



**MINUTES OF THE  
NCCSIF BOARD OF DIRECTORS MEETING  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
APRIL 27, 2017**

**BOARD OF DIRECTORS PRESENT**

Liz Cottrell, City of Anderson  
Kristina Miller, City of Corning  
Kim Stalie, City of Dixon (Alternate)  
Kara Reddig, City of Elk Grove (Alternate)  
Kristine Haile, City of Folsom (Alternate)  
Matt Michaelis, City of Gridley  
Jon Hanken, City of Ione  
Dalacie Blankenship, City of Jackson (Alternate)

Astrida Trupovnieks, City of Lincoln  
Corey Shaver, City of Nevada City  
Liz Ehrenstrom, City of Oroville  
Gina Will, Town of Paradise  
Dave Warren, City of Placerville (**Chair**)  
Sandy Ryan, City of Red Bluff  
Donna Lee, City of Rio Vista  
Tim Sailsbery, City of Willows

**OTHER MEMBERS PRESENT**

Jim Ramsey, City of Elk Grove  
Julie Rucker, City of Elk Grove

Andrew Schiltz, City of Rocklin  
Spencer Morrison, City of Yuba City

**BOARD OF DIRECTORS ABSENT**

Nita Wracker, City of Auburn  
Toni Benson, City of Colusa  
City of Dixon (vacant)  
Brad Koehn, City of Elk Grove  
Jim Francis, City of Folsom

City of Galt (vacant)  
City of Jackson (vacant)  
Satwant Takhar, City of Marysville  
Kimberly Sarkovich, City of Rocklin  
Natalie Springer, City of Yuba City

**CONSULTANTS & GUESTS**

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

Bettina Hooper, York Risk Services  
Steven Scott, York Risk Services  
Mike Harrington, Bickmore  
Gail Zeigler, Bickmore

**A. CALL TO ORDER**

Chair Dave Warren called the meeting to order at 12:03 p.m.

**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:** Liz Ehrenstrom                      **Second:** Tim Sailsbery                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

**D. PUBLIC COMMENTS**

There were no public comments.

**E. CONSENT CALENDAR**

1. Board Meeting Minutes - December 8, 2016
2. Check Register from November 1, 2016 to February 29, 2017
3. Investment Reports
  - a. Chandler Asset Management Short/Long Term - November 2016 to February 2017
  - b. Local Agency Investment Fund (LAIF) Report as of December 31, 2016
  - c. Treasurer's Report as of December 31, 2016
4. 16-17 APIP Alliant-Commission Opt-Out Letter 02-09-17
5. 2016-17 CSAC EIA Member Annual Report for NCCSIF
6. CSAC EIA Workers' Compensation Claims Audit as of October 2016

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

**Motion:** Corey Shaver                      **Second:** Liz Cottrell                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

**F. ADMINISTRATION REPORTS**

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

Chair Warren recognized Paula Islas' many accomplishments as the HR Administrator for the City of Galt and an active Member of the NCCSIF Board of Directors. Ms. Islas served the Board for fourteen years in many capacities including past President and as the CJPRMA Board Representative. Chair Warren also acknowledged Michael Daly from the City of Jackson for his many years of service on the NCCSIF Board.

Chair Warren indicated that AlliantConnect portal for NCCSIF was launched in January and thanked the Program Administrators for providing another platform for members to access documents.



Mr. Marcus Beverly indicated that when a new document is posted on AlliantConnect, the system sends an automatic notification to all users. It is a good feature however, it is creating confusion to some members when they receive a new file upload notification thinking they need to take action on their part. For less confusion, the automatic notification feature has been turned off. Mr. Beverly indicated that those members who are interested to receive new posting notification may opt in.

## **F.2. Program Administrator's Report**

Mr. Beverly referred the Board to the CSAC EIA, Excess Workers' Compensation carrier, Annual Report on the Consent Calendar. Mr. Beverly noted the pool realized a savings of \$362,897 for FY 16/17 and reiterated that it does pay to pool due to economies of scale.

## **F.3. Summary of the March 23, 2017 Executive Committee Meeting**

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

Information only, no action taken.

