	\$163,074	\$109,895	\$49,856	\$15,071	\$14,710	\$352,605	\$314,179	12.2%	\$352,605	5.0%
Red Bluff	\$7,030,038	\$328,248	\$140,331	\$65,768	\$24,945	\$14,710	\$574,003	\$619,779	-7.4%	\$574,003	5.6%
Rio Vista	\$5,260,090	\$106,155	\$69,866	\$37,612	\$9,973	\$14,710	\$238,315	\$195,760	21.7%	\$238,315	4.5%
Rocklin	\$27,167,992	\$713,679	\$397,144	\$177,007	\$60,121	\$14,710	\$1,362,661	\$1,210,112	12.6%	\$1,362,661	2.8%
Willows	\$1,252,800	\$19,994	\$28,597	\$5,286	\$2,515	\$14,710	\$71,102	\$74,122	-4.1%	\$71,102	1.9%
Yuba City	\$23,929,647	\$933,031	\$506,525	\$204,081	\$76,732	\$14,710	\$1,735,078	\$1,586,048	9.4%	\$1,735,078	4.2%
Total:	\$247,736,166	\$7,215,000	\$3,948,000	\$1,711,000	\$601,010	\$323,621	\$13,798,631	\$12,576,571	9.7%	\$13,798,631	7.0%

Actuary/Verification \$7,215,000 \$3,948,000 est. 3/19

NCCSIF Workers' Compensation Program Funding Changes 19/20 to 20/21

	FY 20/21	FY 19/20	Difference
Base Rate*	4.507	4.346	4%
*Confidence Level Remains at 80%			

	FY 20/21	FY 19/20	Difference
Excess Insurance	\$ 1,711,000	\$ 1,668,420	3%
Equals 3.5% of total increase of \$1,217,853			\$ 42,580

Deposit Premium Change			
Member Entity	Current Year FY 20/21 80% CL	Prior Year FY 19/20 80% CL	% Change
Anderson	\$302,182	\$264,058	14%
Auburn	\$538,852	\$410,471	31%
Colusa	\$145,462	\$165,669	-12%
Corning	\$138,070	\$119,780	15%
Dixon	\$783,886	\$605,118	30%
Elk Grove	\$1,956,944	\$1,804,257	8%
Folsom	\$2,318,310	\$2,053,776	13%
Galt	\$739,924	\$641,262	15%
Gridley	\$208,166	\$172,508	21%
Ione	\$94,428	\$82,332	15%
Jackson	\$203,878	\$240,361	-15%
Lincoln	\$598,761	\$567,363	6%
Marysville	\$319,077	\$249,766	28%
Nevada City	\$261,975	\$265,569	-1%
Oroville	\$481,332	\$522,214	-8%
Paradise	\$373,619	\$412,065	-9%
Placerville	\$352,605	\$314,179	12%
Red Bluff	\$574,003	\$619,779	-7%
Rio Vista	\$238,315	\$195,760	22%
Rocklin	\$1,362,661	\$1,210,112	13%
Willows	\$71,102	\$74,122	-4%
Yuba City	\$1,735,078	\$1,586,048	9%
Total	\$ 13,798,631	\$12,576,571	10%

Payroll		
Estimated WC FY 20/21 Payroll	Estimated WC FY 19/20 Payroll	% Change
\$4,054,052	\$3,839,020	6%
\$7,039,088	\$6,321,069	11%
\$2,315,522	\$2,146,602	8%
\$3,045,046	\$2,819,170	8%
\$16,104,633	\$11,079,329	45%
\$43,846,037	\$41,758,130	5%
\$45,420,903	\$44,508,834	2%
\$12,440,697	\$12,508,328	-1%
\$4,458,227	\$3,779,000	18%
\$1,615,600	\$1,366,956	18%
\$2,327,553	\$2,276,617	2%
\$14,194,860	\$12,637,876	12%
\$4,057,841	\$3,615,073	12%
\$2,722,499	\$2,754,411	-1%
\$7,199,488	\$6,151,597	17%
\$4,650,691	\$4,375,778	6%
\$7,602,862	\$7,243,503	5%
\$7,030,038	\$6,657,908	6%
\$5,260,090	\$5,031,278	5%
\$27,167,992	\$26,439,316	3%
\$1,252,800	\$1,229,607	2%
\$23,929,647	\$22,955,922	4%
\$247,736,166	\$231,495,324	7%

Banking Layer Losses \$0-\$100K		
5-Year Avg FY 2014-18	5-Year Avg FY 2013-17	% Change
\$113,195	\$99,349	14%
\$184,590	\$130,026	42%
\$32,434	\$49,479	-34%
\$20,967	\$14,146	48%
\$215,520	\$173,525	24%
\$640,469	\$627,721	2%
\$701,134	\$623,807	12%
\$266,123	\$216,464	23%
\$48,290	\$36,609	32%
\$21,555	\$21,013	3%
\$77,669	\$72,982	6%
\$139,928	\$152,559	-8%
\$123,743	\$95,578	29%
\$107,367	\$118,676	-10%
\$160,640	\$205,383	-22%
\$155,037	\$190,055	-18%
\$84,675	\$78,699	8%
\$214,706	\$263,520	-19%
\$48,520	\$32,786	48%
\$423,283	\$383,918	10%
\$11,440	\$10,573	8%
\$588,359	\$553,741	6%
\$4,379,643	\$4,150,611	6%

Shared Layer Losses \$20-\$120K		
Total Incurred Losses FY 2014-18	Total Incurred Losses FY 2013-17	% Change
\$540,775	\$347,853	55%
\$883,010	\$408,350	116%
\$155,190	\$211,048	-26%
\$55,263	\$10,713	416%
\$1,059,763	\$673,113	57%
\$3,043,761	\$1,904,843	60%
\$3,116,189	\$1,893,131	65%
\$1,157,038	\$593,110	95%
\$212,681	\$98,333	116%
\$108,853	\$77,853	0%
\$391,283	\$311,283	26%
\$596,104	\$385,582	55%
\$616,227	\$323,658	90%
\$577,529	\$476,544	21%
\$716,504	\$706,633	1%
\$754,643	\$738,295	2%
\$404,529	\$201,593	101%
\$1,006,096	\$929,325	8%
\$156,110	\$40,048	290%
\$1,918,568	\$1,130,232	70%
\$34,813	\$14,813	135%
\$2,843,042	\$1,903,312	49%
\$20,347,971	\$13,379,664	52%

Experience Mod		
FY 20/21	FY 19/20	% Change
1.10	1.09	1%
1.12	0.98	14%
0.97	1.06	-8%
0.85	0.83	2%
1.04	1.07	-3%
0.90	0.88	3%
0.88	0.83	6%
1.04	0.94	11%
0.92	0.88	4%
0.99	1.00	-1%
1.12	1.15	-3%
0.77	0.77	0%
1.16	1.10	6%
1.20	1.27	-5%
1.04	1.18	-12%
1.19	1.36	-13%
0.90	0.87	4%
1.20	1.38	-13%
0.87	0.84	4%
0.95	0.91	4%
0.93	0.91	1%
1.20	1.19	0%



CSAC Excess Insurance Authority
2020/21 Early Budget Estimates, March 2020

Northern California Cities Self Insurance Fund (NCCSIF)

This third round of early estimates have been prepared to further aid you in budgeting for the 2020/21 fiscal year. At this time, updated estimates are being provided for all major programs. Since the December version: (1) The budget estimates have been updated with actuarial rates for the pooled layers; (2) The reinsurance rates were updated where we have proposals; and (3) We have incorporated more accurate administrative budget numbers. While the estimates provided are more refined from the previous version, they contain a range if there are still outstanding items specific to the program. The estimates are intended to be conservative; however, there may be a chance that final numbers will come in higher than the assumptions currently in place. For this reason we recommend continuing to budget toward the high end of the estimate range if one is provided.

If you are aware that you have had any substantial changes over the past 12 months, please contact Brian Kelley and a better estimate will be developed for you

Excess Workers' Compensation Program

Premium

18/19 Premium:	\$1,526,767	2018/19 Estimated Payroll:	\$219,785,114
19/20 Premium:	\$1,668,873	2019/20 Estimated Payroll:	\$231,495,323
20/21 Estimated Premium:	\$1,711,000	2020/21 Estimated Payroll:	\$247,736,166
Payroll Audit:	(\$1,056)		
Estimated Collectible:	\$1,709,944		

The EWC premium projections have been updated to reflect your entity's estimated 2020/21 exposure, as provided on your renewal application, as well as losses based on the June 30, 2019 data collection. Since the December estimate, we have updated the projected program administrative costs and received and updated the pool and reinsurance rates.

Pool rates have changed from last year as follows:

- County rates are flat on average
- Low Safety rates are down 7.25% on average
- High Safety rates are up 1% on average
- School rates are up 3.5% on average

Reinsurance Premiums changed from last year as follows:

- Ace layer (\$45m x \$5M - Core Tower) - pending proposals, estimated 17.5% increase
- Liberty Mutual layer (\$50M to Statutory - Core Tower) - pending proposals, estimated 11% increase
- Safety National layer (\$2.5M to Statutory - Ed Tower) - No rate change

The estimates have become more accurate; however, we are still pending the finalization of some miscellaneous fees. To remain somewhat conservative at this point, the estimates were rounded up to the nearest \$1,000. We will distribute final premium numbers in June once the nominal fees are finalized.

If you have directed us to apply the 2018/19 payroll audit to your 2020/21 premium, it has been included in the total collection shown. If you have decided to handle the payroll audit outside of your renewal premium, the estimated premium shown is the estimated total collection.



March 6, 2020

Dear NCCSIF,

As part of your program participation in the Excess Workers Compensation Program with the EIA, staff has developed a **Loss Performance Impact on Premium Summary** to reference in conjunction with your Premium Estimate(s). This report has been put together to help members quantify how individual loss experience affects your overall premium charge in the programs.

This report was born out of discussions had by the Underwriting Committee and a desire to provide members with additional details on how individual member loss experience affects the allocation of pool, excess and reinsurance premiums. Although the purpose of a risk pool is for individuals to share their losses, it is also true that the loss experience from singular members can affect the collective loss experience of the pool.

The programs have historically used experience modifications and surcharges as a mechanism to spread and shift premium amongst the membership. Using experience modifications and surcharge credits and debits is not a new endeavor; this methodology has been part of the program historically, and is reviewed and approved annually by the Committee and Board. Each program methodology specifies how premium is allocated and includes provisions on how an individual member's loss experience may impact their premium. This summary contemplates your entity's loss data valued as of 6/30/2019 and details the various loss adjustment provisions for each program, including the layer affected, where your entity falls within each of those provisions, and the resulting premium impact.

It is important to note as you review this analysis that the loss adjustments and premium numbers detailed in this report are, and have historically been, included in the overall premium estimates you receive. In addition, the calculations used to account for loss experience depend on different renewal cycle factors. While some of the premium impact numbers may be known at this time, others may vary based on the assumptions used and the current stage of the renewal cycle. You can expect an updated Loss Performance Impact on Premium Summary in conjunction with your June estimates and with your renewal invoice.

At this stage of the renewal cycle, your entity's **total EWC premium adjustment is \$-176,470.**

We hope you will find this information useful. If you have any additional questions on the details in this report, please contact the EIA Underwriting Department at 916-850-7300.

Sincerely,

EIA Staff





**CSAC Excess Insurance Authority
Loss Performance Impact on Premium Summary
Excess Workers' Compensation (EWC) Program
Northern California Cities Self Insurance Fund (NCCSIF)**

EWC March Premium Estimate: \$1,711,000 Self Insured Retention: \$500,000

SIR to \$1M - Experience Modification Factors (Ex-Mod)

Your experience modification factors (ex-mod) have been calculated for 2020/21 using the payroll from the renewal application and loss data as of 6/30/19. Your ex-mod represents how your loss rate (based on 7 years of payroll and losses) for the layer compares to the average loss rate of your rating group. The ex-mod incorporates a credibility factor that accounts for your entity's size. There are two EWC loss rated layers: \$125k to \$300k and \$300k to \$1M.

An ex-mod of less than 100% indicates that your loss rate is better than average and your premium will be reduced, while an ex-mod greater than 100% indicates that your loss rate is worse than average, so additional premium will be allocated to your entity. Below are your entity's ex-mods and the resulting pool premium adjustment:

Rating Group: HighSafety			
\$125k-\$300k Ex-Mod:	N/A	\$125k-\$300k Premium Adjustment:	\$0
\$300k-\$1M Ex-Mod:	92%	\$300k-\$1M Premium Adjustment:	-\$63,732

\$1M to \$5M - Pool Premium Loss Adjustment

The \$1M to \$5M layer of the pool does not utilize an ex-mod since claims above \$1M are generally infrequent, so there is not enough data to credibly loss rate. Instead, this layer contemplates a surcharge matrix based on a combination of claims above \$1M within the last 7 years and an adverse loss ratio in this layer. The surcharge collection is reallocated back to members with no claims above \$1M in the last 7 years. Below is the additional surcharge or reallocated credit for your entity:

\$1M to \$5M Layer Surcharge:	\$0	\$1M to \$5M Layer Credit:	-\$55,384
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Excess of \$5M - Excess Premium Loss Adjustment

Severe losses adversely impact the reinsurance renewals for the entire program. To maintain equity in these layers, members who have losses above specified thresholds within the last 10 years receive a surcharge. For EWC, those thresholds are \$3.5M for Core Tower members and \$1.75M for School members. To make sure the surcharge is not too punitive, it is capped. Both the surcharge and the cap increase with the number of claims above the thresholds. This surcharge collection is reallocated back to the members who have no claims above the thresholds.

Below is the surcharge or reallocated credit. *This loss adjustment provision has not yet been finalized and the numbers are subject to change.*

Excess Loss Surcharge:	\$0	Excess Loss Credit:	-\$57,355
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Total Loss Adjustment on Premium

Below is the combined total of the loss adjustment provisions detailed above, which are incorporated in your March premium estimates.

EWC Total Premium Adjustment for Loss History **-\$176,470**



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020

Agenda Item J.4.a.

**LIABILITY PROGRAM
ANNUAL BANKING PLAN ADJUSTMENTS**

ACTION ITEM

ISSUE: Each year NCCSIF adjusts member Banking Layer Fund balances by refunding amounts in excess of required funding or assessing members whose balances fall below the required funding. James Marta & Company has prepared the attached recommended dividend and assessment calculations for the Liability Program.

RECOMMENDATION: Review, discuss and approve Banking Layer Fund adjustments. The recommended dividend is 35% of the available Net Position. The assessment at 20% of the amount below the target benchmark is per the NCCSIF Policy and Procedure A-1.

FISCAL IMPACT: TBD, based on committee recommendation.

BACKGROUND: On an annual basis, in accordance with Policy and Procedure A-1, Banking Plan Fund Adjustments, the NCCSIF Board of Directors reviews and determines whether to approve distribution of excess funds to members. This plan allows for redistribution to the members of funds in excess of the outstanding liabilities at a 90% Confidence Level plus a Buffer Layer of \$500,000 (*ten times the Self Insured Retention (SIR) of \$50,000*).

At the Board meeting on January 8, 2015, members agreed to make a change to the adjustment formula by allocating the Buffer Layer contingency funds to all members rather than allocating the funds only to members whose balances are above the required funding levels. The formula spreadsheet was also revised to include more annotations explaining the calculations.

ATTACHMENT(S): Liability Banking Layer Plan Adjustments



**LIABILITY PROGRAM
ANNUAL SHARED RISK PLAN ADJUSTMENTS**

ACTION ITEM

ISSUE: Each year NCCSIF reviews the financial status of the Shared Risk Layer Fund to determine if refunds or assessments may be declared. The total adjustment is allocated to members based on their pro-rata share of the total Shared contributions.

Based on the most recent actuary report, the Fund is estimated to have available assets of \$9,259,000 as of June 30, 2020. This is \$3,266,000 above Outstanding Liabilities at the Expected Confidence Level (CL) and \$798,000 over Liabilities at the 90% CL, compared to \$674,000 last year. This remains a significant improvement over 2017, when the Fund was (\$1,525,000) *below* the 90% CL. The Fund has also maintained assets above its other target benchmark of Net Position at least 5 times the *current* SIR of \$450,000 *but is below the benchmark (-\$234,000) when the projected \$700,000 SIR is used.*

Given that the Fund just recently exceeded its goals after years of assessments, the Program Managers do not recommend a refund or assessment, especially if the members continue to fund at the 80% CL and the group must raise its SIR to \$750,000.

