



**MINUTES OF THE  
NCCSIF BOARD OF DIRECTORS MEETING  
ZOOM TELECONFERENCE  
JUNE 17, 2021**

**BOARD OF DIRECTORS PRESENT**

Liz Cottrell, City of Anderson  
Ishrat Aziz- Khan, City of Colusa  
Kara Reddig, City of Elk Grove  
Dalacie Blankenship, City of Jackson  
Jennifer Styczynski, City of Marysville  
Liz Ehrenstrom, City of Oroville  
Dave Warren, Placerville (**Chair**)  
Jose Jasso, City of Rio Vista (**Vice-Chair**)  
Spencer Morrison, City of Yuba City

Kristina Miller, City of Corning  
Rachel Ancheta, City of Dixon  
Susan Walter, City of Folsom  
Veronica Rodriguez, City of Lincoln  
Joan Phillipe, City of Nevada City  
Crystal Peters, Town of Paradise  
Sandy Ryan, City of Red Bluff  
Andy Schiltz, City of Rocklin

**OTHER MEMBERS PRESENT**

Jim Ramsey, City of Elk Grove  
Kate Zawadzki, City of Dixon  
Angela Doyle, City of Rocklin

Chris Hancock, City of Ione  
Ross Gilb, Town of Paradise  
Anjmin Mahil, City of Elk Grove

**BOARD OF DIRECTORS ABSENT**

Cristina Shafer, City of Auburn  
Elisa Arteaga, City of Gridley

Stephanie Van Steyn, City of Galt  
Lori McGraw, City of Ione

**CONSULTANTS & GUESTS**

Marcus Beverly, Alliant Insurance Services  
Michael Simmons, Alliant Insurance Services  
Jenna Wirkner, Alliant Insurance Services  
Eric Lucero, Sedgwick  
Enriqueta Castro, Sedgwick

James Marta, James Marta & Company  
Dori Zumwalt, Sedgwick  
Conor Boughey, Alliant Insurance Services  
Jill Petreca, Sedgwick

**A. CALL TO ORDER**

Chair Liz Ehrenstrom called the meeting to order at 9:31 a.m.

**B. ROLL CALL**

Roll call was made and the above-mentioned members were present constituting a quorum.

**C. PUBLIC COMMENTS**



There were no public comments.

#### **D. CONSENT CALENDAR**

1. Board of Directors Meeting Minutes - April 23, 2021
2. Check Register from March 1, 2021 to May 31, 2021
3. Investment Reports
  - a. Chandler Asset Management Short/Long Term - March 2021 to May 2021
  - b. Local Agency Investment Fund (LAIF) Report as of March 31, 2021
  - c. Treasurer's Report as of March 31, 2021
4. FY 21/22 Lexipol Fire Subscription Services pricing
5. FY 21/22 Lexipol Law Enforcement Subscription Services pricing
6. Crowe LLP Financial Auditing Services Engagement Letter
7. Sedgwick Workers' Compensation Quarterly Report as of June 2021

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

**MOTION:** Liz Ehrenstrom

**SECOND:** Sandy Ryan

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Ancheta, Reddig, Walter, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison, Warren

**Nays:** None

#### **E. GENERAL RISK MANAGEMENT ISSUES**

Members discussed COVID-19 updates regarding CAL-OSHA requirements.

Henri Castro from Sedgwick provided an update on the CAL-OSHA standards regarding COVID-19. The CAL-OSHA board will be reviewing the revision today and Henri will provide members with an update. The understanding is that vaccinated employees will not need to wear face coverings. The Cities should make a choice on requiring face masks for the public visiting the Cities or Towns.

Members discussed face masks in swimming pools and how members are handling the face masks guidelines at City pools.

Members discussed outdoor dining and possibly removing the downtown outdoor dining areas. Members are working with City Council and guidelines for outdoor dining.

