



**MINUTES OF THE
NCCSIF BOARD OF DIRECTORS MEETING
ROCKLIN EVENT CENTER, ROCKLIN, CA
OCTOBER 19, 2017**

BOARD OF DIRECTORS PRESENT

Liz Cottrell, City of Anderson
Nita Wracker, City of Auburn
Rachel Ancheta, City of Dixon
Brad Koehn, City of Elk Grove
Kristine Haile, City of Folsom (Alternate)
Cora Hall, City of Galt
Elisa Arteaga, City of Gridley (Alternate)
Jon Hanken, City of Ione

Astrida Trupovnieks, City of Lincoln
Loree McCay, City of Nevada City
Liz Ehrenstrom, City of Oroville
Gina Will, Town of Paradise
Dave Warren, City of Placerville (**Chair**)
Steven Rudolph, City of Rocklin
Tim Sailsbery, City of Willows
Natalie Springer, City of Yuba City

OTHER MEMBERS PRESENT

Julie Rucker, City of Elk Grove
Eugene Palazzo, City of Galt

Crystal Peters, Town of Paradise

BOARD OF DIRECTORS ABSENT

Toni Benson, City of Colusa
Kristina Miller, City of Corning
Jim Francis, City of Folsom
City of Gridley, (primary Board vacant)

Yvonne Kimball, City of Jackson
City of Marysville (primary Board vacant)
Sandy Ryan, City of Red Bluff
City of Rio Vista (primary Board vacant)

CONSULTANTS & GUESTS

Marcus Beverly, Alliant Insurance Services
Michael Simmons, Alliant Insurance Services
Raychelle Maranan, Alliant Insurance Services
James Marta, James Marta & Company

Dori Zumwalt, York Risk Services
Arthur Ngo, Crowe Horwath LLP
Marty Cassell, Chandler Asset Management
Carlos Oblites, Chandler Asset Management

A. CALL TO ORDER

Chair Dave Warren called the meeting to order at 12:34 p.m.

B. INTRODUCTIONS

The above-mentioned 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:** Brad Koehn **Motion Carried**
Ayes: Cottrell, Wracker, Ancheta, Koehn, Haile, Hall, Arteaga, Hanken, Trupovnieks, McCay, Ehrenstrom, Will, Warren, Rudolph, Sailsbery, Springer
Nays: None

D. PUBLIC COMMENTS

There were no public comments.

E. CONSENT CALENDAR

1. Board of Directors Meeting Minutes - June 15, 2017
2. Check Register from May 1, 2017 to August 31, 2017
3. Investment Reports
 - a. Chandler Asset Management Short/Long Term - May 2017 to August 2017
 - b. Local Agency Investment Fund (LAIF) Report as of June 30, 2017
 - c. Treasurer's Report as of June 30, 2017
4. Quarterly Financial Report for Period Ending June 30, 2017
5. Alliant Commission Disclosure Letter and Fact Sheet Retail vs. Wholesale Commissions

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

Motion: Jon Hanken **Second:** Liz Cottrell **Motion Carried**
Ayes: Cottrell, Wracker, Ancheta, Koehn, Haile, Hall, Arteaga, Hanken, Trupovnieks, McCay, Ehrenstrom, Will, Warren, Rudolph, Sailsbery, Springer
Nays: None

Crystal Peters left the meeting at 12:36 p.m.

F. SUMMARY OF THE SEPTEMBER 28, 2017 EXECUTIVE COMMITTEE MEETING

Mr. Marcus Beverly reviewed the summary of the September 28, 2017 Executive Committee (EC) meeting to the Board. It was noted the EC suggested changing the EC Rotation structure based on a mix of members' size (Small, Medium, Large) instead of the current geographic structure since the members have settled on Rocklin as a central meeting place. Mr. Beverly noted options for EC rotation structure will be presented in the December meeting.