RECOMMENDATION: No refund or assessment.

FISCAL IMPACT: None.

BACKGROUND: On an annual basis in accordance with Policy and Procedure A-12, Shared Risk Layer Plan Fund Adjustments, the NCCSIF Board of Directors reviews and determines whether to approve distributions of Shared Risk Layer Funds to the members or declare assessments. In accordance with the Target Equity Policy it is NCCSIF's *goal to maintain a contingency fund equivalent to the 90% confidence level and to maintain an Equity-to-SIR ratio of 3 to 5 times the SIR.*

ATTACHMENT(S): Liability Shared Risk Layer Plan Adjustments

NCCSIF Shared Risk Layer Plan Fund Adjustments - LIABILITY for 2020 Distribution

Estimated Available Assets as of June 30, 2020		Outstanding Liabilities @ Expected 6/30/20	Outstanding Liabilities @ 70%	Outstanding Liabilities @ 80%	Outstanding Liabilities @ 90%	Benchmark Comparison Net Position to 5x SIR	Refund Available
A	B	C	D	E	F	G	Lesser of (A-F) or (C-G)
\$9,259,000		\$5,993,000	\$6,710,000	\$7,391,000	\$8,461,000	Assets > 90% CL	\$798,000
	Surplus/Deficit	\$3,266,000	\$2,549,000	\$1,868,000	\$798,000	Net Position minus 5X SIR	(\$234,000)
						\$3,500,000	
		-\$					No refund recommended
Members	Historical Shared Layer Contributions FY 05/06 to FY 15/16	Total %	Available Refund	Assessment	Less CJPRMA Refund	Total	No assessment needed
			\$ -	\$ -	\$ -		
Anderson	\$448,753	2.61%		\$0	0	\$0	
Auburn	\$945,212	5.50%		\$0	0	\$0	
Colusa	\$284,690	1.66%		\$0	0	\$0	
Corning	\$426,439	2.48%		\$0	0	\$0	
Dixon	\$892,109	5.19%		\$0	0	\$0	
Elk Grove	N/A						
Folsom	\$2,846,711	16.58%		\$0	0	\$0	
Galt	\$1,140,979	6.64%		\$0	0	\$0	
Gridley	\$458,569	2.67%		\$0	0	\$0	
Ione	\$71,389	0.42%		\$0	0	\$0	
Jackson	\$325,473	1.90%		\$0	0	\$0	
Lincoln	\$1,396,708	8.13%		\$0	0	\$0	
Marysville	\$679,694	3.96%		\$0	0	\$0	
Nevada City	N/A						
Oroville	\$1,059,847	6.17%		\$0	0	\$0	
Paradise	\$760,768	4.43%		\$0	0	\$0	
Placerville	N/A						
Red Bluff	\$973,379	5.67%		\$0	0	\$0	
Rio Vista	\$380,549	2.22%		\$0	0	\$0	
Rocklin	\$1,786,838	10.41%		\$0	0	\$0	
Willows	\$218,492	1.27%		\$0	0	\$0	
Yuba City	\$2,076,093	12.09%		\$0	0	\$0	
Total	\$17,172,692	100.00%		\$0	0	\$0	

* Missing data from 2001/02 and 2004/05

Any refund should be in excess of the liabilities at the 90% confidence level and excess of the liabilities at expected plus 5 times SIR.



LIABILITY PROGRAM FY 20/21 DEPOSIT PREMIUM CALCULATIONS

ACTION ITEM

ISSUE: Each year the Executive Committee reviews the actuary's recommended funding levels for the upcoming fiscal year and recommends a Deposit Premium to the Board. This year the Program Administrators have prepared deposits based on the current \$500,000 SIR and CJPRMA's proposed \$750,000 SIR.

Total funding at an 80% Confidence Level (CL) and \$500,000 SIR is estimated at \$7,487,549, an increase of 14.3% over FY 19/20 funding. A payroll increase of 5%, excess coverage increase of 16%, and 12% increase in the Shared Layer rate are the factors driving the funding. Four members exceeded the 25% cap by a total of \$141,170. That amount was reallocated to the remaining members as indicated in the attached preliminary funding allocation.

CJPRMA is recommending a \$750,000 Self-Insured Retention (SIR), so the Program Administrators have calculated the funding with that change as well. Total funding increases to \$7,803,904, an increase of \$316,355, or 19.2%, over the current funding. While the excess coverage decreases 14% (-\$241,645), the Shared Layer funding increases by 19.5%, or \$558,000. This in turn causes five more members to hit the 25% cap, a total of nine. Given the increase in the SIR the Program Administrators recommend raising the cap for the \$750,000 SIR option to 30% for this year and have calculated the funding on that basis, with three members hitting the cap and \$148,850 re-allocated to the remaining members.

RECOMMENDATION: maintain funding at an 80% CL with SIR options TBD pending outcome of CJPRMA Board meeting.

FISCAL IMPACT: TBD, based on final excess coverage and admin expenses.

BACKGROUND: Members have steadily increased the Confidence Level of annual funding from 65% to 70%, 75%, to the current 80% CL. Over the same period the Discount Factor has decreased from 3% to 1.5%. Both of these changes have contributed to an increase in total funding, in addition to increases in payroll in prior years.

ATTACHMENT(S):

1. Preliminary FY 20/21 Liability Deposit Calculations, 80% CL, at both the \$500,000 and \$750,000 SIR levels.
2. Liability Program Funding Changes FY 19/20 to FY 20/21

FY 20/21 NCCSIF General Liability Funding Allocation PRELIMINARY

80% Confidence Level			Total Admin Expense =					\$466,596				
A	B	C	D	E	F	G	H	I	J	K	L	
Formula/Allocation	Payroll (P)	Member Weighted Share Last 5 Years 25% Payroll, 75% Losses	Member Share of EX MOD Adjusted Payroll X Total Funding	Member Weighted Share Last 5 Years 75% Payroll, 25% Losses	(Admin/2) X Member % of Total Payroll	(Admin/2) ÷ 19 Equal Shares	C+D+E+F+G		H-I	J/I	H + Member % of Total Uncapped Payroll X Capped Amount	
Member	2019 Calendar Year Payroll (DE 9)	BANKING LAYER \$0 to \$50K (*Folsom \$0 to \$100K)	SHARED LAYER \$50K to \$500K	CJPRMA EXCESS LAYER \$500k to \$40M	ADMIN EXPENSE 50%	ADMIN EXPENSE 50%	Preliminary FY 20/21 TOTAL DEPOSIT	FY 19/20 TOTAL DEPOSIT	\$ Change Overall	% Change Overall	Total FY 20/21 Deposit With Cap of 25%	
Rate/Amount	Exposure Base	\$2,410,000	\$2,859,000	\$1,739,466	\$233,298	\$233,298	80% CL	80% CL			\$ 141,770	
Anderson	\$4,439,068	\$41,419	\$56,521	\$26,577	\$5,744	\$12,279	\$ 142,541	\$140,262	\$2,279	1.6%	\$147,440	
Auburn	\$6,787,664	\$179,829	\$133,799	\$150,529	\$8,783	\$12,279	\$ 485,219	\$389,954	\$95,265	24.4%	\$492,710	
Colusa	\$2,169,132	\$80,592	\$57,637	\$69,738	\$2,807	\$12,279	\$ 223,053	\$142,996	\$80,057	56.0%	\$178,746	
Corning	\$3,396,902	\$29,953	\$50,306	\$17,482	\$4,395	\$12,279	\$ 114,416	\$147,589	-\$33,173	-22.5%	\$118,165	
Dixon	\$8,894,945	\$33,699	\$73,560	\$4,613	\$11,510	\$12,279	\$ 135,660	\$187,817	-\$52,157	-27.8%	\$145,477	
Elk Grove												
Folsom*	\$44,026,880	\$683,447	\$981,507	\$516,086	\$56,968	\$12,279	\$ 2,250,287	\$1,780,352	\$469,935	26.4%	\$2,225,440	
Galt	\$11,673,862	\$127,512	\$120,705	\$85,519	\$15,105	\$12,279	\$ 361,121	\$366,710	-\$5,589	-1.5%	\$374,005	
Gridley	\$4,192,976	\$47,514	\$68,747	\$29,439	\$5,425	\$12,279	\$ 163,404	\$158,893	\$4,510	2.8%	\$168,031	
Ione	\$1,371,177	\$27,412	\$28,665	\$21,680	\$1,774	\$12,279	\$ 91,809	\$74,928	\$16,882	22.5%	\$93,323	
Jackson	\$2,966,158	\$56,339	\$48,872	\$45,762	\$3,838	\$12,279	\$ 167,089	\$134,066	\$33,023	24.6%	\$170,363	
Lincoln	\$14,946,573	\$178,804	\$227,648	\$124,938	\$19,340	\$12,279	\$ 563,008	\$459,173	\$103,836	22.6%	\$579,504	
Marysville	\$3,591,310	\$103,321	\$65,243	\$87,956	\$4,647	\$12,279	\$ 273,446	\$236,700	\$36,746	15.5%	\$277,410	
Nevada City												
Oroville	\$5,973,585	\$68,005	\$95,339	\$42,662	\$7,729	\$12,279	\$ 226,014	\$275,677	-\$49,663	-18.0%	\$232,607	
Paradise	\$4,387,916	\$81,115	\$59,450	\$63,403	\$5,678	\$12,279	\$ 221,925	\$186,425	\$35,500	19.0%	\$226,767	
Placerville												
Red Bluff	\$6,292,852	\$76,942	\$70,343	\$53,482	\$8,143	\$12,279	\$ 221,189	\$179,501	\$41,688	23.2%	\$228,134	
Rio Vista	\$4,420,757	\$93,805	\$65,646	\$76,425	\$5,720	\$12,279	\$ 253,875	\$145,409	\$108,467	74.6%	\$181,761	
Rocklin	\$22,808,769	\$261,381	\$302,980	\$173,880	\$29,513	\$12,279	\$ 780,033	\$788,286	-\$8,253	-1.0%	\$805,205	
Willows	\$1,226,079	\$38,752	\$28,564	\$31,182	\$1,586	\$12,279	\$ 112,362	\$89,490	\$22,873	25.6%	\$111,862	
Yuba City	\$26,733,800	\$212,644	\$323,466	\$118,115	\$34,592	\$12,279	\$ 701,097	\$665,326	\$35,771	5.4%	\$730,601	
Total:	\$180,300,406	\$2,422,487	\$2,859,000	\$1,739,466	\$233,298	\$233,298	\$ 7,487,549	\$6,549,555	\$937,994	14.3%	\$7,487,549	
Actuary/Verification		\$2,410,000	\$2,859,000									
Rates Per \$100 Payroll		\$ 1.34	\$ 1.59	\$2.92							\$7,345,779	
Don't Participate In GL Program											\$ 141,770	

FY 20/21 NCCSIF General Liability Funding Allocation PRELIMINARY

80% Confidence Level

Total Admin Expense = \$466,596

A	B	C	D	E	F	G	H	I	J	K	L
Formula/Allocation	Payroll (P)	Weighted Share Last 5 Years 25% Payroll, 75% Losses	Member Share of EX MOD Adjusted Payroll X Total Funding	Weighted Share Last 5 Years 75% Payroll, 25% Losses	(Admin/2) X Member % of Total Payroll	(Admin/2) ÷ 19 Equal Shares	C+D+E+F+G		H-I	J/I	H + Member % of Total Uncapped Payroll X Capped Amount
Member	2019 Calendar Year Payroll (DE 9)	BANKING LAYER \$0 to \$50K <i>(*Folsom \$0 to \$100K)</i>	SHARED LAYER \$50K to \$750K	CJPRMA EXCESS LAYER \$750k to \$40M	ADMIN EXPENSE 50%	ADMIN EXPENSE 50%	Preliminary FY 20/21 TOTAL DEPOSIT	FY 19/20 TOTAL DEPOSIT	\$ Change Overall	% Change Overall	Total FY 20/21 Deposit With Cap of 30%
Rate/Amount	Exposure Base	\$2,410,000	\$3,417,000	\$1,497,821	\$233,298	\$233,298	80% CL	80% CL			\$ 148,850
Anderson	\$4,439,068	\$41,419	\$67,553	\$22,885	\$5,744	\$12,279	\$149,880	\$140,262	\$9,618	6.9%	\$155,973
Auburn	\$6,787,664	\$179,829	\$159,913	\$129,618	\$8,783	\$12,279	\$490,422	\$389,954	\$100,467	25.8%	\$499,738
Colusa	\$2,169,132	\$80,592	\$68,887	\$60,050	\$2,807	\$12,279	\$224,614	\$142,996	\$81,618	57.1%	\$185,895
Corning	\$3,396,902	\$29,953	\$60,125	\$15,054	\$4,395	\$12,279	\$121,806	\$147,589	-\$25,783	-17.5%	\$126,468
Dixon	\$8,894,945	\$33,699	\$87,917	\$3,972	\$11,510	\$12,279	\$149,376	\$187,817	-\$38,441	-20.5%	\$161,585
Elk Grove											
Folsom*	\$44,026,880	\$683,447	\$1,173,071	\$444,392	\$56,968	\$12,279	\$2,370,157	\$1,780,352	\$589,805	33.1%	\$2,314,457
Galt	\$11,673,862	\$127,512	\$144,264	\$73,639	\$15,105	\$12,279	\$372,799	\$366,710	\$6,089	1.7%	\$388,823
Gridley	\$4,192,976	\$47,514	\$82,165	\$25,349	\$5,425	\$12,279	\$172,732	\$158,893	\$13,838	8.7%	\$178,487
Ione	\$1,371,177	\$27,412	\$34,259	\$18,668	\$1,774	\$12,279	\$94,392	\$74,928	\$19,464	26.0%	\$96,274
Jackson	\$2,966,158	\$56,339	\$58,410	\$39,404	\$3,838	\$12,279	\$170,270	\$134,066	\$36,204	27.0%	\$174,342
Lincoln	\$14,946,573	\$178,804	\$272,079	\$107,581	\$19,340	\$12,279	\$590,083	\$459,173	\$130,910	28.5%	\$596,924
Marysville	\$3,591,310	\$103,321	\$77,977	\$75,737	\$4,647	\$12,279	\$273,961	\$236,700	\$37,261	15.7%	\$278,890
Nevada City											
Oroville	\$5,973,585	\$68,005	\$113,946	\$36,736	\$7,729	\$12,279	\$238,695	\$275,677	-\$36,982	-13.4%	\$246,894
Paradise	\$4,387,916	\$81,115	\$71,053	\$54,595	\$5,678	\$12,279	\$224,720	\$186,425	\$38,295	20.5%	\$230,743
Placerville											
Red Bluff	\$6,292,852	\$76,942	\$84,072	\$46,052	\$8,143	\$12,279	\$227,488	\$179,501	\$47,987	26.7%	\$233,352
Rio Vista	\$4,420,757	\$93,805	\$78,459	\$65,808	\$5,720	\$12,279	\$256,071	\$145,409	\$110,662	76.1%	\$189,031
Rocklin	\$22,808,769	\$261,381	\$362,113	\$149,724	\$29,513	\$12,279	\$815,011	\$788,286	\$26,725	3.4%	\$846,318
Willows	\$1,226,079	\$38,752	\$34,139	\$26,850	\$1,586	\$12,279	\$113,606	\$89,490	\$24,116	26.9%	\$115,289
Yuba City	\$26,733,800	\$212,644	\$386,598	\$101,707	\$34,592	\$12,279	\$747,820	\$665,326	\$82,494	12.4%	\$784,515
Total:	\$180,300,406	\$2,422,487	\$3,417,000	\$1,497,821	\$233,298	\$233,298	\$7,803,904	\$6,549,555	\$1,254,349	19.2%	\$7,804,000