*Jennifer Styczynski joined the meeting at 9:40 a.m.*

*Ishrat Aziz-Khan joined the meeting at 9:41 a.m.*



## **F. ADMINISTRATION REPORTS**

### **F.1. President's Report**

Dave Warren let members know that this meeting is important and we will review the coverages for all programs. Members are encouraged to speak up and ask questions so they can share with City Council or your City why we have increases and changes this year.

### **F.2. CJPRMA Update**

Mr. Beverly gave a brief CJPRMA update. Their final numbers haven't been released yet and will be finalized at the June 28<sup>th</sup>, 2021 CJPRMA Meeting.

### **F.3. Program Administrator's Report**

#### **a. Service Provider Survey**

No discussion.

#### **b. Risk Control Manager update**

Henri Castro from Sedgwick introduced Eric Lucero as the new Risk Manager for NCCSIF. Mr. Lucero has over thirteen years of experience and is going to be a great resource for members.

### **F.4. Summary of the May 27, 2021 Executive Committee Meeting**

Mr. Beverly gave an overview of the May 27, 2021 Executive Committee Meeting. The Executive Committee did discuss the potential of a Property Baking layer, that will be discussed at the next Board Meeting. We will review most of the topics during the Board Meeting.

## **G. FINANCIAL REPORTS**

### **G.1. Quarterly Financial Report for Period Ending March 31, 2021**

James Marta from James Marta and Company reviewed the Quarterly Financial Report for Period Ending March 31, 2021. The Liability Banking layer is looking strong, the investment income is a little less than break even. The Workers Compensation program has been a strong program. We have been seeing an increase in the Liability Shared Risk layer due to the increase in claims. The shared layer is an excess of the banking layer and will fluctuate from year to year. In the Workers Compensation Banking layer, we have seen an increase because of an increase in the number of employees and claims. The expectation is to be better than the last two years. Mr. Marta also discussed the



Risk Management Reserves current usage report, members are encouraged to put funds into the Risk Management Reserves and use them.

## **G.2. Budget-to-Actual as of March 31, 2021**

The Budget to Actual as of March 31, 2021, we have  $\frac{3}{4}$  of the budget so far. Some of the operating expenses aren't equal during the year.

### **A motion was made to receive and file the financial report as of March 31, 2021**

**MOTION:** Sandy Ryan

**SECOND:** Andy Schiltz

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Ancheta, Reddig, Walter, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison, Warren

**Nays:** None.

## **H. JPA BUSINESS**

### **H.1. CJPRMA Update**

Mr. Beverly gave an overview of CJPRMA Excess Liability Coverage Changes. CJPRMA will most likely be increasing the \$5M SIR to \$7.5M.

The aggregates being proposed for FY 21/22 would work in a similar fashion, as they would apply to LE and SAM claims only. CJPRMA management understands the issue and is coming the conclusion that they will recommend self-funding any losses excess of aggregate exhaustion within the program.

Mr. Simmons mentioned that we need members to be aware that this could be an issue in the future if the aggregates are exhausted. If the aggregates of the carriers are exhausted the pool would need to cover the claims. This is a time to purchase the best insurance to cover claims.

Mr. Simmons also discussed 2021 being a crisis for the insurance market. This is a hard year for Liability and police claims, property and wildfires, pollutions and Cyber.



## **H.2. FY 21/22 Memorandum of Coverage (MOC)**

### **H.2.a. Liability MOC**

Mr. Beverly reviewed the changes to the Liability MOC. No changes were made other than the addition dates. If you have a driver that has more than five points they will be eliminated from coverage.

**A motion was made to approve the underlying NorCal Cities Memorandum of Coverage.**

**MOTION:** Liz Ehrenstrom

**SECOND:** Liz Cottrell

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Ancheta, Reddig, Walter, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison, Warren

**Nays:** None

### **H.2.a. Workers Compensation MOC**

Mr. Beverly reviewed the Workers Compensation MOC. NCCSIF does not cover a member's obligation to pay any portion of Labor Code 4850 benefits. The only other change is that PRISM does cover out of state workers. A bill was passed to cover out of state peace officers but the City is required to pass a resolution. California Labor Code Section 3600.2.