## **G. FINANCIAL REPORTS**

### **G.1. Quarterly Financial Report for Period Ending December 31, 2016**

Mr. Michael Simmons introduced David Becker to the Board and indicated that Mr. Becker is a business partner at James Marta and Company.

Mr. Becker indicated that Alana Theiss is ill and unable to attend the meeting.

Mr. Becker reviewed the Quarterly Financial Report for Period Ending December 31, 2016. Mr. Becker presented the highlights of the report. The Liability Program Shared Layer is still in deficit. In contrary, the Workers' Compensation program is in positive position across the board.

**A motion was made to receive and file the Quarterly Financial Report for the period ending December 31, 2016.**

**Motion:** Liz Ehrenstrom                      **Second:** Tim Sailsbery                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

### **G.2. Budget-to-Actual as of December 31, 2016**

Mr. Beverly reviewed the Budget-to Actual and noted the administrative expenses year-to-date are currently on track with the budget except for the Legal Services which is \$8,941 over budget. Mr. Becker noted that legal invoices are normally billed late and there are some bills from last fiscal



year that are now just realized. The annual State assessment of the Workers' Compensation claims is also over budget due to higher than expected indemnity payments.

Information only, no action taken.

## **H. JPA BUSINESS**

### **H.1. Actuarial Studies of the Self Insured Programs – Mike Harrington, Bickmore**

#### **H.1.a. FY 17/18 Workers' Compensation Program**

Mr. Mike Harrington from Bickmore, presented the FY 17/18 Actuarial Study of the WC program. The actuarial analysis consists of two main components. The first being a review of the estimates of the ultimate liabilities as of December 31, 2016, and the second component is a loss forecasting analysis to determine the rates for the 17/18 program year.

Mr. Harrington noted the pool does not cover 4850 SC (Salary Continuation) and 4850 TD (Temporary Disability) benefits for safety personnel. All actuarial estimates for WC exclude 4850 SC and 4850 TD, but the Actuarial study provides for analysis with and without the 4850 for reference. Funding at the 70% CL (Confidence Level) is marginally acceptable and funding at 90% confidence level is suggested to be conservative. The Outstanding Liabilities are projected to decrease by 1.5% from \$29,647,000 to \$29,205,000. The prior estimate of the Projected Losses is projected to increase by 3.7% from \$7,912,000 to \$8,205,000. Overall, the liabilities are down, surplus is up and rates are down.

Mr. Beverly indicated the FY 17/18 rate at the 75% CL is \$4.434 (per \$100 of payroll) is the same as the current FY 16/17 70% CL rate, and this is a good opportunity to increase the funding confidence level. It was noted that there is one correction on the report in that the CL for FY 16/17 is 70%, and not 67.5% as reflected on the report. Mr. Harrington noted the correction and it will be reflected accordingly in the final reports.

Mr. Harrington proceeded and reviewed the FY 17/18 Actuarial Study of the Liability Program. Funding at the 70% CL (Confidence Level) is marginally acceptable and funding at 90% confidence level is suggested to be conservative. The discount for investment income is calculated at 1.5% interest assumption per year. The Outstanding Liabilities are projected to decrease by 18.6% from \$9,770,000 to \$7,948,000. The prior estimate of the Projected Losses decreased by 5.2% from \$3,273,000 to \$3,104,000. Overall, the liabilities are down, surplus is up and rates are down.

**A motion was made to approve the Draft Actuarial Studies of the Self Insured Workers' Compensation Program and the Draft Actuarial Studies of the Self Insured Liability Program with correction as noted and to finalize the reports.**



**Motion:** Jon Hanken                      **Second:** Kim Stalie                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks,  
Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

### **H.1.b. FY 17/18 Liability Program**

Reviewed under agenda item H.1.a.