Actuary/Verification

\$2,410,000
\$2,859,000
\$3.23

\$7,790,165

Don't Participate In GL Program

Payroll Less Capped Members \$108,444,212

Change in Funding

SIR Change From \$500k to \$750k SIR		
Shared Increase	Excess Decrease	Net
\$558,000	-\$241,645	\$316,355
19.5%	-13.9%	4.2%

NCCSIF Liability Program Funding Changes 19/20 to 20/21

	FY 20/21	FY 19/20	Difference	20/21 \$750K SIR & % v. 19/20
Base Rate*	\$ 2.722	\$ 2.551	7%	\$3.01 18%
*500K SIR and Confidence Level Remains at 80%				

	FY 20/21	FY19/20	Difference
Excess Insurance	\$ 1,739,466	\$ 1,497,548	16%
<i>Represents 16% of the total increase of \$291,337</i>			\$ 241,918

Member Entity	Deposit Premium Change		
	Current Year FY 20/21 \$750K SIR 80% CL	Prior Year FY 19/20 \$500kSIR 80% CL	% Change
City of Anderson	\$155,973	\$140,262	11%
City of Auburn	\$499,738	\$389,954	28%
City of Colusa	\$185,895	\$142,996	30%
City of Corning	\$126,468	\$147,589	-14%
City of Dixon	\$161,585	\$187,817	-14%
Elk Grove			
City of Folsom	\$2,314,457	\$1,780,352	30%
City of Galt	\$388,823	\$366,710	6%
City of Gridley	\$178,487	\$158,893	12%
City of Ione	\$96,274	\$74,928	28%
City of Jackson	\$174,342	\$134,066	30%
City of Lincoln	\$596,924	\$459,173	30%
City of Marysville	\$278,890	\$236,700	18%
Nevada City			
City of Oroville	\$246,894	\$275,677	-10%
Town of Paradise	\$230,743	\$186,425	24%
Placerville			
City of Red Bluff	\$233,352	\$179,501	30%
City of Rio Vista	\$189,031	\$145,409	30%
City of Rocklin	\$846,318	\$788,286	7%
City of Willows	\$115,289	\$89,490	29%
City of Yuba City	\$784,515	\$665,326	18%
Grand Total	\$7,804,000	\$6,549,555	19%

Payroll		
2019 Calendar Year Payroll	2018 Calendar Year Payroll	% Change
\$4,439,068	\$4,213,453	5%
\$6,787,664	\$6,660,680	2%
\$2,169,132	\$2,367,799	-8%
\$3,396,902	\$3,378,660	1%
\$8,894,945	\$8,147,696	9%
\$44,026,880	\$39,112,288	13%
\$11,673,862	\$11,466,918	2%
\$4,192,976	\$4,166,176	1%
\$1,371,177	\$1,470,238	-7%
\$2,966,158	\$2,541,472	17%
\$14,946,573	\$14,440,531	4%
\$3,591,310	\$3,379,108	6%
\$5,973,585	\$5,929,991	1%
\$4,387,916	\$4,656,446	-6%
\$6,292,852	\$6,665,463	-6%
\$4,420,757	\$4,356,061	1%
\$22,808,769	\$22,042,000	3%
\$1,226,079	\$1,200,632	2%
\$26,733,800	\$25,635,916	4%
\$180,300,406	\$171,831,528	5%

Banking Layer Losses \$0-\$50K (\$100K)		
5-Year Avg FYE 2014-18	5-Year Avg FYE 2013-17	% Change
\$23,966	\$25,311	-5%
\$135,738	\$123,569	10%
\$62,886	\$51,012	23%
\$15,764	\$36,244	-57%
\$4,160	\$5,712	-27%
\$465,376	\$509,517	-9%
\$77,116	\$72,664	6%
\$26,546	\$21,386	24%
\$19,550	\$20,119	-3%
\$41,265	\$40,483	2%
\$112,661	\$97,118	16%
\$79,313	\$95,439	-17%
\$38,470	\$59,019	-35%
\$57,173	\$43,734	31%
\$48,227	\$24,734	95%
\$68,915	\$30,088	129%
\$156,794	\$148,674	5%
\$28,118	\$19,765	42%
\$106,509	\$102,327	4%
\$1,568,548	\$1,526,912	3%

Shared Layer Losses \$5K-\$80K		
Shared Layer Totals FYE 2014-18	Shared Layer Totals FYE 2013-17	% Change
\$57,930	\$122,451	-53%
\$285,184	\$675,772	-58%
\$229,678	\$284,234	-19%
\$56,820	\$162,617	-65%
\$0	\$0	0%
\$1,825,591	\$1,713,269	7%
\$115,421	\$301,657	-62%
\$77,499	\$121,636	-36%
\$109,545	\$91,830	19%
\$127,588	\$277,588	-54%
\$389,293	\$363,386	7%
\$151,157	\$354,609	-57%
\$122,147	\$346,629	-65%
\$52,173	\$246,986	-79%
\$36,671	\$38,969	-6%
\$100,360	\$105,550	-5%
\$470,772	\$851,941	-45%
\$31,715	\$108,789	-71%
\$497,820	\$404,830	23%
\$4,737,365	\$6,572,743	-28%

Experience Mod		
FY 20/21	FY 19/20	% Change
0.91	0.98	-6%
1.27	1.44	-12%
1.58	1.25	26%
0.95	1.04	-9%
0.57	0.70	-18%
1.49	1.06	41%
0.70	0.91	-23%
0.91	0.93	-2%
1.31	1.05	24%
1.24	1.24	0%
1.04	0.88	18%
1.22	1.28	-5%
0.90	1.08	-17%
0.87	1.10	-21%
0.73	0.80	-8%
1.02	0.95	7%
0.84	0.99	-15%
1.00	1.04	-4%
0.80	0.67	20%



Agenda Item J.5.

FY 20/21 PROPERTY RENEWAL UPDATE

INFORMATION ITEM

ISSUE: The property insurance market remains “firm to hard”, with average increases in the 15-20% range common for risks with good loss ratios of 50% or less. NorCal Cities has a 5 year loss ratio of 234%, and so has been identified as a “loss leader” and is subject to larger increases.

In an effort to keep the increase within the “average range”, and to mitigate catastrophic claims, the APIP underwriters (AUS) have estimated an **increase of 18% - 23% with a wildfire deductible of \$2.5M**. To date they have so far declined to offer a quote without this high deductible. The Occurrence Definition in respect to Wildfire(s) is defined: As regards wildfires, firestorms, brush fires and any other fires or series of fires, irrespective of origin, which spread through trees, grassland or other vegetation.

Unfortunately, the imposition of wildfire deductibles has become more common in this market environment, and it is likely the group will be faced with this reality. The Program Administrators are in negotiations with AUS to minimize the impact to the pool, including alternate deductibles and application to specific areas rather than the entire group. Currently the expectation is it will only apply to Paradise

Loss runs are also being reviewed for accuracy to minimize the impact on the group’s loss ratio. The Program Administrators will also review the practical impact of the deductible as it relates to FEMA assistance in the event of a wildfire.

On top of the above we now have the COVID pandemic that is causing a good deal of uncertainty and anxiety among insurers, putting further pressure on rates. The impact via covered claims should be very manageable but the move to legislate changes to policies to cover business interruption is an issue.

RECOMMENDATION: None. Updates will be provided at the Board meeting in June and as new information is developed.

FISCAL IMPACT: TBD.

BACKGROUND: The property insurance market has been in a hard cycle for the last 2-3 years, and the impact of the Camp fires on NorCal Cities SIF was seen in the rate increase for FY 19/20. While the market is still hard the worst of the increases were seen this year for most risks though we are seeing other coverage restrictions, lower limits, and higher deductibles.

ATTACHMENT(S): None



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020**

Agenda Item J.6.

INDEPENDENT FINANCIAL AUDIT SERVICES

INFORMATION ITEM

ISSUE: The Executive Committee reviewed four proposals for independent financial audit services and selected the incumbent, Crowe LLP, to continue providing audit services.

RECOMMENDATION: None – information item. Engagement Letter will be placed on the Board’s Consent Agenda at the next meeting.

FISCAL IMPACT: No change in current annual fee of \$27,700 for the FY 19/20 or FY 20/21 audits, total of \$140,700 for five-year proposal.

BACKGROUND: NorCal Cities issued a Request for Proposals (RFP) for independent financial audit services and received proposals from four service providers. The Program Administrators reviewed the responses and provided them, along with a summary score sheet, for three members to review – Tim Sailsbery, Jen Lee, and Andy Schiltz. They were chosen based on their roles on the Executive Committee and Board and because they are all CPAs. The results of their feedback are attached.

The annual financial audit has been conducted by Crowe Horwath since FY 10/11.

ATTACHMENT(S): Summary of Audit Proposals

SUMMARY OF RESPONSES TO NCCSIF RFP FOR INDEPENDENT FINANCIAL AUDIT SERVICES

	Moss Adams LLP 2882 Prospect Park Dr., Ste 300 Rancho Cordova, CA 95670	SCORE	Sampson, Sampson & Patterson, LLP 3148 Willows Ave., Ste. 102 Clovis, CA 93612	SCORE	Maze & Associates 3478 Buskirk Ave., Ste. 215 Pleasant Hill, CA 94523	SCORE	Crowe LLP 400 Capitol Mall, Ste. 1400 Sacramento, CA 95814	SCORE
A. Organization	Based on years in business, reputation, number of employees, range of services	5		3		4		5
Experience Auditing Risk Pools	Based on the list of applicable experience	5		4		4		5
B. Personnel	Based on the hours allocated to the Partner, most experienced team member	3		5		4		4
C. Methodology	Based on Audit planning, process and timing	5	Lack of detail steps and comprehensiveness	3	Focus on interim and remote	4		5
D. Conflict of Interest	None	5	None	5	Auditor of the City of Elk Grove, one of the members	0	None	5
E.	COST							
FY 2019/2020	\$26,000		\$25,350		\$25,615		\$27,700	
FY 2020/2021	\$26,700		\$25,850		\$26,640		\$27,700	
FY 2021/2022	\$27,500		\$26,350		\$27,706		\$28,250	
FY 2022/2023	\$28,000		\$26,900		\$28,814		\$28,250	
FY 2023/2024	\$28,000		\$27,450		\$29,967		\$28,800	
Total for all years	\$136,200		\$131,900		\$138,742		\$140,700	
Has Verified Certificate of Insurance								
On-time Submission of Proposal	✓	5	✓	5	✓	5	✓	5
SCORE <i>5 points for each category with highest possible score of 30</i>		28		25		21		29
<i>Rating Score: 5 = Excellent, 4 = Very Good, 3 = Good, 2 = Fair, 1 = Poor</i>								
<i>blank = unclear/unknown</i>								

SUMMARY OF RESPONSES TO NCCSIF RFP FOR INDEPENDENT FINANCIAL AUDIT SERVICES

	Moss Adams LLP 2882 Prospect Park Dr., Ste 300 Rancho Cordova, CA 95670	SCORE	Sampson, Sampson & Patterson, LLP 3148 Willows Ave., Ste. 102 Clovis, CA 93612	SCORE	Maze & Associates 3478 Buskirk Ave., Ste. 215 Pleasant Hill, CA 94523	SCORE	Crowe LLP 400 Capitol Mall, Ste. 1400 Sacramento, CA 95814	SCORE
A. Organization	Fine with org. structure	5	May be a bit thin	4	Fine with org. structure	5	Fine with org. structure	5
Experience Auditing Risk Pools	No. Cal risk pool-would like to see more.	4	Better than I thought it would be.	5	Will we take a back seat to Muni. clients?	4	A proven entity	5
B. Personnel	Mr. Ngo appears to have a solid background.	5	A senior with 10 years exp. that isn't a CPA?	3	Will we take a back seat to Muni. clients?	4	No concerns	5
C. Methodology	They all do roughly the same thing.	5	They all do roughly the same thing.	5	They all do roughly the same thing.	5	They all do roughly the same thing.	5
D. Conflict of Interest	None noted	5	None noted	5	None noted	5	None noted	5
E.	COST							
FY 2019/2020	\$26,000		\$25,350		\$25,615		\$27,700	
FY 2020/2021	\$26,700		\$25,850		\$26,640		\$27,700	
FY 2021/2022	\$27,500		\$26,350		\$27,706		\$28,250	
FY 2022/2023	\$28,000		\$26,900		\$28,814		\$28,250	
FY 2023/2024	\$28,000		\$27,450		\$29,967		\$28,800	
Total for all years	\$136,200		\$131,900		\$138,742		\$140,700	
Has Verified Certificate of Insurance								
On-time Submission of Proposal	✓	5	✓	5	✓	5	✓	5
SCORE <i>5 points for each category with highest possible score of 30</i>		29		27		28		30
<i>Rating Score: 5 = Excellent, 4 = Very Good, 3 = Good, 2 = Fair, 1 = Poor</i>								
<i>blank = unclear/unknown</i>								

SUMMARY OF RESPONSES TO NCCSIF RFP FOR INDEPENDENT FINANCIAL AUDIT SERVICES								
	Moss Adams LLP 2882 Prospect Park Dr., Ste 300 Rancho Cordova, CA 95670	SCORE	Sampson, Sampson & Patterson, LLP 3148 Willows Ave., Ste. 102 Clovis, CA 93612	SCORE	Maze & Associates 3478 Buskirk Ave., Ste. 215 Pleasant Hill, CA 94523	SCORE	Crowe LLP 400 Capitol Mall, Ste. 1400 Sacramento, CA 95814	SCORE
A. Organization		5		4	Maze & Associates has limited experience with risk pools but a great deal of experience in governmental and fund accounting. Organization was marked down slightly due to past experience with the City of Rocklin. Side note, the transmittal letter has a bullet that includes discussion of their experience and expertise in, amongst other things, proofreading. The sentence describing this capability is a complete mess	4		5
Experience Auditing Risk Pools	Moss Adams has one staff member with experience with risk pools, but not as a Moss Adams employee. Experience would seem to be limited.	2	Sampson, Sampson & Patterson appears to have a good degree of experience with risk pools, but is quite small. Depth of bench may be an issue and their proposal lacked the detail of others.	5		3	Crowe has a tremendous amount of experience, is familiar with NCCSIF, their pricing is competitive, and their would be no learning curve. Unknown if there were any issues experienced from NCCSIF's point of view working with them.	5
B. Personnel		4		4		4		5
C. Methodology		5		5		5		5
D. Conflict of Interest		5		5		5		5
E.	COST							
FY 2019/2020	\$26,000		\$25,350		\$25,615		\$27,700	
FY 2020/2021	\$26,700		\$25,850		\$26,640		\$27,700	
FY 2021/2022	\$27,500		\$26,350		\$27,706		\$28,250	
FY 2022/2023	\$28,000		\$26,900		\$28,814		\$28,250	
FY 2023/2024	\$28,000		\$27,450		\$29,967		\$28,800	
Total for all years	\$136,200		\$131,900		\$138,742		\$140,700	
Has Verified Certificate of Insurance								
On-time Submission of Proposal	✓	5	✓	5	✓	5	✓	5
SCORE <i>5 points for each category with highest possible score of 30</i>		26		28		26		30
<i>Rating Score: 5 = Excellent, 4 = Very Good, 3 = Good, 2 = Fair, 1 = Poor</i>								
<i>blank = unclear/unknown</i>								



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020

Agenda Item J.7.

**RESOLUTION ESTABLISHING
LOCAL CLAIMS PROCEDURE REGULATIONS**

ACTION ITEM

ISSUE: Government Code Section 935 allows an agency (JPA or a member) to adopt a resolution prescribing a local claim filing procedure and deadlines to apply to claims exempt from the Government Claims Act. The types of claims that are specifically exempt from the requirements of the Government Claims Act, per Government Code Section 905, are referenced in the attached. The list of exceptions includes claims from the state or other public agencies as well as public employees for fees, salaries, wages, mileage, or other expenses and allowances.

The Program Administrators prepared the attached resolution that would adopt local claims procedures to apply to Government Claims Act-exempt claims filed against the JPA. This would also require member agencies to file written claims with the JPA within the Act's claim filing deadlines (i.e., six months for personal injury, wrongful death, or personal property damage claims and one year for breach of contract and real property damage claims).