The City of Elk Grove will be presenting a resolution to the City Council.

**A motion was made to approve the underlying Workers Compensation Memorandum of Coverage.**

**MOTION:** Kara Reddig

**SECOND:** Jose Jasso

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Ancheta, Reddig, Walter, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison, Warren

**Nays:** None

## **H.3. FY 21/22 Property Program Renewal**

### **H.2.a. NCCSIF Property Renewal Proposal**

Mr. Beverly gave an update on the 21/22 Property Proposal. The vehicle deductibles are increasing from \$5,000 to \$25,000. We have requested vehicle quotes in the AMVP program for members that wanted a different option. We requested a \$25,000 and \$100,000 deductible option this year. The all risk property rate increased 59% from the prior year. The other major change is



endorsement 5.LMA 5400 Cyber Exclusion – that excludes “silent cyber” exposures with limited buyback coverage for fire.

Mr. Beverly discussed the LMA 5401 “silent cyber coverage”. Cyber, Explosion and other perils might not be included in Cyber Coverage. Examples of claims coverage for LMA 5401.

Mr. Simmons discussed LMA 5400 and 5401 and that this could be a problem in the future.

Mr. Beverly discussed the comparison of the \$25,000 and \$100,000 options. The difference is only about \$127,000. The loss runs from 2012-present were also reviewed as a deductible coverage comparison.

Mr. Simmons and Mr. Beverly discussed the long-term property funding. We would want to discuss starting slow and moving into a shared layer.

*Dalacie Blankenship joined the meeting at 10:40a.m.*

Members discussed the \$25,000 deductible being a better option.

**A motion was made to approve the APIP proposal at the \$25,000 deductible.**

**A motion was made to revise the motion and approve the APIP proposal at the \$25,000 and exclude TRIA coverage.**

**MOTION:** Sandy Ryan

**SECOND:** Elizabeth Ehrenstrom

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Ancheta, Reddig, Walter, Blankenship, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison, Warren

**Nays:** None

Mr. Beverly confirmed that the Pollution and Cyber coverages are included in the APIP Property Program.

Mr. Beverly reviewed the TRIA coverage. Members have the option to decline or purchase the coverage.

### **H.3.b. APIP Pollution**

Mr. Beverly discussed the biggest change in coverage for the Pollution Program. We will be changing the carrier to Ironshore. All claims need to be submitted before July 1, 2021. Members should submit any potential claims to APIP before July 1, 2021. Odor will now be excluded from Pollution Coverage.

Information only.



### **H.3.c. APIP Cyber Coverage Renewals**

Information only. Cyber was discussed in the APIP Renewal.

### **H.3.d. APIP Claims Reporting Acknowledgements**

Members will be asked to sign the APIP Claims Reporting Acknowledgements. An email will be sent out after the meeting.

Information only.

### **H.3.e. Alliant Deadly Weapon Response Program (ADWRP)**

Mr. Beverly discussed the Alliant Deadly Weapon Response Program for FY 21/22. The coverage is a combination of first and third-party coverages, with sub-limits of \$250,000 for crisis management services, counseling services, funeral expenses, and demo. Clearance/memorialization. The Coverage includes Medical Expenses of \$25,000 and Accidental Death and Dismemberment of \$50,000 per person and with a \$50,000 annual aggregates. The deductible for this program is \$10,000.

**A motion was made to approve the FY 21/22 Alliant Deadly Weapon Response Program renewal as presented.**

**MOTION:** Liz Ehrenstrom

**SECOND:** Andy Schiltz

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Ancheta, Reddig, Walter, Blankenship, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison, Warren

**Nays:** None

### **H.3.f. Flood Coverage**

Mr. Beverly gave an overview of the Flood Coverage Form, this is for individual members. If you don't wish to purchase flood please submit the Flood Coverage Form.

Information only, no action needed.

