

**MINUTES OF THE  
NCCSIF EXECUTIVE COMMITTEE MEETING  
YUBA CITY HALL, YUBA CITY CALIFORNIA  
MARCH 24, 2011**

**MEMBERS PRESENT**

Dana Shigley, City of Anderson  
Steve Kimbrough, City of Corning  
Michael Daly, City of Jackson  
Dixon Coulter, City of Marysville  
Martin Nichols, City of Red Bluff  
Tim Sailsbery, City of Willows at  
Steve Kroeger, City of Yuba City

**MEMBERS ABSENT**

Beth Penner, City of Colusa

**GUESTS & CONSULTANTS**

Susan Adams, Alliant Insurance Services  
Stacey Weeks, Alliant Insurance Services  
David Becker, James Marta & Company (left at 11:00 a.m.)  
Tom Baber, York Insurance Services (left at 11:15 a.m.)  
Ben Berg, York Insurance Services  
Jack Kastorff, York Insurance Services  
Kelli Vitale-Cabon, York Insurance Services  
Craig Wheaton, York Insurance Services

**A. CALL TO ORDER**

The meeting was called to order at 10:30 a.m.

**B. PUBLIC COMMENTS**

No public comments. Introduction of members and guests.

**C. APPROVAL OF AGENDA AS POSTED**

A motion was made to approve the meeting agenda as posted.

**MOTION:** Steve Kimbrough      **SECOND:** Dixon Coulter      **MOTION CARRIED**

**D. CONSENT CALENDAR**

**D1. Committee Meeting Minutes**

- a. Executive Committee Meeting – November 18, 2010
- b. Board of Directors Meeting – December 15, 2010
- c. Risk Management committee Meeting – March 3, 2011
- d. Police Risk Management committee – February 10, 2011
- e. Claims Committee Meeting – November 18, 2010

- D2. Check Resgister at December 31, 2010**
- D3. Quarterly Investment Reports as of December 31, 2010**
  - a. LAIF**
  - b. Chandler Asset Management – Short/Long Term**

Susan Adams explained that the meeting minutes should not be part of the Consent Calendar and will be listed under “Committee Reports” in future agendas.

A motion was made to approve the consent calendar.

**MOTION:** Steve Kimbrough      **SECOND:** Dixon Coulter      **MOTION CARRIED**

## **E. FINANCIAL REPORTS**

### **E1. Approval of Quarterly Financial Report - Period Ending December 31, 2010**

David Becker reported on the Quarterly Financials where the JPA remains stable and the equity position dropped slightly. The financial report does not reflect the actuary’s position as the report is for the period ending December 31, 2010. The report does not provide for a huge shift from where the JPA was last year.

A motion was made to approve the NCCSIF Quarterly Financial Report for the period ending December 31, 2010.

**MOTION:** Mike Daly      **SECOND:** Steve Kimbrough      **MOTION CARRIED**

## **F. JPA BUSINESS**

### **F1. Introduction of 2011 Executive Committee and Review of Responsibilities**

Susan Adams explained the terms of all members of the Executive Committee is two years except for the Chair (President) and Vice Chair (President) serve for an additional year on the Committee. All Committee meetings will be held in Yuba City.

### **F2. Selection of 2011 Claims Committee Members**

Steve Kroeger reported that the Executive Committee selects members to serve on the Claims Committee for 2011. The Chair, Vice Chair and Secretary sit on the Claims Committee. Dixon Coulter explained how CJPRMA requires the CJPRMA representative to sit on the NCCSIF Claims Committee. Martin Nichols and Tim Sailsbery were selected to serve on the Claims Committee along with Steve Kroeger, Steve Kimbrough and Dixon Coulter. Steve Kimbrough, will serve as the Chair of the Claims Committee.

A motion was made to approve the selection of the 2011 Claims Committee Members as presented at today’s meeting.

**MOTION:** Martin Nichols      **SECOND:** Mike Daly      **MOTION CARRIED**

### **F3. Report on Future Risk Management Committee Meetings**

Susan Adams reported on the continued issue of obtaining quorums for the Risk Management Committee meetings. Twelve members of the Board of Directors also sit on the Risk Management Committee. Staff recommends that the Risk Management Committee meetings are scheduled either before or after the Board of Directors meetings. This way the 12 members will only have to travel once rather than twice for the Board of Directors and Risk Management Committee meetings. Staff believes this will help with the quorum issue and saves time for the members traveling. The Committee discussed the possible meeting locations for the Board of Directors meetings in Yuba City. Staff with the assistance of the Yuba City staff will contact hotels and the Yuba City School Board for conference room availability. The Committee recommended that the Risk Management Committee meetings take place after the Board of Directors meetings.