Many agencies (likely including many JPA members) have adopted a local claims ordinance or rule under Section 935, and *if they have not they are encouraged to do so*. As the attached 2003 League of California Cities paper noted, "The enactment of local claims procedures is of great benefit to cities.... all cities without such an ordinance are well-advised to adopt a claims filing ordinance, at a minimum to cover themselves for future claims."

RECOMMENDATION: Approve Resolution 20-03 establishing local claims procedure regulations for the JPA

FISCAL IMPACT: None. Though rare, this could prevent claims v. JPA from other agencies as well as certain types of claims from a variety of other sources.

BACKGROUND: The Government Claims Act addresses claims against local government agencies, including filing requirements and deadlines. Under the Act, most claims for money or damages against the JPA (or a member) require the claimant to timely file a claim before proceeding to court. Claims concerning personal injury, wrongful death, personal property damage, or crop damage must be filed within six months and all other claims (e.g., breach of contract, real property damage) must be filed within one year. These time periods are measured from the date of the accrual of the cause of action.



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020**

Agenda Item J.7. (continued)

The purposes of the Act's claim requirements are to allow the agency to timely and promptly investigate claims based on information submitted by the claimant, to settle meritorious claims without the expense of litigation, and to enable the agency to make appropriate fiscal planning decisions based on pending claims.

Government Code Section 905 contains significant exceptions to the claim filing requirement under state law. If a claim is exempt, there are no claim filing requirements under the Act. The Section 905 exceptions include public employee claims for wages, fees, or expense reimbursement, claims by the state or another local government agency, and, certain tax, assessment, and fee refund actions (See Reference below with complete GC 905 text).

Government Code Section 935 allows an agency (JPA or a member) to adopt a resolution prescribing a local claim filing procedure and deadlines to apply to claims exempt from the Government Claims Act. Any local procedure and deadlines generally must be consistent with the Act. If the JPA adopts local claims procedure regulations, claims exempt from the Act would be subject to the local procedures and deadlines. A local claims regulation also would further the principal purposes of the Act by giving the JPA prompt notice of claims and allowing an opportunity for prompt investigation and, if appropriate, settlement of claims without litigation

ATTACHMENT(S):

1. Resolution 20-03 Establishing Local Claims Procedure Regulations
2. Government Code 905
3. Local Claims Filing Regulations, League of California Cities, 2003, attached

RESOLUTION NO. 20-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND ESTABLISHING LOCAL CLAIMS PROCEDURE REGULATIONS

BE IT RESOLVED by the Board of Directors of the NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND (“NCCSIF”) that the following local claims procedure regulations are hereby established:

- 1) **Purpose and Authority.** The purpose of this resolution is to establish local claims procedure regulations to govern money claims brought against NCCSIF that are exempt from state law claims procedures under the Government Claims Act (Government Code § 900 et seq.). This resolution is adopted pursuant to Government Code section 935.
- 2) **Local Claims Procedures.** NCCSIF hereby establishes the following claims procedure regulations to apply to and govern those claims against NCCSIF that, pursuant to Government Code section 905, are exempt from the Government Claims Act:
 - a. All claims for money or damages against NCCSIF that are exempt from the Government Claims Act, and that are not governed by any other statute or regulation expressly relating to such claim, shall be presented to NCCSIF within the time limitations and in the manner set forth in Government Code sections 910 through 915.4.
 - b. When a claim required by this resolution to be presented within a period of less than one year after the accrual of the cause of action is not presented within the required time, an application for leave to file a late claim may be made and processed in accordance with Government Code sections 911.4(b), 911.6 to 912.2, and 946.6. A late claim also shall be subject to Government Code section 946.4. (See Government Code § 935(e).)
 - c. Claims shall be subject to the provisions of Government Code section 945.4 relating to the prohibition of lawsuits until the timely presentation of and action on a claim. No lawsuit for money or damages may be brought against NCCSIF on a cause of action for which a claim is required to be presented in accordance with this resolution until a written claim has been timely presented to NCCSIF and has been acted upon by NCCSIF Board, or has been deemed to have been rejected by the NCCSIF Board, in accordance with the procedures at Government Code sections 910 through 915.4. (See Government Code § 935(b).)

- d. Any lawsuit brought against NCCSIF on a claim subject to this resolution shall be subject to the provisions of Government Code sections 945.6 (lawsuit filing limitations) and 946 (lawsuit barred after claim allowed in full or part). Any lawsuit against NCCSIF on a claim subject to this resolution must be commenced within the time limitations of Government Code section 945.6. (See Government Code § 935(b).)

PASSED AND ADOPTED by the Board of Directors of the Northern California Cities Self Insurance Fund on the twenty-third day of April, 2020 by the following vote:

Votes in Favor: _____
Votes in Opposition: _____
Votes Abstaining: _____
Votes Absent: _____

President

ATTEST:

Secretary

California Government Code
Sec. 905

There shall be presented in accordance with Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) all claims for money or damages against local public entities except any of the following:

(a)

Claims under the Revenue and Taxation Code or other statute prescribing procedures for the refund, rebate, exemption, cancellation, amendment, modification, or adjustment of any tax, assessment, fee, or charge or any portion thereof, or of any penalties, costs, or charges related thereto.

(b)

Claims in connection with which the filing of a notice of lien, statement of claim, or stop notice is required under any law relating to liens of mechanics, laborers, or materialmen.

(c)

Claims by public employees for fees, salaries, wages, mileage, or other expenses and allowances.

(d)

Claims for which the workers compensation authorized by Division 4 (commencing with Section 3200) of the Labor Code is the exclusive remedy.

(e)

Applications or claims for any form of public assistance under the Welfare and Institutions Code or other provisions of law relating to public assistance programs, and claims for goods, services, provisions, or other assistance rendered for or on behalf of any recipient of any form of public assistance.

(f)

Applications or claims for money or benefits under any public retirement or pension system.

(g)

Claims for principal or interest upon any bonds, notes, warrants, or other evidences of indebtedness.

(h)

Claims that relate to a special assessment constituting a specific lien against the property assessed and that are payable from the proceeds of the assessment, by offset of a claim for damages against it or by delivery of any warrant or bonds representing it.

(i)

Claims by the state or by a state department or agency or by another local public entity or by a judicial branch entity.

(j)

Claims arising under any provision of the Unemployment Insurance Code, including, but not limited to, claims for money or benefits, or for refunds or credits of employer or worker contributions, penalties, or interest, or for refunds to workers of deductions from wages in excess of the amount prescribed.

(k)

Claims for the recovery of penalties or forfeitures made pursuant to Article 1 (commencing with Section 1720) of Chapter 1 of Part 7 of Division 2 of the Labor Code.

(l)

Claims governed by the Pedestrian Mall Law of 1960 (Part 1 (commencing with Section 11000) of Division 13 of the Streets and Highways Code).

(m)

Claims made pursuant to Section 340.1 of the Code of Civil Procedure for the recovery of damages suffered as a result of childhood sexual abuse. This subdivision shall apply only to claims arising out of conduct occurring on or after January 1, 2009.

(n)

Claims made pursuant to Section 701.820 of the Code of Civil Procedure for the recovery of money pursuant to Section 26680.

(o)

Claims made pursuant to Section 49013 of the Education Code for reimbursement of pupil fees for participation in educational activities.

City Attorneys Department
League of California Cities
Continuing Education Seminar
February 2003

Kevin D. Siegel
Anne Q. Pollack
Attorneys

LOCAL CLAIMS FILING REGULATIONS

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Local Agencies May Require The Filing Of An Administrative Claim For Those Claims
That Would Otherwise Be Exempted From The Claims Presentation Requirements. 1

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INTRODUCTION

The Tort Claims Act generally requires the filing of an administrative claim for damages as a prerequisite to filing a civil action. Twelve classes of damage claims are exempted from the claim-presentation requirements under Government Code section 905. However, the Tort Claims Act provides local public agencies an opportunity to remove this exemption. Pursuant to Government Code section 935, local public agencies may adopt by charter amendment or local ordinance a claim-filing requirement for those classes of claims, which would otherwise be exempted under section 905. The purpose of this paper is to discuss the benefits of adopting such a requirement and to provide a sample ordinance for those who are interested in adopting a similar ordinance.

DISCUSSION

Local Agencies May Require The Filing Of An Administrative Claim For Those Claims That Would Otherwise Be Exempted From The Claims Presentation Requirements.

The Tort Claims Act (Gov. Code, § 810 et seq.) establishes the basic principals of public agency liability for damage claims, whether those claims sound in tort or contract. Aside from establishing the substantive rules for public agency damages liability, it establishes the procedural rules pursuant to which a claimant may seek a damage award from a public agency. Compliance with these procedural rules, including those requiring the filing of an administrative claim within the applicable six-month or one-year statute of limitation, operate as prerequisites to the filing of a civil action against the public agency. (See Gov. Code, §§ 945.6 and 946.)

Accordingly, where there may be substantive liability, the procedural requirements provide public agencies the opportunity to timely investigate claims and to reduce litigation expenses and potential judgments. In addition, procedural rules such as the statutes of limitations serve to bar some claims which would otherwise be substantively valid. (See *City of Ontario v. Superior Court* (1993) 12 Cal.App.4th 894, 902-03 (describing the purposes of the prescribed time limits as giving public agencies opportunities to timely investigate claims, to settle meritorious claims short of litigation, and to make appropriate fiscal planning decisions); see also *Crow v. State* (1990) 222 Cal.App.3d 192, 202.)

The Tort Claims Act, however, does not treat all claims the same. Specifically, the uniform procedures for claims against local public entities are limited by Government Code section 905,

which exempts some damage claims from the Tort Claims Act claims-presentation requirements (Gov. Code, § 900 et seq. and § 910 et seq.). Government Code section 905 excludes twelve categories of claims, many of which have specific claims procedures provided for them in other statutes. Included among the list of excluded categories of claims are:

- claims under the Revenue and Taxation Code or other statute for refunds of illegally collected taxes;
- claims for principal or interest upon any bond or other financial instrument;
- claims for employment benefits or salaries;
- claims by the State and other public agencies;
- welfare claims;
- claims by public employees for fees, salaries, wages, mileage or other expenses and allowances;
- public retirement or pension system claims.

(See Gov. Code, § 905 for complete list.)

What the Legislature takes with one hand, however, it gives with the other. Government Code section 935 provides that claims which are excluded from the claims presentation provisions, and which are not governed by other statutes or regulations expressly related thereto, may be covered by local agency charter, ordinance or regulation. As such, under section 935, municipalities and other local agencies may adopt ordinances which specifically require the filing of an administrative claim for those claims which would otherwise be excluded under section 905. This grant of this authority to local agencies has received judicial approval for

both charter and general law cities. (See *Pasadena Hotel Development Venture v. City of Pasadena* (1981) 119 Cal.App.3d 412; *City of Ontario*, supra, 12 Cal.App.4th 894.)¹

Local Claims Filing Ordinances Limit Liability.

The enactment of local claims procedures is of great benefit to cities. For instance, in *City of Ontario*, the State filed an action against the City for equitable indemnity in a flood damage case. The City demurred on the basis that the State had not filed a claim with the City and that the claim would be barred by the City's statute of limitations. The Court of Appeal agreed. It found that the express intent of the City's ordinance was to take advantage of section 935 and that section 935 "does not incorporate any suggestion whatsoever that it does not apply to claims by the State." (*City of Ontario*, supra, 12 Cal.App.4th at 902.) In fact, the Court found sections 905 and 935 and the relationship between the two to be exceedingly unambiguous: "Sections 905 and 935, read together, are perfectly clear. Section 905 creates exemptions from the state-mandated claims procedure; section 935 permits local public entities to enact their own procedures to cover the exempted claims." (*Id.* at 901-902.) Because the State did not comply and could not now comply, the City was saved from a possible indemnity judgment against it.

Even more clear and beneficial is the potential for such local claims-filing regulations to limit municipal liability in the tax refund claim context. As stated above, Government Code section 905 exempts from the claims filing provisions "[c]laims under the Revenue and Taxation Code or other statute providing procedures for the refund, rebate," etc. (Gov. Code, § 905(a).) Local regulations providing such refund procedures are not encompassed within the term "statute" either as commonly used or as particularly employed in section 905. Therefore, a city may adopt regulations requiring a Government Code claim as a prerequisite to a lawsuit for the refund of local taxes. (*Volkswagen Pacific, Inc. v. City of Los Angeles* (1972) 7 Cal.3d 48, 60-61.)

For example, in *Pasadena Hotel*, supra, 119 Cal.App.3d 412, an error in the tax assessed to a taxpayer resulted in a \$25,000 overpayment by the taxpayer to the City in 1976. The taxpayer filed a claim with the City in 1979 pursuant to the four year statute of limitations in the Revenue and Taxation Code. The City Charter and a municipal code provision, however, required that claims for tax refunds be filed within in one year. Because the Revenue and

¹ Some charter cities include such requirements both in their charter and in their municipal codes. (See, e.g., *Pasadena Hotel Development Venture*, supra, 119 Cal.App.3d 412.) The courts, however, have found the enactment of such claim filing procedures only by ordinance to be sufficient. (See *City of Ontario*, 12 Cal.App.4th at 899-902.)

Taxation code section did not expressly relate to the circumstances of the case, it did not apply and the shorter one year statute of limitations did apply resulting in the taxpayer's claim being untimely. Accordingly, local agencies that adopt a claims filing ordinance pursuant to Government Code section 935 may greatly limit their liability.

Consideration of the decision in *Howard Jarvis Taxpayers Assn. v. City of La Habra* (2001) 25 Cal.4th 809, demonstrates how the absence of such an ordinance can effectively increase a municipality's civil liability. At issue in *HJTA v. City of La Habra* was when the statute of limitations began running.

In *HJTA v. City of La Habra*, more than three years after the City's utility users tax ordinance was adopted, taxpayers sued the City claiming that the general tax was required by Proposition 62 to have been approved by the voters. The plaintiffs sought, among other things, a declaration that the tax was invalid, an injunction against its enforcement and a writ compelling the City to cease collecting the tax and refund illegally collected past taxes to the taxpayers. The City argued that the applicable statute of limitations period was three years pursuant to CCP § 338(a) (an action upon a liability created by statute) and that the limitations period commenced upon enactment of the tax ordinance. Thus, the City asserted, the claim was barred. Both the trial appellate courts upheld the City's position, but the Supreme Court reversed.

In reviewing the case, the Court held that while the plaintiffs could have brought suit as soon as the ordinance was enacted and did not have to wait for a court ruling that Proposition 62 was constitutional, their claim continually accrued every time the City collected the tax. Compounding the negative impact of the decision for the City of La Habra was that, for such tax liability claims exempted from the Tort Claims Act claims filing provisions, the applicable statute of limitations period was three years pursuant to CCP § 338. This meant the claim could proceed, and that should the ordinance ultimately be declared illegal, the City's liability would be three-fold that which it could have been had it enacted a one-year claims-filing procedure.

While this case specifically did not have anything to do with the Tort Claims Act or sections 905 and 935, the lesson that can be learned is clear. Those cities that have enacted an ordinance pursuant to section 935 providing for a claims-filing procedure for those claims exempted by section 905, may avoid altogether or at least greatly diminish their liability for such claims through the application of the one-year statute provided by the Tort Claims Act. In other words, as stated above, once a city establishes a claims-filing procedure, compliance with its provisions is a prerequisite to filing a lawsuit. A failure to file a claim within the Tort Claims Act's statute of limitations bars the lawsuit. Even where the statute continually accrues (e.g.,

the collection cases), the City's liability is reduced to only those claims accruing within the past year.²

CONCLUSION

As the experiences of many cities can attest, all cities without such an ordinance are well-advised to adopt a claims filing ordinance, at a minimum to cover themselves for future claims. A sample ordinance is attached to this paper for your reference.

² Cities should keep in mind that local regulations providing for claims-filing procedures generally do not apply retroactively unless they explicitly provide so. (*Adler v. Los Angeles Unified Sch. Dist.* (1979) 98 Cal.App.3d 280, 287.)