### **H.3.g. Excess Cyber Coverage Renewal**

Mr. Beverly gave an overview of the Excess Cyber Coverage Renewal for FY 21/22. The program has coverage dedicated limits in Excess APIP FY 21/22. The bricking coverage and reputation loss have both increased this year. The option this year is \$2M excess of \$2M each. The policy aggregate is moving from \$10,000,000 to \$3,000,000.



Mr. Simmons discussed the Aggregate limit for the pool of \$3,000,000. This is a hard coverage to find right now. Mr. Simmons discussed on if members are comfortable with systems right now and if they want to pay the increased premium.

Member discussed the cyber claim with City of Galt. Mr. Beverly discussed it took about 6 months to settle the claim and that they submitted a claim in the amount of about \$850,000. Some of the elements weren't covered in the claim. The main reason you buy this coverage is the help you get handling these issues.

Members discussed that these claims aren't going away and that some members are planning for this in budgets.

Mr. Marta discussed other pools purchasing Cyber Coverage and how important it is to have the coverage.

Mr. Warren discussed the importance of insurance being included in your Budge. Members discussed that the vote has been taken and would like to move on.

**A motion was made to approve the Excess Cyber Coverage.**

**MOTION:** Sandy Ryan

**SECOND:** Liz Ehrenstrom

**MOTION CARRIED  
UNANIMOUSLY**

**A voice vote was taken.**

**Ayes:** Cottrell, Aziz-Khan, Zawadzki, Blankenship, Styczynski, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Walter, Warren

**Nays:** Morrison

**Abstain:** Reddig, Rodriguez, Phillipe, Miller

*12:00 p.m. Kara Redding left the meeting*

*12:00 p.m. Rachel Ancheta left the meeting*

#### **H.4. FY 21/22 Crime Coverage Renewal**

Mr. Beverly reviewed the FY 21/22 Crime Coverage Renewal. The premium is flat rate from FY 20/21. Mr. Beverly asked members if they would like to move to the \$5M limit or remain at the \$3M limit.

**A motion was made to approve the FY 21/22 Crime Coverage Renewal at \$3M limit.**

**MOTION:** Sandy Ryan

**SECOND:** Jennifer Styczynski

**MOTION CARRIED  
UNANIMOUSLY**





**Ayes:** Cottrell, Aziz-Khan, Miller, Zawadzki, Ramsey, Walter, Blankenship, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison  
**Nays:** None

#### **H.5. FY 21/2 Identity Fraud Expense Reimbursement Coverage Renewal**

Mr. Beverly reviewed the FY 21/22 Identity Fraud Expense Reimbursement. We did have a slight decrease in the premium this year due to the decrease in number of employees.

**A motion was made to renew the FY 21/22 Identity Fraud Expense Reimbursement coverage as presented.**

**MOTION:** Liz Ehrenstrom

**SECOND:** Andy Schiltz

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Zawadzki, Ramsey, Walter, Blankenship, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison

**Nays:** None

#### **H.6. Administration Budget 21/22 Program Budget**

Mr. Beverly gave a brief overview of the Administration Budget for FY 21/22.

**MOTION:** Liz Ehrenstrom

**SECOND:** Jim Ramsey

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Zawadzki, Ramsey, Walter, Blankenship, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison

**Nays:** None.

*Michael Simmons left the meeting at 12:20 p.m.*

#### **H.7.a. Liability program budget**

Mr. Beverly discussed the adoption of the FY 21/22 Liability Program Budget. At this time, it is most likely CJPRMA will have to increase retention from \$5M to \$7.5M, resulting in an increase. Members could choose to move from a 50% cap to a 60% cap. The pools banking layer is down 61% this year.

Members discussed why certain members have higher increases this year.

Mr. Marta discussed how the ex-mod is calculated.