The EC awarded the contract to Rick Buys, Risky Business Pros, to conduct the FY 17/18 Liability Claims Audit for NCCSIF. Mr. Beverly indicated that Craig Schweikhard left CJPRMA and Rick Buys is filling in as Interim Claims Manager until the position is filled. Discussion ensued whether



Rick's position at CJPRMA could create a conflict of interest for him to conduct the NCCSIF Liability Claims Audit. After discussion, no conflict of interest exists as Rick will be auditing the pool's primary layer and not the excess layer.

G. ADMINISTRATION REPORTS

G.1. President's Report

Chair Warren indicated that Corey Shaver retired from the City of Nevada City after 23 years. Chair Warren gave recognition to Corey's service on the NCCSIF Board as the primary Representative for the city, and most notably as Board Secretary since 2015.

G.2. CJPRMA Update

Mr. Beverly indicated that CJPRMA is developing a Loss Allocation Policy for annual contributions that will factor in an experience modification factor (ex-mod) into the calculation. The proposed contribution formula is based 90% on payroll and 10% on loss history, subject to a cap of no more than a 10% increase from the pure payroll rate for those members with higher ex-mod. This new methodology could potentially impact NCCSIF's deposit premium if it passed. Program Administrators will closely monitor the development and report to the Board.

Presented as information only.

G.3. Program Administrator's Report

Provided in previous item, G.2.

H. EXECUTIVE COMMITTEE MEMBERS, ROTATION AND BYLAW CHANGES

Mr. Beverly indicated the Executive Committee (EC) proposed a change in the Bylaws to allow some flexibility in the number of EC members, ranging from seven to nine and amending the reference to a quorum from being four members to a majority of the EC members. Additionally, the Program Administrators recommend removing the reference to the term of the immediate Past President as that person has not served on the EC for some time.

Mr. Brad Koehn, City of Elk Grove, indicated based on the current makeup of the EC it will exceed nine members if some EC members do not hold two positions. The Board discussed the maximum number of EC members that is an equitable representation to account for the fluctuating number of members serving at a time. The 30-day notice of the proposed changes will be sent via e-mail to the members after the meeting, the Board will review and approve the changes in the December meeting, and the Board will subsequently hold the election for the Vice President and Secretary, and the Treasurer and CJPRMA representative will also be appointed at the December meeting.



A motion was made to approve the change to the number of Executive Members in the Bylaws ranging from seven to eleven as amended, change number of quorum to majority and remove the reference to Past President.

Motion: Brad Koehn **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Wracker, Ancheta, Koehn, Haile, Hall, Arteaga, Hanken, Trupovnieks, McCay, Ehrenstrom, Will, Warren, Rudolph, Sailsbery, Springer
Nays: None

I. FINANCIAL REPORTS

I.1. FY 16/17 Financial Audit

Mr. Arthur Ngo, Crowe Horwath LLP (Crowe), presented an overview of the FY 16/17 financial audit. Mr. Ngo indicated that the financials are free of material misstatements and Crowe issued an unmodified opinion. The total assets increased by just under \$1 million, and total liabilities decreased by just over \$1 million, resulting in an increase in Net Position of almost \$2 million, or 14%, from \$13,999,557 to \$15,996,079. Without dividends of \$2,534,805 the net position would have increased by \$4,531,327.

Mr. James Marta confirmed that Crowe completed the audit timely and met all the deadlines as scheduled.

A motion was made to receive and file the FY 16/17 Financial Audit.

Motion: Tim Sailsbery **Second:** Liz Cottrell **Motion Carried**
Ayes: Cottrell, Wracker, Ancheta, Koehn, Haile, Hall, Arteaga, Hanken, Trupovnieks, McCay, Ehrenstrom, Will, Warren, Rudolph, Sailsbery, Springer
Nays: None

Arthur Ngo left the meeting at 12:56 p.m.

I.2. Investment Policy

Mr. Marty Cassell, CEO of Chandler Asset Management, indicated the only change to the Investment Policy is adding reference to the Nationally Recognized Statistical Rating Organization as basis for credit rating agency.