POLICY AND PROCEDURE REVISIONS

ACTION ITEM

ISSUE: Two of NCCSIF's Policies and Procedures are presented with recommended changes for the Committee to review and provide direction for Board approval.

A. A-17: Shared Risk Layer Plan Target Funding Policy

At the last Board meeting NCCSIF's financial condition was compared to the group's funding benchmarks as described in the Shared Risk Layer Target Funding Policy (P&P A-17). In addition to updating the terms in the Policy (**Net Assets = Net Position now**), the members provided feedback regarding strengthening some of the goals and funding benchmarks, most notably the Confidence Level (CL) benchmarks for assets (**goal of liabilities at 95% CL**) and for annual funding (goal of at least 80-90% CL). Goals have also been added to the benchmark ratios as indicated in the attached.

B. A-15: Travel Expenses

Minor changes are also recommended for the Travel Expense Policy, to update the name of the budget category and eliminate the reference to the amount budgeted for each member for the year.

RECOMMENDATION: Review and approve or provide direction for each of the above policies.

FISCAL IMPACT: None.

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-17: Shared Risk Layer Plan Target Funding Policy, with red-line changes
2. A-15: Travel Expenses



Northern California Cities Self Insurance Fund

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



ADMINISTRATIVE POLICY AND PROCEDURE # A-17

SUBJECT: SHARED RISK LAYER PLAN TARGET FUNDING POLICY

Policy Statement:

This policy will operate in conjunction with the following policies and procedures:

L – 1: SHARED RISK LAYER LIABILITY DEPOSIT DEVELOPMENT PLAN

WC – 1: SHARED RISK LAYER WORKERS' COMPENSATION DEPOSIT DEVELOPMENT PLAN

A – 12: SHARED RISK LAYER PLAN FUND ADJUSTMENTS

It is the goal of NCCSIF to develop guidelines setting target funding levels for the Shared Risk Layers in the Liability and Workers' Compensation programs. This policy seeks to establish a prudent funding threshold to ensure the programs are able to meet their financial obligations. When Net Assets-Position exceeds or falls below the target(s) the Board may make adjustments by issuing refunds or declaring assessments in accordance with Policy and Procedure A – 12, Shared Risk Layer Plan Fund Adjustments.

1. DEFINITIONS

This policy contains terms and words with special meaning to risk funding. Those terms and others are defined below:

Claim Reserves: Estimate of the funds needed to pay for known claims against members that have been reported to NCCSIF. The Third Party Claims Administrator will establish a reserve for each open claim.

Confidence Level (CL): The probability premium collected or program assets are sufficient to pay the actual claim costs. Expected value is approximately equal to a 55% probability funds are sufficient to pay claims. A 90% confidence level refers to an estimate for which there is only a 10% probability there is insufficient funding to pay the Ultimate Loss.

Risk Margin Fund: Net Position held to pay claims above Expected Liabilities.

Expected Liabilities: Claim Reserves plus IBNR and Loss Adjustment Expenses (LAE), discounted, and reported at an Expected CL for all program years, as calculated by an actuary.

Net AssetsPosition: Total assets less Expected Liabilities. Stated as Net Position in the Statement of Net Position (Balance Sheet). Sometimes called Surplus, Equity, or Net Assets.

Incurred But Not Reported (IBNR) Claims: Estimate of the funds needed to pay for covered losses that have occurred but have not been reported and expected future loss development on claims already reported.

Self-Insured Retention (SIR): Dollar amount of pooled risk before any excess coverage is triggered.

Ultimate Loss: The sum of claims paid to date, claim reserves and IBNR. This is an actuarial estimate of the total value of all claims that will ultimately be paid at a given point in time.

2. FUNDING CRITERIA

The programs shall utilize Expected Liabilities when reporting liabilities in the NCCSIF Financial Statements and Audit.

Each program's ~~target goal~~ is to maintain a Risk Margin Fund with assets equal to the difference between Expected Liabilities and Discounted Liabilities at a 90% CL, with a goal of maintaining assets at a 95% CL or greater.

The programs may pay refunds ~~when-only if~~ Net Position exceeds the 90% discounted CL and as per Policy and Procedure A – 12.

The programs may use Net Position for rate stabilization.

The programs will initially fund each program year at a 60% CL or higher, with a goal of at least 80%-90% CL.

3. FUNDING BENCHMARKS

In addition to the program maintaining assets at least equal to Liabilities at a 90% CL, other benchmark ratios will be reviewed annually to ensure prudent funding levels are maintained.

The programs will endeavor to meet the following ratios:

☞ **Net Assets Position to SIR** **Target = 3 to 5:1; Goal = 5X \$1M SIR**
This ratio is a measure of the number of full SIR losses that could be paid from Net Position. It also measures the funds available to take a higher SIR. A high ratio is desirable.

☞ **Net Contributions to Net Assets Position** **Target = ≤ 2 to 1; Goal = < 1 to 1**
This ratio measures whether inadequate funding for new years could adversely affect Net Position. A low ratio is desirable.

☞ **Expected Liabilities to Net Position** **Target = ≤ 3 to 1; Goal = < 2 to 1**
This ratio is a measure of how Net Position is leveraged against Expected Liabilities. A low ratio is desirable.

☞ **Change in Ultimate Loss Development** **Target $-20\% < x < 20\%$**
This is a measure of the development in Ultimate Loss from one year to the next. Increases over successive years indicate a trend that may need addressing through additional funding.

☞ **Change in Net-Assets Position** **Target $\geq -10\%$**
This measures the annual change in Net Position. Decreases over successive years indicate a trend that may need addressing through additional funding.

4. POLICY REVIEW

The Program Administrator will submit a yearly report summarizing the programs' financial positions against the guidelines established in this policy. The policy will be periodically reviewed by the Board and revised as necessary.

Effective Date: December 18, 2005

First Revision: January 24, 2013

Second Revision: October 9, 2014

Third Revision: xxxxxx xx 2020



Northern California Cities Self Insurance Fund

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



ADMINISTRATIVE POLICY AND PROCEDURE #A-15

SUBJECT: TRAVEL EXPENSES

Policy Statement:

It shall be the policy of the Northern California Cities Self Insurance Fund to annually fund for NCCSIF business related travel by Members. Members will be reimbursed for travel expenses related to NCCSIF business.

Procedure:

1. Funds are allocated in the NCCSIF budget under *Board Expenses – Member Travel* for travel of NCCSIF Member Representative to the Board, Executive Committee and Risk Management meetings and for Board designee attendance at CJPRMA meetings unless reimbursed elsewhere.
2. Funds are allocated in the NCCSIF budget under *Safety Services—~~Seminars and Risk Management Conferences~~ Member Training & Risk Management* for travel of NCCSIF Member Representatives to annual professional Insurance, Risk Management, Human Resources or Labor Relations conferences (e.g., PARMA, CAJPA, CalPELRA, etc.).
3. Members will submit expenses on the attached Expense Claim Form for reimbursement.

Allowable Expenses

- a) **Lodging** (not to exceed the Government or discount rate): Room service, movies and mini-bar charges are specifically excluded from reimbursement under this Policy and Procedure.
- b) **Meals** (not to exceed \$50 per day): When meals are provided by a conference or meeting, Member Representatives will not be eligible for reimbursement if they choose to dine separately. Alcohol and/or corkage fees are not reimbursable expenses. Meal reimbursement applies when attending professional Risk Management and Labor Management conferences.
- c) **Airfare** (coach rates) and any *mandatory* baggage fees when professional Risk Management and Labor Management conferences.
- d) **Travel by other public conveyance** (train, bus, taxi), or by personal auto (reimbursement at current IRS rate): reimbursement for personal auto use shall not exceed the cost of roundtrip coach airfare.

- e) **Parking is reimbursable for** attendance at professional Risk Management and Labor Management conferences.
- 4. Receipts are required for each of the items listed above.
- 5. The Expense Claim Form is to be signed by both the Member Representative and the JPA Administrator.
- 6. The original Expense Claim Form and one copy should be forwarded, with all applicable receipts, to the Program Administration Staff within 60 days of the meeting or conference. Subject to review, any maximums and approval by the Program Administrator, reimbursements will be sent to the NCCSIF Accountant and processed within 30 days of receipt. Checks will be routed for signature, if needed, and sent directly to the Member Representative.

Reimbursements Limits:

Each member agency is limited to receive reimbursement for travel expenses related to professional development events specified in this policy, in amounts determined by the Board of Directors ~~(currently \$3,300) on a fiscal year basis~~. Professional development expenses are in addition to travel expense reimbursement for attendance at NCCSIF Board and Committee meetings.

Effective Date: March 23, 2001
First Revision: December 17, 2009
Second Revision: February 22, 2011
Third Revision: March 22, 2012
Fourth Revision: xxxxx xx, 2020

NCCSIF EXPENSE CLAIM FORM

Name: _____

Date: _____

City: _____

Location of Meeting: _____

Meeting Date: _____

Expenses:

Airfare: \$ _____ Attach travel itinerary and ticket receipt

- Covers coach rates only and any mandatory baggage fees.

Auto: Total miles _____ X _____ (IRS Rate) = \$ _____

- If travel by car shared with another member, you may share the mileage costs to avoid the maximum.

Hotel: \$ _____ Attach hotel receipt

- Not to exceed Government Rate.

Meals: \$ _____ Attach receipts

- Not to exceed \$50 per day. When meals are provided by a conference or meeting, members will not be eligible for reimbursement if they choose to dine separately. Alcohol and/or corkage fees are not reimbursable expenses.

Parking: \$ _____ Attach receipt

Car Rental: \$ _____ Attach receipt

Other Expenses: \$ _____

If other, please explain:

Member Signature: _____

*Please forward original and one copy (including all receipts) to
NCCSIF Program Administrators at
2180 Harvard Street, Suite 460, Sacramento, CA 95815*



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020**

Agenda Item J.9.

FY 20/21 MEETING CALENDAR

ACTION ITEM

ISSUE: The proposed NCCSIF FY 20/21 Meeting Calendar is presented for review to determine if any dates should be modified due to conflicts.

RECOMMENDATION: Review the proposed dates and approve the Meeting Calendar as presented or revised after review.

FISCAL IMPACT: None.

BACKGROUND: Annually, the Executive Committee reviews and recommends the meeting calendar for NCCSIF Board, Executive, Risk Management, Claims, Police Risk Management and Finance Committees.

ATTACHMENT(S): Preliminary FY 20/21 Meeting Calendar



PROGRAM YEAR 20/21 MEETING CALENDAR

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.

Thursday, February 4, 2021 **Police Risk Management Committee** at 10:00 a.m.

Thursday, March 25, 2021 **Claims Committee** at 10:00 a.m.
Executive Committee at 11:30 a.m.

Thursday, April 22, 2021 **Risk Management Committee** at 10:00 a.m.
Board of Directors at 12 noon

Thursday, May 6, 2021 **Police Risk Management Committee** at 10:00 a.m.

Thursday, May 27, 2021 **Claims Committee** at 10:00 a.m.
Executive Committee at 11:30 a.m.

Thursday, June 17, 2021 **Board of Directors** at 10:00 a.m.

Meeting Location: Rocklin Event Center - Garden Room (August 2020 to December 2020)
2650 Sunset Blvd., Rocklin, CA 95677

TBD (February 2021 to June 2021)

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



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Board of Directors Meeting
April 23, 2020**

Agenda Item K.

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. Glossary of Terms
2. NCCSIF Organizational Chart
3. NCCSIF 2020 Meeting Calendar
4. NCCSIF Resource Contact Guide
5. York Who's Who in Claims - WC and Liability Contacts
6. James Marta & Company Accounting team bio

Term	Definition
4850	Labor Code Section 4850 provide a special benefit for certain public employees who are essentially in safety and law enforcement positions.
AB 1234	Ethics Education for Local Officials
AB 1825	Harassment Prevention Training for Supervisors
Active Negligence	The party that was negligent took an active part in doing whatever caused the damage. For example, a city digging a hole and someone falls in
ACV (Actual Cash Value)	The amount equal to the replacement cost minus depreciation of a damaged or stolen property at the time of the loss. It is the actual value for which the property could be sold, which is always less than what it would cost to replace it.
Adhesion	When one party has greater power over the other party in drafting the contract (i.e. the provisions of the contract are prepared by one party --the insurer. The other party the insured does not take part in the preparation of the contract).
ATD (Aerosol Transmissible Diseases)	An epidemiologically significant disease that is transmitted via droplet or airborne route.
Aggregate	The term used to describe the cumulative amount of all losses for a period of time.
Aggregate Stop Loss	A financial arrangement with a JPA's excess carrier that caps the aggregate to a predetermined limit at which point the excess carrier would "drop down" and pay losses within the JPIA's SIR, or pooled layer.
AME (Agreed Upon Medical Examiner)	A medical provider who has been certified by the Division of Workers' Compensation by passing an administrative exam. An AME is selected (or agreed upon) by two parties in order to help resolve a dispute about a WC claim.
Aleatory	An insurance contract is aleatory meaning it is contingent on an uncertain event (a loss) that provides for unequal transfer of value between the parties.
ACIP (Alliant Crime Insurance Program)	Program offered by Alliant that created to bring the advantages of group purchase to public entities seeking very broad coverage for illegal acts committed by their employees while on the job.
APIP (Alliant Property Insurance Program)	The largest single property insurance placement in the world. Formed by Alliant Insurance Services in 1993 to meet the unique property insurance needs faced by public entities.
ADA (American Disability Act)	A federal law that prohibits discrimination against people with disabilities in employment, transportation, public accommodation, communications, and governmental activities. The ADA also establishes requirements for telecommunications relay services. For the U.S. Equal Employment Opportunity Commission office (EEOC office) in your area, call 1-800-669- 4000 or 1-800-669-6820 (TTY).
Assessment company	Providing primarily fire and windstorm insurance for small towns and farmers (charge members a pro rata share of losses at the end of each policy period)
AIS (Associate in Insurance Services)	Professional designation awarded by the Insurance Institute of America (IIA) upon successful completion of four national exams, one specifically designed for this program and the three examinations in the IIA Program in General Insurance.
AGRIP (Association of Governmental Risk Pools)	A national organization of JPA's and public agency insurance pools. Formed for educational, information gathering and political lobbying purposes. Affiliated with PRIMA

ALCM (Associate in Loss Control Management)	A professional designation earned after the successful completion of five national examinations given by the Insurance Institute of America (IIA).
ARM (Associate in Risk Management)	A nationally recognized educational program for dedicated risk management professionals, developed by the Insurance Institute of America.
Attachment Point	The dollar amount of a loss where the next layer of insurance begins to pay for the loss.
Automobile Liability	Designed to afford bodily injury and property damage liability coverage associated with owned, non-owned and hired vehicles. May include medical payments, uninsured/underinsured motorists' liability coverages.
Automobile Physical Damage	Usually a first party coverage; however, some entities have "Bailment" or "care, custody and control" liability exposures such as garages, maintenance facilities that service vehicles of others, and parking lots
Best's Rating	A rating system that indicates the operating and financial condition of insurance companies. Information is developed and published annually by the A. M. Best company. Generally one looks for a company with a rating of A VII or better.
BOD/BD (Board of Directors)	Body of elected or appointed members who jointly oversee the activities of a company or organization.
BI (Business Interruption)	A form of insurance coverage that replaces business income lost as a result of an event that interrupts the operations of the business, such as fire or a natural disaster.
CAJPA (California Association of Joint Powers Authorities)	Performs regulatory and legislative lobbying as well as accreditation of Joint Powers Authorities to promote the financial stability of JPAs.
CIPRA (California Institute for Public Risk Analysis)	Organized to develop, analyze and disseminate information on risk management in California's public sector, especially self-insured entities and Joint Powers Authorities
CJPRMA (California Joint Powers Risk Management Authority)	CJPRMA provides the excess coverage to NCCSIF's Liability Program
CSAC (California State Association of Governments)	CSAC is a lobbying, advocacy and service organization representing the state's 58 counties at the state and federal level. Areas of focus include the state budget, health-care reform, corrections reform, transportation funding, water and climate change
CSAC-EIA (California State Association of Governments - Excess Insurance Authority)	CSAC-EIA is a member directed insurance risk sharing pool. The EIA has developed effective risk management solutions to help California public entities proactively control losses and prepare for different exposures. CSAC-EIA provides excess coverage to NCCSIF's workers' compensation pool.
CalTIP (California Transit Insurance Pool)	In 1986 the California Transit Association formed an insurance committee and authorized the preparation of a study of alternative methods of providing liability insurance coverage and began providing liability coverage in 1987.
Catastrophic Loss Reserve	A separate JPIA reserve account designated to pay losses without additional premium assessments to members.
CIC (Certified Insurance Counselor)	An insurance agent professional certification designation

