



**MINUTES OF THE
BOARD OF DIRECTORS MEETING
CITY OF ROCKLIN POLICE DEPARTMENT, ROCKLIN, CA 95677
OCTOBER 9, 2014**

MEMBERS PRESENT

Jeff Kiser, City of Anderson
Shari Conley, City of Auburn
John Brewer, City of Corning
Jim Lindley, City of Dixon
Bruce Cline, City of Folsom
Elisa Arteaga, City of Gridley
Ed Pattison, City of Ione
Michael Daly, City of Jackson
John Lee, City of Lincoln
Corey Shaver, City of Nevada City
Liz Ehrenstrom, City of Oroville
Russell Hildebrand, City of Rocklin
Tim Sailsbery, City of Willows
Natalie Walter, City of Yuba City

MEMBERS ABSENT

Toni Benson, City of Colusa
Brad Koehn, City of Elk Grove
Paula Islas, City of Galt
Leigh Keicher, City of Marysville
Dave Warren, City of Placerville
Sandy Ryan, City of Red Bluff
Tim Chapa, City of Rio Vista
Gina Will, Town of Paradise

GUESTS & CONSULTANTS

Michael Simmons, Alliant Insurance Services, Inc.
Marcus Beverly, Alliant Insurance Services, Inc.
Johnny Yang, Alliant Insurance Services, Inc.
Henri Castro, Bickmore
Tom Kline, Bickmore
Craig Wheaton, York Risk Services
D'Ana Seivert, York Risk Services
Robin Zane, James Marta & Company



A. CALL TO ORDER

The meeting was called to order at 11:34 am.

B. PUBLIC COMMENTS

There were no public comments made.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Bruce Cline **SECOND:** Russell Hildebrand **MOTION CARRIED**
AYES: Kiser, Conley, Brewer, Lindley, Cline, Arteaga, Pattison, Daly, Lee, Shaver, Ehrenstrom, Hildebrand, Sailsbery, Walter.
NAYS: None.

D. CONSENT CALENDAR

1. Board of Directors Meeting Minutes – June 12, 2014
2. Check Register as of June 30, 2014
3. Investment Report
 - a. Chandler Asset Management Short/Long Term – June 2014
 - b. Treasurer’s Report as of June 30, 2014
4. Utilization Report for Safety Grant Funds as of April 23, 2014

A motion was made to approve the Consent Calendar.

MOTION: Bruce Cline **SECOND:** Russell Hildebrand **MOTION CARRIED**
AYES: Kiser, Conley, Brewer, Lindley, Cline, Arteaga, Pattison, Daly, Lee, Shaver, Ehrenstrom, Hildebrand, Sailsbery, Walter.
NAYS: None.

E. NCCSIF PROGRAMS AND SERVICES LUNCHTIME PRESENTATION

Mr. Johnny Yang provided the Board with a presentation outlining NCCSIF’s coverage programs and services available through various vendors of the organization. Mr. Michael Simmons also provide the Board with a presentation



F. MINUTES AND COMMITTEE REPORTS

1. Risk Management Committee Meeting Minutes – October 9, 2014\
2. Police Risk Management Committee Meeting Minutes – August 7, 2014 (Draft)
3. Claims Committee Meeting Minutes – August 4, 2014 (Draft)
4. Claims Committee Meeting Minutes – July 8, 2014 (Draft)
5. Risk Management Committee Meeting Minutes – June 12, 2014 (Draft)

There was no discussion on this item.

G. SUMMARY OF THE SEPTEMBER 25, 2014 EXECUTIVE COMMITTEE MEETING

H. ADMINISTRATION REPORTS

H1. President's Report

Ms. Liz Ehrenstrom had nothing to report.

H2. Program Administrator's Report

Mr. Johnny Yang advised that a few members have not completed and turned in their Workers' Compensation Application which was due to CSAC-EIA on September 30, 2014.

I. FINANCIAL REPORTS

I1. Quarterly Financial Report for Period Ending June 30, 2014

Ms. Alana Theiss presented to the Board the Quarterly Financial Report for Period Ending June 30, 2014.

A motion was made to approve the Quarterly Financial Report for Period Ending June 30, 2014.

MOTION: Gina Will SECOND: Matt Michaelis MOTION CARRIED
AYES: Kiser, Conley, Brewer, Lindley, Cline, Arteaga, Pattison, Daly, Lee, Shaver, Ehrenstrom, Hildebrand, Sailsbery, Walter.
NAYS: None.

I2. Budget to Actual as of June 30, 2014

There was no discussion on this item.



I3. 2014 Year End Financial Audits

Mr. Matt Nethaway presented to the Board the 2014 Year End Financial Audits.

A motion was made to approve the 2014 Year End Financial Audits as presented.

MOTION: Ed Pattison **SECOND:** Mike Daly **MOTION CARRIED**
AYES: Kiser, Conley, Brewer, Lindley, Cline, Arteaga, Pattison, Daly, Lee, Shaver, Ehrenstrom, Hildebrand, Sailsbery, Walter.
NAYS: None.