Mr. Koehn, City of Elk Grove, inquired about the maximum maturity date of the bond within the policy. Mr. Cassell indicated the standard in code is five years, but the NCCSIF Board approved extending it to ten year maximum duration. As interest rates rise, the value of existing bonds go down.

A motion was made to approve the proposed changes to the Investment Policy as presented.



Nays: None

J.3. 2018 Service Calendar

Mr. Beverly reviewed the Service Calendar to the Board that outlines the timeline of the annual activities to be completed on behalf of NCCSIF. Activities have been highlighted to spot the key items that require participation from members: meetings in blue, requests for information in yellow, and training conferences in gray.

Presented as information only.

Tim Sailsbery left the meeting at 2:17 p.m.

J.4. York Risk Services Workers' Compensation Claims Administration

J.4.a. York Quarterly Report

Ms. Dori Zumwalt from York reviewed the quarterly report to the Board. The report shows the recent activities and progress to date in meeting claims management benchmarks. File reviews are regularly conducted either in person or over the phone. The goal is to close more claims through Compromise & Release settlement. Ms. Zumwalt indicated that York is continually providing Workers' Comp 101 trainings and encouraged members to reach out to her should they need a refresher course. York is planning to launch a Workers' Comp 102 training that provides in depth review a day in the life of a workers' compensation claim adjuster.

Presented as information only.

Steven Rudolph left the meeting at 2:32 p.m.

Astrida Trupovnieks left the meeting at 2:33 p.m.

J.4.b. WC Claim TPA Follow-up Survey Result

Mr. Beverly reported that 100% of the members responded to the survey. Overall the results are an improvement from the last survey completed in March 2017 and tend to indicate those who did not respond previously were satisfied with the service. The Executive Committee (EC) reviewed the results and agreed that York was meeting or exceeding goals. The EC asked the Program Administrators to meet with York to review the feedback and to send a follow-up survey in September 2018 to gauge members' satisfaction as a basis for negotiating contract renewal terms or going to RFP prior to the contract expiration in June 2019.

Mr. Beverly noted three members provided additional comments under question 12, should NCCSIF issue an RFP for WC TPA services in the near future. Ms. Ehrenstrom asked if there is a way to know which cities are having problem with York's services. Mr. Beverly indicated it can be tracked and he will address those at his next file review with York.



A motion was made to file and receive the WC Claim TPA Follow-up Survey Result

Motion: Liz Ehrenstrom **Second:** Jon Hanken **Motion Carried**
Ayes: Cottrell, Wracker, Ancheta, Koehn, Haile, Hall, Arteaga, Hanken, McCay, Ehrenstrom, Will, Warren, Springer
Nays: None

Julie Rucker left the meeting at 2:41 p.m.

J.5. Round Table Discussion

Mr. Michael Simmons indicated that FEMA (Federal Emergency Management Agency) announced the Northern California fires rank fourth on their list of disasters. He noted that due to the recent fires in Northern California most public entities may potentially suffer tax revenue loss when property of others, subject to a property tax or sales tax, is destroyed. The tax interruption coverage could cover this type of loss if the city scheduled that tax revenue source, such as big box store, in their property schedule.

K. INFORMATION ITEMS

1. CalPELRA 2017 Conference (December 4,-8 2017) in Monterey, CA
2. PARMA 2018 Conference (February 14-16, 2018) in Monterey, CA
3. Glossary of Terms
4. NCCSIF Organizational Chart
5. NCCSIF 2017 Meeting Calendar
6. NCCSIF Resource Contact Guide
7. NCCSIF Travel Reimbursement Form

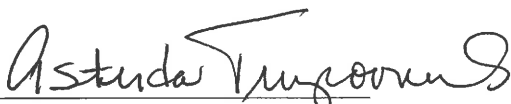
These items were provided as information only.

L. ADJOURNMENT

The meeting was adjourned at 2:46 p.m.

Next Meeting Date: December 14, 2017 in Rocklin, CA

Respectfully Submitted,

 MA MBA
 Astrida Trupovnieks, Secretary
1-17-18
 Date