CIH (Certified Industrial Hygienist)	CIH is a professional whose job it is to protect the health of workers and the general public. A CIH is educated, trained and certified to recognize health hazards, test the environment for those hazards and determine when they pose a risk to those who might be exposed to them.
CPCU (Chartered Property Casualty Underwriter)	CPCU is a professional designation in property-casualty insurance and risk management
Claim	A demand of a right. In general a demand for compensatory damages, resulting from the actions of another.
Claims Made	A provision of an insurance policy that requires it to pay only for claims presented during the policy period with no regard for when the action causing the claim took place. Typically, a claims-made form also includes a retroactive date setting the earliest date for which a covered occurrence can happen. (Also see "Occurrence")
C&R (Compromise and Release)	A type of settlement in which you receive a lump sum payment and become responsible for paying for your future medical care. A settlement like this must be approved by a workers' compensation judge.
Conditional	An insurance policy includes a number of conditions that both the insured and the insurer must comply with. (i.e. a covered loss occurs, the insured must notify the insurer about the loss and the insurer must use the valuation methods specified in the policy to settle the loss- thus the contract is conditional)
Conditions	Describe the responsibilities and the obligations of both the insured and the insurance company.
CL (Confidence Level)	An estimated probability that a given level of funding will be sufficient to pay actual claim costs. The higher a CL the greater the certainty the actuary has that losses will not exceed the dollar value used to attain the CL.
Contract	A legal agreement between two competent parties that promises a certain performance in exchange for a certain consideration.
Contract of Utmost Good Faith	As the insurance company relies on the truthfulness and integrity of the applicant when issuing a policy. In return, the insured relies on the company's promise and ability to provide coverage and pay claims.
CSP (Certified Safety Professional)	CSP's are qualified persons that are competent and trained to detect and appraise hazardous materials, procedures and activities of workers, materials and work environments. They are highly educated, trained and experienced in the field of safety.
Cumis Counsel	Cumis refers to a lawsuit against the Cumis Insurance Society in which they were found to have controlled the defense attorney to the detriment of their insured. The court determined that the Society should have assigned separate counsel to represent the exclusive interests of the insured. The need for <i>cumis counsel</i> arises in situations where there are significant coverage issues and defense counsel is conflicted between his duty to his client and the obligations to the insurance carrier.
DE9	Quarterly Contribution Return and Report of Wages
Declarations	Contain information such as the name of the insured, the address, the amount of coverage provided, a description of property, and the cost of the policy
Deductible	It is that portion of each claim that is paid by the member at the time of loss. It is in addition to any premium already paid
Defense	A defendant's denial to a complaint or cause of action

Definitions	Clarify the meaning of certain terms used in the policy
Deposit Premium	Premium required at the beginning of a policy period based on estimated costs
DIC (Difference In Conditions)	A specialized property insurance policy written to provide coverage for perils not covered in a standard property policy or in the JPIA's Memorandum of Property Coverage. In particular, it is most often used to provide coverage for earthquake and/or flood losses.
D&O (Directors and Officers)	Liability insurance payable to the directors and officers of a company, or to the organization(s) itself, as indemnification (reimbursement) for losses or advancement of defense costs in the event an insured suffers such a loss as a result of a legal action brought for alleged wrongful acts in their capacity as directors and officers.
Directors, Officers and Trustees Liability	Intended to protect nonprofit board members, officers, and directors for faulty decisions, which imperil the entity. Usually written to include entity reimbursement for legal actions and personal liability of specific wrongdoers
DOL (Date of Loss)	Regarding property claims this is usually the date of occurrence of physical damage to property. In WC claims this is usually the date a physical injury occurred to an employee.
Doctrine of reasonable expectations	a policy includes coverages that an average person would reasonably expect it to include regardless of what the policy actually provides
EQ (Earthquake)	a sudden and violent shaking of the ground, sometimes causing great destruction, as a result of movements within the earth's crust or volcanic action
Employers' Liability	Included as part of a worker's compensation insurance policy. Covers liability for losses arising out of injuries to employees that are not covered by statutory workers' compensation benefits
EPL (Employment Practices Liability)	Written to protect an entity from liabilities arising from allegations of discrimination, failure to promote or hire, harassment, ADA responsibilities, wrongful termination, etc.
Endorsement	Any change to the original policy (attached to the policy itself)
Environmental Impairment Liability	Also referred to as "Pollution" and "Pollution Legal" Liability; can be written to protect an entity from actions resulting from contamination of air, water, property. First party (damage to owned property) and third party (liability for damage to others) protections are often provided on the same policy
E&O (Errors and Omissions Insurance)	Professional liability insurance that protects companies and individuals against claims made by clients for inadequate work or negligent actions, usually includes both court costs and any settlements up to the amount specified on the insurance contract.
Errors and Omissions Liability	Excludes bodily injury and property damage; intended to afford protection for the "misfeasance, malfeasance or non-feasance" of public officials, employees and volunteers. May also include incidental medical personnel (paramedics), police and fire personnel, architects and plan checkers, engineers, and on-staff attorneys
Excess Insurance	Insurance that is purchased to provide higher limits than the primary policy or coverage provides
Excess Loss	The portion of a loss that is allocated to, or paid by, excess coverage
Exclusions	Describe the losses for which the insured is not covered
EC (Executive Committee)	Committee within that organization which has the authority to make decisions and ensures that these decisions are carried out.

Expected liabilities	Outstanding reserves plus Incurred But Not Reported (IBNR) and Loss Adjustment Expense, discounted at the "Expected" Confidence Level (CL).
Exposure	A condition or situation that presents a possibility of loss (i.e. home built on flood plain is exposed to the possibility of flood damage).
FASB (Financial Accounting Standards Board)	FASB standards, known as generally accepted accounting principles (GAAP), govern the preparation of corporate financial reports and are recognized as authoritative by the Securities and Exchange Commission.
Fidelity Bonds	Written as financial guarantees of employees' honesty. Personnel with money-handling responsibilities are considered exposures to loss.
Fiduciary Liability	Covers board members, executives and other decision-making personnel with responsibilities for pension funds, retirement plans and employee benefit monies for negligent decisions that result in losses to such funds.
GAAP (Generally Accepted Accounting Principles)	GAAP refers to the standard framework of guidelines for financial accounting used in any given jurisdiction; generally known as accounting standards or standard accounting practice
GASB (Governmental Accounting Standards Board)	GASB is the source of generally accepted accounting principles (GAAP) used by State and Local governments in the United States. As with most of the entities involved in creating GAAP in the United States, it is a private, non- governmental organization.
General Liability	Written to protect the member's assets against liability for property damage of or bodily injury to third parties (see definition of parties).
Hazard	Anything that increases the chance of loss (also see Physical Hazard, Morale Hazard and Moral Hazard).
HIPAA (Health Insurance Portability and Accountability Act)	A federal law enacted in 1996 that protects continuity of health coverage when a person changes or loses a job, that limits health-plan exclusions for preexisting medical conditions, that requires that patient medical information be kept private and
IBNR (Incurred But Not Reported)	It is that part of the total claims that is unknown at any point in time. At any time, NCCSIF has claims that have not been reported or recognized by NCCSIF or has claims recognized by NCCSIF but without knowledge of the cost when such claim is finally closed. NCCSIF uses an actuary to project the costs of these unknown liabilities to NCCSIF - the estimate of funds needed to pay for covered losses that have occurred but have not been reported to the member and/or NCCSIF and expected future development on claims already reported
Incurred Loss	This is the ultimate expected total value of any claim. It includes the amount already paid, plus the estimated amount yet to be paid (reserves)
IIPP (Injury Illness Prevention Program)	Proactive process of assessing workplace hazards prior to an injury being reported
Insurable Interest	Before you can benefit from insurance; you must have a chance of financial loss or a financial interest in the property
Insurance	A contract or device for transferring risk from a person, business, or organization to an insurance company that agrees, in exchange for a premium, to pay for losses through an accumulation of premiums
IRIC (Insurance Requirements in Contracts)	In insurance, the insurance policy is a contract (generally a standard form contract) between the insurer and the insured, known as the policyholder, which determines the claims which the insurer is legally required to pay.

ISO (Insurance Services Office, Inc.)	An insurance industry association that collects statistical data for rate making and develops standard insurance policy forms. ISO is the organization that drafted the standard commercial general liability (CGL) commonly used by insurers
Insuring agreements	State in general what is to be covered, also includes a description of what type of property is covered and the perils against which it is insured (i.e. the losses for which the insured will be indemnified)
Inverse Condemnation	Both the United States Constitution and the California Constitution require that a private citizen be compensated if property is "taken" by a public entity. When the property is taken proactively it is called eminent domain. When the property is taken "accidentally," without due course, it is called inverse condemnation. Negligence need not be proven. The claimant's legal expenses are payable in addition to actual damages.
Limit	The most that will be paid in a loss
LRP (Long Range Planning)	Exercise aimed at formulating a long-term plan, to meet future needs estimated usually by extrapolation of present or known needs. It begins with the current status and charts out a path to the projected status, and generally includes short-term (operational or tactical plans) for achieving interim goals.
LAE (Loss Adjustment Expense)	Administrative expense to manage a claim to conclusion - Allocated LAE (ALEA) are expenses attributable to a specific claim such as attorney fees - Unallocated LAE (ULAE) are overhead expenses not attributable to a specific claim such as salaries or office rental.
Loss Ratio	The amount of loss divided by the amount of premium, contributions, payroll or property values.
Master Plan Documents	A document issued by a JPA defining the structure, rights and obligations of the participants and procedures of an insurance or self-funded program
MMI (Maximum Medical Improvement)	When an injured employee's condition is well stabilized and unlikely to change substantially in the next year, with or without medical treatment. Once an employee reaches MMI, a doctor can assess how much, if any, permanent disability resulted from the work injury. See also P&S
MOC (Memorandum of Coverage)	A document issued by a JPA defining the coverage provided to the members
Moral Hazard	A person might create a loss situation on purpose just to collect from the insurance company (i.e. a pre-arranged faked theft of an older vehicle so the owner could collect insurance money and buy something new).
Morale Hazard	An individual, through carelessness or by irresponsible actions, can increase the possibility for a loss (i.e. a person who drives a car carelessly because he knows a loss will be insured if an accident occurs).
Mutual interest company	The insureds are also owners of the company and so they can vote to elect the management of the company (profits are returned to the insureds in the form of dividends or reductions in future premiums)
Named Insured	Any person, firm, or corporation, or any of its members specifically designated by name as insured(s) in the policy as distinguished from others who, although unnamed, are protected by the policy definition. A named insured under the policy has rights and responsibilities not attributed to additional insureds, such as premium payment, premium return, notice of cancellation, and dividend participation

Net Assets	(Equity, surplus or Net Position) Total assets less Expected liabilities- the amount of funds remaining after subtracting liabilities at the actuarially determined "Expected" Confidence Level (approx. 50% CL)
Net Contribution	A total contribution for losses less excess insurance costs
Non Vacant land	Refers to land that is occupied and used, and/or has structures on it (i.e. shack, building, park with benches).
Obligee	Is an individual, partnership, corporation, or a government entity which requires the guarantee that an action or service will be performed. If not properly performed, the surety pays the obligee for any damages or fulfills the obligation.
Occurrence	A) In order for NCCSIF to pay a liability claim, it must arise out of an occurrence. This is an accident, event, act or omission to act which results in "damages," "bodily injury," or "property damage" neither expected nor intended from the covered parties' conduct. B) A provision of an insurance policy that requires it to pay for a claim caused during the policy period regardless of when it is presented.
Passive Negligence	The party that was negligent did not take part in the action that caused the damage, but was responsible for somehow allowing it to take place. For example, a city allowed a contractor to dig a hole on city property and someone fell in.
Peril	Cause of a loss
P&S (Permanent and Stationary)	When an employee's medical condition has reached maximum medical improvement. Once an employee is declared P&S, a doctor can assess how much, if any, permanent disability resulted from the work injury. If the disability is rated under the 2005 schedule you will see the term maximal medical improvement (MMI) used in place of P&S. See also MMI
PD (Permanent Disability)	Any lasting disability that results in a reduced earning capacity after maximum medical improvement is reached.
PPE (Personal Protective Equipment)	PPE refers to protective clothing, helmets, goggles, or other garments or equipment designed to protect the wearer's body from injury.
Physical Hazard	A hazard that arises from the condition, occupancy, or use of the property itself (i.e. skateboard left on the porch steps).
Plaintiff	The party who complains or sues in a personal action. A claimant becomes a plaintiff by filing suit.
Pooled Loss	The portion of a loss that is allocated to, or paid by, the self-insured pool. NCCSIF's Liability Program pools, or self-insures, the first \$500,000 of each occurrence. Loss costs exceeding this amount are paid by excess insurance.
Principal	Is an individual, partnership, or corporation who offers an action or service and is required to post a bond. Once bonded, the surety guarantees that he will perform as promised.
Principle of Indemnity	When a loss occurs an individual should be restored to the approximate financial condition he was in before the loss no more and no less.
Property Insurance	This covers the member for damage to its own property, sometimes called first- party coverage.
PARMA (Public Agency Risk Managers Association)	A statewide association for risk managers in the public sector. Educational and lobbying activities.

PRIMA (Public Risk Management Association)	A national association for risk managers in the public sector. Formed for educational, information gathering and political lobbying purposes.
Pure Risk	Involves only the possibility of loss
QME (Qualified Medical Examiner)	A medical provider who has been certified by the Division of Workers' Compensation by passing an administrative exam.
Reciprocal company	(to give/take), a member of a reciprocal agrees to share the insurance responsibilities with all other members of the unincorporated group (all members insure each other and share the losses with each other) NOTE: managed by an attorney-in-fact who is empowered to handle all of the business of the reciprocal.
RC (Replacement Cost)	The cost to replace damaged property with like kind and quality, with no deduction for depreciation, but still subject to a "limit"
Reserve	In order to budget for its expected costs and to know when a claim must be reported to the excess coverage, NCCSIF estimates the ultimate expected total value of each claim and "reserves" part of the not paid. As moneys are paid out for a claim, the reserve amount is decreased
Retrospective Premium Adjustment	At the beginning of each policy period, NCCSIF collects a deposit premium representing the estimated costs for that year. Each year a calculation of expenses associated with the policy period are subtracted from the deposit premium. At some point the excess funds will be returned, or shortage of funds will be charged. This process is repeated annually for each coverage year until all claims for that year are closed out and there is no IBNR allocated to that policy year.
Risk	The chance or uncertainty of loss (also see Speculative Risks and Pure Risks)
RIMS (Risk and Insurance Management Society)	National professional organization to promote principles of risk management and assist risk managers in their daily activities
Risk Control	Those risk management techniques designed to minimize the frequency and/or severity of claims. Risk control techniques include exposure avoidance, loss prevention, loss reduction, segregation of loss exposures, and contractual transfer to shift losses to others
Risk Financing	Techniques for generating funds to pay for losses that risk control methods do not entirely eliminate. There are two types of risk financing techniques -- retention and transfer. Retention involves paying for losses using an organization's own assets; transfer involves covering losses by an unrelated entity for a consideration (such as a payment of a premium)
Risk Management	One of the specialties within the general field of management, the process of managing an organization's activities to minimize the adverse effects of accidental losses on a cost-effective basis. Risk management has two components -- risk control and risk financing.
Self-Insured	Coverage of losses from the insured's own funds, rather than an insurance policy. Generally refers to a planned program for financing or otherwise recognizing losses
SIR (Self-Insured Retention)	The maximum amount of exposure to a single loss retained by NCCSIF

Severability of Interests Clause	An insurance policy provision clarifying that the word “insured,” as it appears within various parts of a policy, applies severally and not collectively. When there is more than one insured, the effect is as though a separate policy is issued to each insured. Thus, a policy containing such a clause will cover a cross liability claim – a claim made by one insured against another insured. The one exception to the separate application to each insured of a policy containing a severability of interest clause is that the limits are not cumulative; that is, one set of limits applies to all insureds collectively
Special Events	Designed to cover your sponsorship of events, such as fireworks shows, festivals, community/entity celebrations; often written to protect other policies’ loss integrity. Another type of special event coverage, known as a “tenants and permittees” policy, can be issued for third parties who rent or use your owned facilities.
Speculative Risk	Risks in which there exists both the possibility of gain and the possibility of loss (i.e. poker game)
Spread of Risk	The greater the spread of risk the less likely that there will be a catastrophic loss for the insurance company (i.e. NOT insuring every person in a single town that could be hit by a fire which destroys the town= catastrophic loss for the insurance company vs. insuring several people in MANY towns to spread out the risk of a catastrophic loss)
Stock company	Sells stock to stockholders to raise the money necessary to operate the business (profits attributed to the operation of the company are returned as dividends to the stockholders, not the insureds)
Subrogation	The insurer’s right to proceed against a third person if that third person was responsible for a claim paid by the insurer. Employee dishonesty can be subrogated by the insurance company against a dishonest employee
Surety	Is usually a corporation which determines if an applicant (principal) is qualified to be bonded for the performance of some act or service. If so, the surety issues the bond. If the bonded individual does not perform as promised, the surety performs the obligation or pays for any damages.
TD (Temporary Disability Benefits)	Payments an employee receives if they lose wages because of a work related injury which prevents them from doing their usual job while recovering.
TPA (Third Party Administrator)	TPA is a person or organization that processes claims and performs other administrative services in accordance with a service contract, usually in the field of employee benefits.
TIV (Total Insured Values)	The values shown on a member city’s schedule or appraisal for property coverage. Only those items shown on the schedule are covered for loss.
TRIA (Terrorism Risk Insurance Act)	TRIA is a United States federal law signed into law by President George W. Bush on November 26, 2002. The Act created a federal “backstop” for insurance claims related to acts of terrorism.
Vacant land	Refers to land that is unoccupied and unused, and/or has no structures on it.
VIN (Vehicle Identification Number)	Unique code including a serial number, used by the automotive industry to identify individual motor vehicles, towed vehicles, motorcycles, scooters and mopeds as defined in ISO 3833.