## **H.2. Workers' Compensation Program**

### **H.2.a. Annual Banking Plan Adjustments - James Marta & Company**

Mr. Becker presented the financial information for the Workers' Compensation Banking Layer and noted that there are refunds available to the members who are in a positive position. Mr. Becker reviewed the calculation method line by line. The Net Equity above the pool is ten times the \$100,000 Self Insured Retention (SIR) and 90% confidence level in excess of the outstanding liabilities. The total dividend is \$1,684,823 which represents 35% of the available net position, and the total assessments is \$215,275 which represents 20% of the amount for those members who fell below the required funding. Four members are due for assessment: City of Anderson, City of Oroville, Town of Paradise and City of Red Bluff.

**After review and discussion, a motion was made to approve the 35% Banking Layer refund from the Workers' Compensation program for eligible members and 20% assessment to those members who fell below the required funding per the P&P A-1.**

**Motion:** Dalacie Blankenship                      **Second:** Astrida Trupovnieks                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks,  
Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

### **H.2.b. Annual Shared Risk Plan Adjustments - Alliant Insurance Services**

Mr. Beverly indicated that the available refund in the Shared Risk Layer is \$498,000. Mr. Beverly reviewed the calculation method line by line. The Net refund is an excess of the liabilities at the 90% confidence level and excess of the liabilities at expected plus 3 to 5 times the SIR, which this year is calculated at 5 times SIR. Mr. Beverly recommended that the refund be limited to 50% of what is available in an effort to keep the safety margin on a conservative side. Members who are eligible for a refund in the Workers' Compensation program Shared Layer but are in a deficit position in the Banking Layer or in deficit in the Liability program will be required to use the approved refund amount to help combat their own deficit position. Mr. Beverly noted that this is the first time that the City of Elk Grove is eligible for a refund since joining the pool.



**After review and discussion, a motion was made to approve the refund from Shared Risk Layer from the Workers' Compensation program at 50% as presented.**

**Motion:** Liz Ehrenstrom                      **Second:** Jon Hanken                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

### **H.2.c. Preliminary FY 17/18 Deposit Premium Calculations**

Mr. Beverly noted that the Executive Committee recommended increasing funding levels from 70% CL to 75% CL. The funding at a 75% CL is estimated at \$11,552,255, an increase of 9.3% over current funding and \$337,000, or 3%, more than total FY 17/18 funding at the 70% CL. The individual member increase cap of 40% is not applicable this year, with the largest member increase at almost 30% at the 70% CL and 34% at the 75% CL.

Mr. Harrington noted ideally it would be prudent to collect at 85% CL to be financially sound to manage a surplus and pay out dividends than to manage a deficit and collect an assessment.

**After review and discussion, a motion was made to approve the 75% confidence level for the FY 17/18 deposit premium calculations for the Workers' Compensation program.**

**Motion:** Kara Reddig                      **Second:** Liz Ehrenstrom                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

### **H.3. Liability Program**

#### **H.3.a. Annual Banking Plan Adjustments - James Marta & Company**

Mr. Becker presented the financial information for the Liability Banking Layer and noted that there are refunds available to members who are in a positive position. Mr. Becker reviewed the calculation method line by line. The Net Equity above the pool is ten times the \$50,000 SIR and 90% confidence level in excess of the outstanding liabilities. The total dividend is \$607,256 which represents 35% of the available net position, and the total assessments is \$34,369 which represents 20% of the amount for those members who fell below the required funding. Five members are due for assessment: City of Auburn, City of Colusa, City of Corning, City of Ione and City of Jackson. Any deficit at \$10,000 or less will be assessed 100%.

**A motion was made to approve the 35% Banking Layer refund from the Liability program for eligible members and 20% assessment to those members who fell below the required funding per the P&P A-1.**



**Motion:** Tim Sailsbery                      **Second:** Liz Cottrell                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

### **H.3.b. Annual Shared Risk Plan Adjustments - Alliant Insurance Services**

Mr. Beverly indicated 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. As of December 31, 2016, the fund has assets of \$6,746,000. This is \$725,000 above Outstanding Liabilities at the Expected Confidence Level (CL) and, while much improved over last year, well below the two benchmarks used to evaluate Shared Layer adjustments, liabilities at a 90% CL or 5 times the SIR of \$450,000 (\$2,250,000, or \$1,525,000 below that benchmark).