### **F4. York Risk Control Services Update**

Tom Baber discussed the departure of Rudy Schroeder who left York to become an independent consultant. Jack Kastorff remains with York and will be the primary risk control services contact for NCCSIF going forward. Rudy will continue to work on the projects he is currently working on through the end of the fiscal year 2010/2011. Alliant Staff was directed to forward the correspondence from York regarding Rudy Schroeder's departure to the Risk Management Committee and will be included in the upcoming Board of Directors and Risk Management Committee meetings on April 14, 2011. Susan Adams discussed the development of the Training matrix, which will be discussed at the next Risk Management Committee meeting.

A motion was made to present the revisions to the York Risk Control Services to the Risk Management Committee.

**MOTION:** Martin Nichols      **SECOND:** Mike Daly **MOTION CARRIED**

### **F5. Increased Potential Risk Exposure Resulting from JPA Members' Independent Decision Discussion**

Susan Adams discussed that Board members have raised concerns about Member Cities' decisions that can give rise to potential claims and ultimately affect NCCSIF's risk pool, specifically the city of Red Bluff playground safety advice. Jack Kastorff, NCCSIF Risk Manager, offered recommendations to the City of Red Bluff, and the City made their own decision rather than heeding to the recommendations offered by Jack. The Committee discussed the pros and cons of a risk assessment report. Staff (York) was directed to develop a procedure of reporting the outcome of the risk assessments made to the members to the Risk Management Committee for review and discussion. The Risk Management Committee will review and discuss on a case-by-case basis. The procedure will be discussed at the next Committee meeting.

### **F6. Approval of Updates to Policy & Procedure A-15, *Travel Expenses***

Susan Adams discussed the policy and procedure is revised to include the Board of Directors and Risk Management Committee members be reimbursed for travel expenses for attending NCCSIF Board and Risk Management Committee meetings. The policy and procedure is also revised to

include additional professional conferences, in addition to PARMA and CAJPA, and the approval process for reimbursement.

**F7. Approval of Updates to Policy & Procedure A-2 – *Service Provider Performance Evaluations***

Susan Adams discussed the policy and procedure is revised to include that every odd number year, the Board at its October meeting, will discuss whether or not a Service Provider Performance Evaluation should be performed. If the Board determines a survey is not needed, the Executive Committee will assume responsibility for the Service Provider feedback annually.

A motion was made to approve revise the Policy and Procedure A-2 – *Service Provider Performance Evaluations*, to include language directing the Executive Committee to evaluate the performance of Service Providers on an annual basis and provide a report to the Board of Directors.

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

**F8. Review of 2010 Banking Plan fund Adjustment Calculation Sheets**

Susan Adams discussed that on an annual basis and in accordance with the policy and procedure – Plan Fund Adjustment, the Board of Directors annually reviews the banking plan fund calculations and determine whether to approve distribution of excess funds to the members for the next fiscal year. Susan will revise the calculations and forward the draft calculations to the Committee for review prior to the Board meeting on April 14<sup>th</sup>.

**F9. Review of 2010 Shared Risk Layer Plan Fund Adjustment Calculation Sheets**

Susan Adams discussed that on an annual basis and in accordance with the policy and procedure – Plan Fund Adjustment, the Board of Directors annually reviews the banking plan fund calculations and determine whether to approve distribution of excess funds to the members for the next fiscal year. Susan will revise the calculations and forward the draft calculations to the Committee for review prior to the Board meeting on April 14<sup>th</sup>.

**F10. Review of 2010/11 Safety Grant Funds Utilization and consideration of 2011/12 Safety Incentive Grants**

Susan Adams discussed that annually and in accordance with the Shared Risk Layer policy and procedure is reviewed by the Board of Directors to determine whether to approve distribution of excess Shared Risk Layer funds to the members. The plan allows for redistribution to the Members of funds in excess of the “outstanding liabilities” plus a reasonable contingency. This year both the liability and the workers’ compensation Shared Risk Layer funds meet both the 90% confidence level target and the equity to SIR ratio. The Committee discussed the continuation of the Safety Grant fund for 2011/12, including a stipulation that members be allowed to opt out of the grant and receive their full refunds if they so choose. The Committee directed staff to develop an ADA transition plan and to determine whether or not it’s feasible to have a simple “model” plan.

A motion was made to approve the continuation of the Safety Grant fund for 2011/12, including a stipulation that members be allowed to opt out of the grant and receive their full refunds if they so choose.