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
2020 Organizational Chart
 Updated as of 2/6/2020

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 Ryan Elmore
City of FOLSOM	*VP / *EC / *CC Jim Francis	*Kristine Haile (Vice-Chair)	Kristine Haile	Chief Rick Hillman
City of GALT	EC / CC Stephanie Van Steyn	Tom Haglund	Stephanie Van Steyn	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	Chief Jackson Harris
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	Spencer Morrison	Michael Rock	Sheleen Loza	Chief Robert Landon

OFFICERS		
		Term of Office
President (P)	Liz Ehrenstrom	1/1/2019 - 6/30/2020
Vice President (VP)	Kristine Haile	1/1/2019 - 6/30/2020
Treasurer (T)	Tim Sailsbery	1/1/2019 - 6/30/2021
Secretary (S)	Gina Will	9/27/2018 - 6/30/2020

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)	
Michael Simmons	Marcus Beverly
Conor Boughey	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 RM)

ADVISORS
Byrne Conley (Board Counsel)
James Marta, CPA (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 5th Street, Rocklin, CA 95677

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

RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX



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As a member of NCCSIF, your City/Town has many risk management resources available. This Services Matrix is designed to assist you with identifying and locating these resources.

CONTACT INFORMATION										
Pg. 1-2	Program Service Providers									
Pg. 3	Other Coverage Providers									
Pg. 4-6	Contracted Vendor Services (additional member cost)									
RISK MANAGEMENT SERVICE CATEGORY		SEDGWICK	CSAC-EIA	TARGET SOLUTIONS	OCCU - MED	APIP	LEXIPOL	ACI EAP	CAL-TIP	DKF SOLUTIONS/CSRMA
Pg. 7	Telephone Hotline - Questions & Guidance	X								
Pg. 7	Hazard & Safety Assessment	X								X
Pg. 8	Program/Policy Development	X	X				X			X
	Safety Materials/Web-based Courses/Videos	X	X	X						X
Pg. 8	On-Site Training	X	X							X
Pg. 8	Ergonomic Evaluations	X								
Pg. 9	Risk Management Webinars	X	X			X				
Pg. 9	Employer Pull Notice Program		X							
Pg. 10	Pre-Employment Medical Services				X					
Pg. 10	Employee Assistance Program - Health & Wellness						X			
Pg. 11	Transit Resources (available to CalTIP members)								X	

* Services and resources are available at no additional cost, unless specifically noted.



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

PROGRAM SERVICE PROVIDERS

SERVICE PROVIDERS	CONTACT INFORMATION	SERVICES PROVIDED	
<p>PROGRAM ADMINISTRATION</p> <p>Alliant Insurance Services, Inc. 2180 Harvard Street, Suite 460 Sacramento, CA 95815 Main: (916) 643-2700 Fax: (916) 643-2750 www.alliant.com</p>	<p>Marcus Beverly Office: (916) 643-2704 Cell: (916) 660-2725 Marcus.Beverly@alliant.com</p> <p>Michael Simmons Office: (415) 403-1425 Cell: (925) 708-3374 msimmons@alliant.com</p> <p>Raychelle Maranan Office: (916) 643-2712 Raychelle.Maranan@alliant.com</p>	<p><i>JPA MANAGEMENT ISSUES</i></p> <ul style="list-style-type: none"> ▪ Governance - policies and procedures, program budget/funding, financial analysis, program management, personnel, contracts, consultants. ▪ Coverage - coverage questions, quotations, new members, development of shared risk program coverage agreements, RFPs for services, actuary liaison, excess insurance/additional coverage marketing (Crime coverage, etc.), program development. ▪ Risk Management - Insurance Requirements in Contracts (IRIC), third party contract review, hold harmless and indemnification clauses, risk management program planning, RFPs for JPA payment approval of budgeted funds. 	<p>MAIN CONTACT Marcus Beverly Michael Simmons Raychelle Maranan</p>
		<p><i>JPA ADMINISTRATIVE ISSUES</i></p> <ul style="list-style-type: none"> ▪ Meetings & Compliance - agendas; minutes; development/maintenance of governing documents, development/interpretation of policies & procedures, JPA state compliance, Form 700, changes in Board members, website updates. ▪ Certificates - certificates of coverage, additions/deletions of coverages, special events liability coverage, automobile identification cards, auto/mobile equipment physical damage programs. 	<p>MAIN CONTACT Raychelle Maranan Marcus Beverly</p>



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

PROGRAM SERVICE PROVIDERS

SERVICE PROVIDERS	CONTACT INFORMATION	SERVICES PROVIDED
<p>ACCOUNTING SERVICES</p> <p>James Marta & Company LLP 701 Howe Avenue, Suite E3 Sacramento, CA 95825 Main: (916) 993-9494 Fax: (916) 993-9489 www.jpmpcpa.com</p>	<p>Jim Marta, CPA jmarta@jpmpcpa.com</p> <p>David Becker, CPA</p>	<ul style="list-style-type: none"> ▪ Billing, accounting and financial managements
<p>SAFETY AND RISK CONTROL SERVICES</p> <p>Sedgwick <i>formerly York/Bickmore</i> 1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833 Main: (800) 541-4591 Fax: (855) 242-8919 www.sedgwick.com</p>	<p>Enriqueta Castro Office: (916) 244-1107 enriqueta.castro@sedgwick.com</p> <p>Dave Beal Office: (916) 244-1127 dave.beal@sedgwick.com</p> <p>Tom Kline - Police Risk Management Office: (916) 244-1121 thomas.kline@sedgwick.com</p>	<ul style="list-style-type: none"> ▪ Telephone Hotline - Questions & Guidance ▪ Hazard & Safety Assessment ▪ Program/Policy Development ▪ Ergonomic Evaluations ▪ On-site Training ▪ Safety Materials ▪ On-line Streaming Videos ▪ Webinars - WC and Liability Risk Management Topics
<p>CLAIMS ADMINISTRATION</p> <p>Sedgwick <i>formerly York Risk Services Group, Inc.</i> P.O. Box 619079 Roseville, CA 95661-9058 Main: (916) 783-0100 Fax: (866) 548-2637 www.sedgwick.com</p>	<p>Dorienne Zumwalt Office: (916) 960-1017 dorienne.zumwalt@sedgwick.com</p> <p>Steven Scott - WC Senior Manager Office: (916) 960-0946 steven.scott@sedgwick.com</p> <p>Jill Petrarca - Liability Senior Manager Office: (916) 746-8849 jill.petrarca@sedgwick.com</p>	<p>Third-Party Workers' Compensation (WC) and Liability Claims Administrator --refer to York's <i>Who's Who in Claims for specific Claim Adjuster's contact information.</i></p> <p>Report New Liability Claims to: NCalYorkLiabilityClaims@yorkrsg.com</p>



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

OTHER COVERAGE PROVIDERS		
SERVICE PROVIDERS	CONTACT INFORMATION	SERVICES PROVIDED
CSAC-EIA Excess Workers' Compensation Coverage	Travis Clemmer Kristen Calderon (video library) Office: (916) 850-7300 Email: tclemmer@csac-eia.org www.CSAC-EIA-eia.org	<ul style="list-style-type: none"> ▪ Program/Policy Development (*additional member cost) ▪ On-site Training ▪ Safety Materials ▪ Video Library ▪ Webinars - WC Risk Management Topics
Target Solutions Web-based Resources available through partnership with CSAC-EIA	http://csac-eia.targetolutions.com/	<ul style="list-style-type: none"> ▪ Web-based Courses* ▪ Records Management <p><i>*EIA members are able to access the standard course library at no cost. However, there is a cost to the member for the premium content listed under "Additional Courses"</i></p>
CJPRMA (California Joint Powers Risk Management Authority) Excess Liability Coverage	Tony Giles - General Manager Office: (925) 290-1316 Email: tony@cjprma.org http://www.cjprma.org/	<ul style="list-style-type: none"> ▪ Regional Training provided on a variety of Liability-related Topics
APIP - Alliant Property Insurance Program	Contact Marcus Beverly, Alliant Insurance Services, for questions.	<ul style="list-style-type: none"> ▪ Webinars - Property Risk Management Topics <p>In addition, Boiler and Machinery coverage is provided through your participation in APIP.</p> <ul style="list-style-type: none"> ➤ For resources with your boiler, electrical, mechanical, and HVAC equipment, visit www.hsb.com/calc/ENG and use the online tools and calculators developed by Hartford Steam Boiler's engineering staff. ➤ Useful information specific to equipment care, operating logs and maintenance fact sheets on the website www.hsb.com which has several resources available under the 'Knowledge Center' tab.



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SERVICE PROVIDERS AND VENDOR MATRIX

<p>Lexipol Law Enforcement and Fire risk management</p> <p>Website: www.lexipol.com</p>	<p>Dale Cephers West Region Market Development Executive Office: (469) 731-4685 Email: dcephers@lexipol.com</p>	<ul style="list-style-type: none"> ▪ Police Risk Management Policies and Procedures ▪ Fire Training (*additional member cost)
<p>CalTIP - California Transit Indemnity Pool Self-insurance program for public transit operators</p>	<p>Terrie Norris, Sedgwick Office: (916) 290-4655 Email: terrie.norris@sedgwick.com Website: http://www.caltiponline.org/</p>	<ul style="list-style-type: none"> ▪ Transit Specific Risk Management Resources for Member Cities (Auburn and Dixon)
<p>CSRMA - California Sanitation Risk Management Authority Web-based risk control services available through CJPRMA partnering agreement</p>	<p>David Patzer CSRMA Risk Control Advisor DKF Solutions Group, LLC www.dkfsolutions.com Cell: (707) 373-9709 Fax: (707) 647-7200</p>	<ul style="list-style-type: none"> ▪ CSRMA’s online library of courses available on Target Solutions account ▪ Risk Control Online (https://www.riskcontrolonline.com) <ul style="list-style-type: none"> - CalOSHA Training Requirements web app - Interactive CalOSHA Self Audit web app - On Demand Webinar Library - Risk Control Survey web app - Job Competency Based Training Builder - DOT Drug and Alcohol Testing Advisor - Contractor Safety Program Builder - Business Continuity Plan Builder - Smart SOP mobile app



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

CONTRACTED VENDOR SERVICES (additional member cost)		
VENDOR SERVICES	CONTACT INFORMATION	SERVICES PROVIDED
<p>EMPLOYEE ASSISTANCE PROGRAM</p> <p>ACI Specialty Benefits Corporation 6480 Weathers Place, Suite 300 San Diego, CA 92121 Main: (800) 932-0034 Fax: (858) 452-7819 www.acieap.com</p>	<p>Kathryn Dobkin, Account Executive Office: (858) 736-0031 Email: kathrynd@acispecialtybenefits.com</p>	<ul style="list-style-type: none"> ▪ Employee Assistance Program
<p>Pre-employment Medical Services</p> <p>Occu-Med</p>	<p>Bill Vogeler Office: (559) 435-2800, ext. 101 Email: bvogeler@occu-med.com Website: www.occu-med.com</p>	<ul style="list-style-type: none"> ▪ Review of Pre-placement Medical Exams ▪ Job Analysis
<p>Sewer Risk Management</p> <p>DKF Solutions Group, LLC</p>	<p>David Patzer Office: 707.373.9709 Email: dpatzer@dkfsolutions.com Website: http://www.dkfsolutions.com</p>	<ul style="list-style-type: none"> ▪ Sewer Risk Management
<p>Aquatics Risk Management</p> <p>Total Aquatic Management www.totalaquaticmanagement.webs.com</p>	<p>Jim Wheeler Office: (510) 523-3155 Email: jim@totalaquaticmanagement.com swimnjim@hotmail.com</p>	<ul style="list-style-type: none"> ▪ Aquatic Safety services ▪ Certified Pool Operator (CPO) Trainings
<p>Sidewalk Repair Services</p> <p>Precision Concrete Cutting Main: (866) 792-8006 Fax: (650) 240-3866 www.dontgrind.com</p>	<p>Katrina Lynch (916) 847-7346 Klynch@dontgrind.com</p> <p>Joseph Ortega jortega@DontGrind.com</p>	<ul style="list-style-type: none"> ▪ Sidewalk cutting to repair defects ▪ Will inspect to your specifications ▪ Map defects ▪ Repairs @ \$35 to \$50 per location



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

CONTRACTED VENDOR SERVICES (additional member cost)		
VENDOR SERVICES	VENDOR CONTACT INFORMATION	SERVICES PROVIDED
ADA Compliance	City Consulting Engineer - CEC Inc. Yuba City 1110 Civic Center Blvd. Ste. 404 Yuba City, CA 95993 Email: Swartz@cecusa.net (530) 751-0952	
ADA Compliance	Sally Swanson Architects 220 Sansome Street. STE 800 San Francisco, CA 94104 (415) 445-3045 ext. 118	
ADA Compliance	SZC Consulting Group Sacramento Office 2377 Gold Meadow Way, # 100 Gold River, CA 95670 (916) 669-8750 Silicon Valley Office 228 Hamilton Avenue, 3rd Floor Palo Alto, CA 94301 (866) 694-7637	
Arborist ASCA Registered Consulting Arborist #480 ISA Certified Arborist & Municipal Specialist #WE-0151 AM ISA TRAQ Risk Assessment Qualified	Gordon Mann - Consulting Arborist California Tree and Landscape Consulting, Inc. & Mann Made Resources 10556 Combie Road Auburn, CA 95602 Cell: (650) 740-3461 Email: gordon@mannandtrees.com website: https://mannandtrees.com/	<ul style="list-style-type: none"> ▪ Contract Preparation and Supervision ▪ Diagnosis of Tree and Landscape Problems ▪ Insect and Disease Identification and Management ▪ Municipal Ordinance Development ▪ Training and Education, Tree, Landscape, and Nursery Appraisals ▪ Tree Plant Inventories ▪ Tree Protection for Construction Projects ▪ Tree Risk Assessments and Surveys