**A motion was made to approve the liability program at the 60% cap**

**MOTION:** Liz Ehrenstrom

**SECOND:** Jennifer Styczynski

**MOTION CARRIED  
UNANIMOUSLY**

**A voice vote was taken.**

**Ayes:** Cottrell, Aziz-Khan, Zawadzki, Walter, Blankenship, Rodriguez, Styczynski, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison

**Nays:** Kristina Miller

**Abstain:** Jim Ramsey, Joan Phillipe

#### **H.7.b. Worker's Compensation program budget**

Mr. Beverly reviewed the Workers' Compensation program budget. We will see increases in Workers Compensation costs. We're seeing a frequency of higher dollar claims and a decrease in smaller dollar claims. We had a change of -26% for the shared layer. Overall the Workers Compensation rates haven't seen as many changes.

**A motion was made to approve the Workers Compensation Program Budget.**

**MOTION:** Jim Ramsey

**SECOND:** Andy Schiltz

**MOTION CARRIED  
UNANIMOUSLY**

A voice vote was called and the motion passed.

**Ayes:** Cottrell, Aziz-Khan, Miller, Zawadzki, Reddig, Walter, Blankenship, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison

**Nays:** None

#### **H.8. Member Training Fund Rollover**

Mr. Beverly discussed the Member training Fund Rollover for members. Due to the pandemic we haven't been attending as many trainings.

Members discussed having the training funds rolled over to pay for the use of premium reduction.

**A motion was made to approve rolling over the training funds and also allow members to use the funds for premium relief if desired.**

**MOTION:** Liz Ehrenstrom

**SECOND:** Jose Jasso

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Zawadzki, Ramsey, Walter, Blankenship, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison

**Nays:** None



### **H.9. Strategic Plan Update**

Mr. Beverly gave an update on the Strategic Plan. The Executive Committee discussed having a two meeting for the Strategic Plan update so members can have time to absorb the information. Members discussed having the facilitator earlier in November and have the Board Meeting December.

**A motion was made to approve the recommendation to secure a facilitator for a two-day strategic planning session.**

**MOTION:** Liz Ehrenstrom

**SECOND:** Jose Jasso

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Zawadzki, Ramsey, Walter, Blankenship, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison

**Nays:** None

### **H.10. FY 21/22 Service Calendar**

Mr. Beverly discussed the FY 21/22 Service Calendar. This is a reminder on what is coming up and what will be reviewed at the meetings during the year.

### **H.11. FY 21/22 Meeting Calendar**

**A motion was made to approve the FY 21/22 Meeting Calendar**

Mr. Beverly discussed having the October 28<sup>th</sup> BOD and RMC Meetings and having another Zoom Meeting virtually.

**MOTION:** Jim Ramsey

**SECOND:** Ishrat Aziz -Khan

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Zawadzki, Ramsey, Walter, Blankenship, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison

**Nays:** None

### **H.12. Appointment of CJPRMA Board Representative and Alternate**

**A motion was made to approve appointing Elizabeth Ehrenstrom to the CJPRMA Board Member position.**

**MOTION:** Dave Warren

**SECOND:** Andy Schiltz

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Cottrell, Aziz-Khan, Miller, Zawadzki, Ramsey, Walter, Blankenship, Rodriguez, Styczynski, Phillipe, Ehrenstrom, Peters, Ryan, Jasso, Schiltz, Morrison

**Nays:** None



### H.13. Safety Award Program

Mr. Beverly discussed the Safety Award Program. Our new Risk Manager Eric Lucero will hit the ground running with this program. Members will submit ideas to the Risk Management Committee for review.

### J. INFORMATION ITEMS

1. Glossary of Terms
2. NorCal Cities Organizational Chart
3. NorCal Cities Resource Contact Guide
4. Sedgwick Who's Who in Claims - WC and Liability Contacts
5. 2021 CAJPA Conference September 21-24, 2021
6. Nurturing Relationships – Effective Communication Training July 13<sup>th</sup>, 2021
7. Developing Team Relationships Training August 10<sup>th</sup>, 2021

### K. ADJOURNMENT

The meeting was adjourned at 1:00 p.m.

#### Next Meeting Date:

BOD Approval Date of Minutes:  
October 27, 2021

Respectfully Submitted,

\_\_\_\_\_  
Jennifer Styczynski, Secretary

11-2-2021  
Date