**MOTION:** Steve Kimbrough      **SECOND:** Dixon Coulter      **MOTION CARRIED**

**F11. Review of FY 2011/12 Actuarial Studies – *Draft Financial Pages only***

Susan Adams summarized the actuarial reports for the General Liability and Workers' Compensation. Full copies of the actuarial reports will be forwarded to Board Members electronically and will be posted to the website. The Committee discussed the option confidence funding levels and NCCSIF's 60% confidence level funding.

A motion was made to approve the actuarial studies and to continue funding at 60% confidence level, as presented at today's meeting.

**MOTION:** Steve Kimbrough      **SECOND:** Mike Daly      **MOTION CARRIED**

**F12. Review of Preliminary 2011/12 Deposit Calculations – GL & WC**

Susan Adams discussed the 2011/2012 preliminary calculations for the General Liability and Workers' Compensation programs. The preliminary calculations will be finalized with the rates approved by the actuary. It is the practice for the Board to review the preliminary calculations at its March meeting, to allow members to have an indication of costs for their individual budgets.

**F13. Review of Distribution of CJPRMA Refund**

Susan Adams explained that historically, CJPRMA has paid a refund to NCCSIF and this has now changed in the manner in which it calculates yearly deposits. NCCSIF still maintains a large surplus with CJPRMA, and for the next few years, NCCSIF may continue to receive diminishing annual refunds. At some point those funds will be paid, with the years beginning 2008 will not be creating surpluses. The total amount of refund to NCCSIF is \$502,233.

**F14. Review of Preliminary 2011/12 Property Premiums**

Susan Adams discussed that the renewal premium calculations are not available. Although 10% is built into the budget, confirmation was received that the property premiums would increase 7-8%.

**F15. Approval of NCCSIF JPA Crime Policy Renewal**

Stacey Weeks discussed the renewal JPA Crime policy where the premium is the same as expiring.

A motion was made to approve the NCCSIF JPA Crime Policy as presented at today's meeting.

**MOTION:** Martin Nichols      **SECOND:** Mike Daly      **MOTION CARRIED**

**F16. Review of Preliminary 2011/12 NCCSIF Budget**

Steve Kroeger discussed that the Board reviews the preliminary budget at its March meeting with the final budget reviewed and approved at the June Board meeting. Steve reported on the recommendation to appoint a Budget Ad Hoc Committee to review and discuss the budget prior to review by the Board. The Committee discussed reformatting revisions to the budget to include historical budget information along with current budget information.

#### **F17. Discussion Regarding the Creation of a Budget Ad Hoc Committee**

Steve Kroeger discussed the recommendation to appoint a Budget Ad Hoc Committee to create a preliminary budget for review by the Executive Committee and Board of Directors in the spring and then the budget will become final and approved at the June Board meeting. The Committee appointed the following to the Budget Ad Hoc Committee:

Steve Kroeger – Chair  
Dixon Coulter  
Mike Daly  
Judy LaPorte  
Tim Sailsbery

The Committee recommended the format of the budget be revised.

A motion was made to approve the Budget Ad Hoc Committee, Steve Kroeger; Dixon Coulter; Mike Daly; Judy LaPorte; Tim Sailsbery, as presented at today's meeting.

**MOTION:** Martin Nichols    **SECOND:** Dana Shigley    **MOTION CARRIED**

#### **F18. Discussion of Lunchtime Presentations**

The Committee discussed and made recommendation for Board of Directors lunchtime presentations. Alliant Insurance Services will present how the current disasters effect the insurance market at the upcoming Board of Directors meeting on April 14<sup>th</sup>.

#### **F19. Review and Discussion of Long Range Action Planning**

Susan Adams explained that on a quarterly basis, the Committee reviews the NCCSIF Long Range Planning Timeline. All items on the 2008/2009 Long Range Planning Timeline have been completed. The Committee discussed future Long Range Planning meetings and agreed that December is a difficult to have a strategic planning meeting. This is an agenda item for discussion at the upcoming Board of Directors meeting on April 14<sup>th</sup>.

### **G. INFORMATION ITEMS**

#### **H1. NCCSIF Meeting Calendar 2011**

Susan Adams explained that the handout of the revised NCCSIF 2011 Meeting Calendar, reflects the Risk Management Committee meetings taking place on the same day as the Board of Directors meeting.

## **H2. Program Administrator Time Tracking at December 31, 2010**

The Program Administrator Time Tracking will be a discussion item at the upcoming Board of Directors meeting on April 14<sup>th</sup>.

## **H. ADJOURNMENT**

The meeting was adjourned at 1:30 p.m.

**MOTION:** Martin Nichols    **SECOND:** Mike Daly    **MOTION CARRIED**