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

CONTRACTED VENDOR SERVICES (additional member cost)		
VENDOR SERVICES	VENDOR CONTACT INFORMATION	SERVICES PROVIDED
Arborist	Professional Landscape Solutions 6108 27th Street, Ste. C Sacramento, CA 95822 (916) 424-3815	
Drug & Alcohol Testing	Datco Services Corporation 2280 Grass Valley Highway Suite 232 Auburn, CA 95603 530-268-8101 (800) 95-DATCO (32826)	
Drug & Alcohol Testing	Feather River Hospital 5974 Pentz Road Paradise, CA 95969 (530) 876-7919	
Janitorial Services	City Wide 6108 27th Street STE C Sacramento, CA 95822 (916) 424-3815	
Janitorial Services	Peerless Building Maintenance 4665 Mountain Lakes Blvd. Redding, CA 96003 (530) 222-6369	
Janitorial Services	Ultimate Building Maintenance Inc 598 Garden Hwy Suite 5 Yuba City, CA 95591 (530) 671-1564	



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

RISK MANAGEMENT SERVICE CATEGORY

Telephone Hot Line Questions/Guidance	<p>SEDGWICK (formerly York/Bickmore) Sedgwick is NCCSIF’s risk control services provider. Dave Beal is your point of contact for risk management questions and guidance.</p>																																				
Hazard & Safety Assessment	<p>SEDGWICK (formerly York/Bickmore) A comprehensive Hazard & Safety Assessment is completed for each city to help identify risk management strengths and improvement opportunities. The assessment is used as a tool to help prioritize risk management efforts. It includes best practices in the following areas:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">1. Risk Management Program Overview</td> <td style="width: 33%;">12. Emergency Response & Management</td> <td style="width: 33%;">23. Lockout-Tagout</td> </tr> <tr> <td>2. Aerial Lift Operations</td> <td>13. Employment Practices Liability</td> <td>24. Parks & Recreation Operations</td> </tr> <tr> <td>3. Aerosol Transmissible Diseases (ATD) Control</td> <td>14. Ergonomic Injury Management</td> <td>25. Personal Protection Equipment</td> </tr> <tr> <td>4. ADA Compliance</td> <td>15. Fire Department Operations</td> <td>26. Police Department Operations</td> </tr> <tr> <td>5. Animal Control Services</td> <td>16. Fire Prevention Program</td> <td>27. Respiratory Protection Program</td> </tr> <tr> <td>6. Automobile & Fleet Liability</td> <td>17. Forklifts & Powered Industrial Trucks</td> <td>28. Return-to-Work & Transitional Duty</td> </tr> <tr> <td>7. Blood Borne Pathogens ECP</td> <td>18. Hazard Communication Program</td> <td>29. Sewers Liability Management</td> </tr> <tr> <td>8. Business Continuity Plan</td> <td>19. Hearing Conservation Program</td> <td>30. Sidewalks Liability Management</td> </tr> <tr> <td>9. Confined Space Entry Program</td> <td>20. Heat Illness Prevention Program</td> <td>31. Traffic Engineering</td> </tr> <tr> <td>10. Contractor Selection & Control</td> <td>21. Information Technology</td> <td>32. Trenching & Excavation Operations</td> </tr> <tr> <td>11. Contractual Transfer of Risk</td> <td>22. Injury & Illness Prevention Program</td> <td>33. Urban Forest Management</td> </tr> <tr> <td></td> <td></td> <td>34. Work Zone Safety</td> </tr> </table>	1. Risk Management Program Overview	12. Emergency Response & Management	23. Lockout-Tagout	2. Aerial Lift Operations	13. Employment Practices Liability	24. Parks & Recreation Operations	3. Aerosol Transmissible Diseases (ATD) Control	14. Ergonomic Injury Management	25. Personal Protection Equipment	4. ADA Compliance	15. Fire Department Operations	26. Police Department Operations	5. Animal Control Services	16. Fire Prevention Program	27. Respiratory Protection Program	6. Automobile & Fleet Liability	17. Forklifts & Powered Industrial Trucks	28. Return-to-Work & Transitional Duty	7. Blood Borne Pathogens ECP	18. Hazard Communication Program	29. Sewers Liability Management	8. Business Continuity Plan	19. Hearing Conservation Program	30. Sidewalks Liability Management	9. Confined Space Entry Program	20. Heat Illness Prevention Program	31. Traffic Engineering	10. Contractor Selection & Control	21. Information Technology	32. Trenching & Excavation Operations	11. Contractual Transfer of Risk	22. Injury & Illness Prevention Program	33. Urban Forest Management			34. Work Zone Safety
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RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

<p>Program & Policy Development</p>	<p>SEDGWICK (formerly York/Bickmore) Our risk control service includes assistance with the development and implementation of Cal/OSHA required written programs such as Injury & Illness Prevention Program, Hazard Communication Program, Aerosol Transmissible Diseases Procedures for fire and police, Bloodborne Pathogens Exposure Control Plan, etc. Our website also includes sample programs and guides.</p> <p>CSAC-EIA (Additional Cost) CSAC-EIA loss prevention specialists are available to provide assistance with program development at an additional cost to NCCSIF members. Contact CSAC-EIA directly for assistance.</p> <p>LEXIPOL NCCSIF members have access to the law enforcement and fire risk management policies offered through Lexipol.</p>
<p>On-Site Training</p>	<p>SEDGWICK (formerly York/Bickmore) On-site training is available to members on a variety of workers’ compensation, liability, and EPL exposures. Training topics include, but are not limited to, Cal/OSHA program requirements, hazard inspections, accident investigation, forklift certification, driver training, sexual harassment, CPR certification, various workplace safety topics, and more. Contact Dave to discuss and schedule on-site training.</p> <p>CSAC-EIA CSAC-EIA is available to conduct a variety of workers’ compensation related safety training at an additional cost to members. Contact Travis Clemmer to discuss available topics and scheduling.</p> <p>CJPRMA Every year CJPRMA conducts up to five regional training workshops throughout California. In the past, topics have included contractual risk transfer, police liability, parks and recreation liability, and sidewalk liability controls. CJPRMA will send the training announcement to Alliant, who will then forward to all NCCSIF members.</p>
<p>Ergonomic Evaluations</p>	<p>SEDGWICK (formerly York/Bickmore) Sedgwick is available to conduct office and industrial ergonomic evaluations for all members. Contact Dave Beal to discuss and schedule ergonomic evaluations.</p>



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

<p>Risk Management Webinars</p>	<p>SEDGWICK (formerly York/Bickmore) Throughout the year, Sedgwick risk control staff conducts webinars on a wide range of safety topics such as heat illness prevention, scaffold safety, disaster management, and new safety regulations. Our goal is to communicate relevant safety information in an all-inclusive and cost-effective way. NCCSIF members will receive webinar announcements via email. The one-hour webinars are recorded and available to view at any time on the Sedgwick Risk Control website.</p> <p>CSAC-EIA CSAC-EIA conducts several workers’ compensation related webinars throughout the year, which are available to all NCCSIF members. Contact Travis Clemmer to ensure your city is included in the announcement distribution.</p> <p>APIP NCCSIF members have access to all APIP property related webinars. Contact Marcus Beverly to ensure your city is included in the announcement distribution.</p>
<p>Employer Pull Notice Program</p>	<p>CSAC-EIA & TARGET SOLUTIONS (Additional cost to members) CSAC-EIA and Target Solutions have partnered with A-Check America to automate your Employer Pull Notice (EPN) program. Using this program, you can electronically monitor your employees’ driving records and receive notification within hours of a reportable incident.</p> <p>You can access your driver roster and key data from a dashboard within Target Solutions. This data is accessible only to you and A-Check America and features a summary of the number of drivers added and removed from the system, an overview of the violations and accidents that have occurred, and a breakdown of your employees’ license renewal status. For additional information go to www.CSAC-EIA-eia.org, Services/Loss Prevention/Target Solutions Platform.</p>



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

<p>Pre-Employment Medical Services</p>	<p>OCCU-MED Services offered at an additional cost:</p> <ul style="list-style-type: none"> ▪ Review of Pre-Placement Medical Exams ▪ Job Analysis ▪ Maintaining a network of qualified and trained medical providers and medical specialists for necessary exams ▪ Conducting job analyses and preparing job profiles and medical examination profiles ▪ Providing orientation of client staff in the legal/medical/risk management and human resources aspects of our service ▪ Scheduling and harvesting of pre-placement medical exams ▪ Organizing and managing return-to-work and fitness-for-duty exams ▪ Evaluating medical information in relation to the essential duties of jobs in a legally defensible manner (EXAMQA®) ▪ Communicating directly with applicants to obtain the confidential medical information that is needed for clearance for a particular job (RDQA) ▪ Developing “Occu-Panels” with a national laboratory that allows for the selection of only those tests for the blood chemistry panel that are compliant with state law for each job class ▪ Performing bill review for the medical exams performed by clinics ▪ Providing customized services such as OSHA Respirator Questionnaire Evaluations, Bloodborne Pathogen Programs, and clinic trainings
<p>Employee Assistance Program</p>	<p>ACI Services offered at an additional cost:</p> <ul style="list-style-type: none"> ▪ Employee Assistance Program (Additional cost to members) Employees and their family members can receive up to three counseling visits per year. The family members do not need to be within the same residence. The visits are considered short-term resolution. If the person needs additional counseling, ACI will help them transition into their private insurance plan. ▪ Legal and Financial Services (Additional cost to members) Employees and their family members have unlimited access to telephonic legal and financial services.



RESOURCE CONTACT GUIDE

SERVICE PROVIDERS AND VENDOR MATRIX

Transit Resources

CalTIP - California Transit Insurance Pool

Self-insurance program for public transit operators. Member cities include Auburn and Dixon.

Programs and Safety Materials

- System Safety Program Plan (SSPP) Development
- SSPP Implementation Assessment & Follow-up Process
- SAMPA Fleet Watch Paperless DMV EPN Program
- Bus Operator Selection Survey (BOSS)
- CalTIP Risk Profile
- APTA Membership
- Bus Stop Location & Design Evaluation Program
- Digital Video Event Recorder System
- Mobility Device Marking & Tethering Program
- APTA Safety Standards
- Best Practices
- Bus Stop Toolkit
- Pedestrian Safety Guide for Transit Agencies
- Safety Posters and Flyers



**York Risk Services Group, Inc.
Who's Who in Claims
Workers' Compensation Contacts**

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Anderson, Colusa, Corning, Dixon, Folsom,
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Who's Who in Claims

Liability Contacts - Updated 2/25/2020

Alex Davis

Property & Casualty Adjuster
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Handles All Cities As Needed

Shawn Millar

Property & Casualty Adjuster
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Anderson, Colusa, Coming, Gridley, Marysville, Oroville
Paradise, Red Bluff, Willows, Yuba City

Summer Simpson

Property & Casualty Adjuster
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summer.simpson@sedgwick.com

Auburn, Dixon, Folsom, Lincoln, Rio Vista, Rocklin
Handles All Cities As Needed

Caroline Sbabo

Property & Casualty Adjuster
(916) 746-6340

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Handles All Cities As Needed

Jill Petrarca

Senior Manager, Property and Casualty
(916) 746-8849

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To File a New Claim: NCaYorkLiabilityClaims@Yorkrsg.com

Office Hours Emergency (916) 960-0981

After Hours Emergency Call-Out (916) 971-2701

Resources

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Dori Zumwalt

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MEET YOUR ACCOUNTING TEAM

James Marta & Company's experienced and knowledgeable Accounting Team can help you accomplish critical tasks without adding permanent staff. Whether you need help with a special project, an acting CFO/Controller, or a team to handle daily processes, we understand the nuances and obligations of professional accounting. Our team provides services to help you record and manage obligations and debt, reduce risk, support accountability, monitor progress and provide reliable information to guide decision making.

The following listing provides an introduction to the team:

JAMES MARTA, CPA, CGMA, ARPM



Title	Managing Partner
Role	CFO, oversight, strategy, policy, underwriting, budget, claims analysis, payroll, risk financing, special projects, bank authorization, cash management, training, and investment planning and oversight.
Bio	James applies more than 30 years of experience in accounting, audit, tax, consulting and strategic planning. James provides CFO services for several Joint Powers Authorities and is a resource to his clients. James is a recognized expert in GASB, JPA accreditation, executive leadership, refinancing, accounting system design, risk management and board responsibilities. He authored the IEA Pool Manager Course and teaches the IEA ARM Risk Management and Risk Financing course.
Education	B.S. Accounting and Finance Law, Portland State University. Associate in Risk Management (ARM). Associate in Risk Pool Management (ARPM).
Contact	JMarta@JPMCPA.com Tel: 916.993.9494

DEE LEGER-GARCIA, CPA



Title	Accounting Manager
Role	Account oversight, monthly close, budget, financial reporting, bank authorization.
Bio	Dee has managed full-cycle accounting teams for more than 20 years in the life science, agriculture and healthcare sectors. Her experience includes GAAP and GAAS, budget preparation, budget analysis, journal entries, closing and reporting, AP-AR, payroll, financial statement preparation, account reconciliation, preparation for audit and tax filings.
Education	Bachelor of Business Administration, Accounting, University of St. Thomas, Houston, TX
Contact	DLeger-Garcia@JPMCPA.com Tel: 916.993.9494



Joint Powers Authorities trust our expert financial services to support essential management, accountability and compliance requirements.

Tel: 916.993.9494 | www.JPMCPA.com

GEMMA MARTA



Title Senior Accountant

Role Accounts payable, deposits, billing notices, set up ACH and wires for approval, monitor positive pay, cash management.

Bio Gemma brings 20+ years of experience in complex government and fund accounting. She has been responsible for federal grants up to \$48 million and associated compliance reporting. Marta’s skills include fund accounting, balance monitoring, certifying fund availability, funding sources, funding splits, analyzing transactions, approving expenditures, reporting financial trends, comparing actuals to budget, and projecting expenditures by category, fund ratios and fund type.

ORYSYA SAVCHUCK



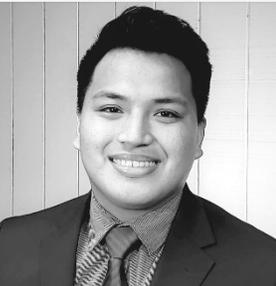
Title Staff Accountant

Role Accounts payable, general ledger, set up ACH and wires for approval, monitor positive pay.

Bio Orysy is a CPA candidate who has passed all parts of the CPA exam. She has two years of practical accounting experience with Joint Powers Authorities. Her experience includes recording accounts receivables, transactions, bank reconciliation, invoicing and audit.

Education B.S. Business Administration, Accountancy, California State University Sacramento. Dean and President’s honor rolls.

JHON MUNOZ



Title Staff Accountant

Role Account reconciliation, billing calculations.

Bio Jhon is a CPA candidate with over a year of experience in Accounting, Audit and Tax. Prior to joining James Marta & Company, Jhon worked as an auditor and accountant at a CPA firm in the Philippines. He is a licensed CPA in the Philippines.

Education Bachelor of Science in Accountancy, Sacred Heart College, Philippines

KNOWLEDGE	SERVICE	TRUST	SOLUTIONS
<ul style="list-style-type: none"> • We know what questions to ask and when answers are “out of range” • Hands-on experience with many government, nonprofit, JPA, insurance pool, and business entities since 1988. • Faced challenges; learned what to avoid; and how to do it right. 	<ul style="list-style-type: none"> • Partner/CPA engagement in every project • Resource to answer your questions and discuss alternatives • Services tailored to your specific needs: <ul style="list-style-type: none"> • Oversight • Review • Control • Full management 	<ul style="list-style-type: none"> • Protect confidential information • Secure, cloud-based systems provide convenient access to accounts, contracts, AP/AR, reports, etc. • Custom points of review • Accountable to you • Licensed professionals • Fiduciary responsibilities 	<ul style="list-style-type: none"> • CFO leadership backed by a proven finance and accounting team • Controller oversight and analysis • Accounting management • Policy and procedure review and firming • System and controls design and implement