I4. Investment Policy

Mr. Beverly explained that the Investment has been reviewed by Chandler Asset Management and James Marta & Company and revisions were recommended. He explained that this year the California Government Code was expanded to include investments in three specific supranational organization's debt. A supranational is an international organization that supports international development and commerce. Three specific organizations were included in the amendment to CGC 53601, they are the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and the Inter-American Development Bank (IADB). Chandler recommends adopting the inclusion of the Supranationals as additional high quality, highly liquid permitted investments, as allowed under California Government Code 53601(q), effective 1/1/2015. Adding this permitted investment can provide NCCSIF with additional opportunities for further diversification with similar credit quality and yield potential as US Agencies investments.

He then advised the James Marta & Company recommends revising language to correctly reflect NCCSIF's current practices as noted in the draft Investment Report provided to members. The Board decided to remove item H.1. from the Investment policy.

A motion was made to approve the NCCSIF Investment Policy with the recommended revisions discussed above.

MOTION: Russell Hildebrand **SECOND:** Ed Pattison **MOTION CARRIED**
AYES: Kiser, Conley, Brewer, Lindley, Cline, Arteaga, Pattison, Daly, Lee, Shaver, Ehrenstrom, Hildebrand, Sailsbery, Walter.
NAYS: None.

J. JPA BUSINESS

J1. NCCSIF 2015 Meeting Calendar

Mr. Beverly advised that the NCCSIF 2015 Meeting Calendar is approved annually by the Board of Directors. He asked the Board to take a moment and review the calendar to determine if any dates should be modified due to conflicts with other meetings and advise staff so that the calendar can be amended and finalized. He also advised that due to the Long Range Planning



Session the December 11, 2014 Risk Management Committee will need to be rescheduled to January 8, 2014.

A motion was made to approve the NCCSIF 2015 Meeting Calendar with the addition of the January Risk Management Committee meeting.

MOTION: Ed Pattison **SECOND:** Dave Warren **MOTION CARRIED**
AYES: Kiser, Conley, Brewer, Lindley, Cline, Arteaga, Pattison, Daly, Lee, Shaver, Ehrenstrom, Hildebrand, Sailsbery, Walter.
NAYS: None.

J2. Administrative Policy and Procedures Revisions

Mr. Beverly advised that he has reviewed three NCCSIF policies that guide its funding decisions, including Banking Layer adjustments, Shared Layer adjustments, and Target Funding Benchmarks. Terms used in the policies need to be updated in part due to changes in the accounting terms they refer to. Minor revisions have also been recommended to clarify some provisions. In addition, the Target Equity Policy benchmark for refunds (funds above liabilities at a 90% confidence level) has been added to the Shared Risk Layer Adjustment policy.

A motion was made to approve the recommended revisions to the policies as provided.

MOTION: Ed Pattison **SECOND:** Gina Will **MOTION CARRIED**
AYES: Kiser, Conley, Brewer, Lindley, Cline, Arteaga, Pattison, Daly, Lee, Shaver, Ehrenstrom, Hildebrand, Sailsbery, Walter.
NAYS: None.

J3. Long Range Planning

J3a. Review of Long Range Planning Items from December 13, 2012

Mr. Yang provided a summary of the items that were addressed at the last Long Range Planning (LRP) meeting on December 13, 2012. He explained that since the 2012 LRP with respects to Workers' Compensation, concerns regarding the claims administration by York have been addressed. Members also decided not to change their current SIR of \$500,000. NCCSIF has increased their Confidence Level from 60% to 65% and have plans to gradually increase in the upcoming years. NCCSIF has lowered their Discount Funding for Investment Income from 3% to 1.5% to more accurately reflect the current returns. And members have expressed that they are currently satisfied with the coverage and services provided by CSAC-EIA.

With respects to Liability, NCCSIF has since lowered their SIR from \$1,000,000 to \$500,000. To reduce the cost of lowering the SIR CJPRMA agreed to a "corridor deductible" option of an additional \$113,000 for any loss that reaches the excess layer in the first three years. NCCSIF has increased their Confidence Level from 60% to 65% and have plans to gradually increase the upcoming years. The Discount Funding for Investment Income was also lowered from 2% to



1.5% for liability and members are satisfied with the coverage and services provided by CJPRMA.

J3b. Discussion of December 11, 2014 Long Range Planning Meeting

A motion was made to approve a half day Long Range Planning Session prior to the Board of Directors meeting on December 11, 2014 with a specific focus on NCCSIF's funding policies.

MOTION: Ed Pattison **SECOND:** Gina Will **MOTION CARRIED**
AYES: Kiser, Conley, Brewer, Lindley, Cline, Arteaga, Pattison, Daly, Lee, Shaver, Ehrenstrom, Hildebrand, Sailsbery, Walter.
NAYS: None.

Mr. Natalie Walter recommended holding the Long Range Planning meeting in Yuba City and will recommend venues to the Program Administrator.

J4. Round Table Discussion

K. INFORMATION ITEMS

- K1. NCCSIF Organizational Chart**
- K2. NCCSIF Travel Reimbursement Form**
- K3. NCCSIF Resource Contact Guide**

L. ADJOURNMENT

The meeting was adjourned at 1:41 pm.