Mr. Beverly indicated that members previously agreed to assess themselves \$600,000 per year up to five year in an effort to increase assets and meet target funding goal. It was noted the FY 17/18 is the fourth year of that assessment. There is no refund available to the members even after applying the full CJPRMA refund of \$231,952.

**After review and discussion, a motion was made to continue the \$600,000 assessment and apply the full CJPRMA refund towards the assessment to offset the cost in order to bring the projected assets above liabilities at the expected confidence level.**

**Motion:** Liz Ehrenstrom                      **Second:** Tim Sailsbery                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

### **H.3.c. Preliminary FY 17/18 Deposit Premium Calculations**

Mr. Beverly noted that the Executive Committee recommended increasing funding levels from 70% CL to 75% CL. The total funding at a 75% CL is estimated at \$5,585,657, an increase of 3.6% over FY 16/17 funding at the 70% CL and \$252,000, or 4.72%, more than total FY 17/18 funding at the 70% CL. Individual member increases do not need to be capped at 25% this year, with the largest increase at 24.15% when comparing funding at the 70% CL. Two members exceeded the 25% cap when comparing to the 75% CL: City of Colusa and City of Jackson.

Ms. Kris Haile asked for clarification about the asterisk next to the City of Folsom as there is no reference to it in the worksheet. Mr. Harrington clarified the City of Folsom's SIR in the Liability Banking Layer is \$100,000 whereas the rest of the members' SIR is \$50,000. Mr. Beverly indicated that the footnote in reference to the asterisk was cut off in the report.





**After review and discussion, a motion was made to approve the 75% confidence level for the FY 17/18 deposit premium calculations for the Liability program.**

**Motion:** Liz Ehrenstrom                      **Second:** Kristina Miller                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

#### **H.4. Proposed Amendment to P&P #A-1, Banking Layer Adjustments**

Mr. Beverly noted the methodology in the Banking Layer refund calculation are capped at 35% and in essence is not fully distributed. In an effort to help those members with an assessment from other layers or programs that results in a net assessment for the year, the Program Administrators suggested allowing members to tap into more of the available funds to eliminate the net assessment. The proposed change to the Policy and Procedures A-1 Banking Layer Fund Adjustments included a Net Assessment section for members to elect up to 75% of the available refund in one or both program Banking Layers to offset the payment of the net assessments. The 75% is recommended to maintain some risk margin in the Banking Layer and minimize the potential that the Banking Layer will face an assessment the following year. The red-line version of the proposed changes to the Policy had been presented.

Mr. Beverly referred the Board to the analysis he prepared applying the 75% refund calculation and based on the re-calculation, of the three members with net assessments: City of Anderson, City of Oroville and Town of Paradise; only Anderson has enough in their Banking Layer to completely eliminate the net assessment.

**After review and discussion, a motion was made to approve the proposed changes to Policy and Procedures A-1 Banking Layer Fund Adjustments to include the Net Assessment section as presented.**

**Motion:** Liz Ehrenstrom                      **Second:** Dalacie Blankenship                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

#### **H.5. Accounting and Financial Services Agreement**

Chair Warren requested to table the Accounting and Financial Services Agreement due to the recent development in the negotiation with James Marta and Company (Marta). Chair Warren apologizes to the Board for the sudden removal of this agenda item as agreement was not reached and instead, he requested to form an Ad Hoc Committee to continue to negotiate the agreement with Marta.





The Board appointed the following members to serve on the Ad Hoc Committee:

1. Liz Ehrenstrom, City of Oroville
2. Dave Warren, City of Placerville
3. Tim Sailsbery, City of Willows
4. Brad Koehn, City of Elk Grove (added during Round Table)

**A motion was made to form an Ad Hoc Committee to continue to negotiate the Accounting and Financial Services Agreement as amended.**

**Motion:** Dalacie Blankenship      **Second:** Jon Hanken      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

#### **H.6. Independent Financial Audit Services Agreement**

Mr. Beverly indicated that Crowe Horwath, LLP has submitted a proposal to provide financial audit services for the next three fiscal years. The Executive Committee recommended this agreement to the Board with a request that the scope of work include agreeing to an audit schedule, including a delivery date, with NCCSIF's financial accountant at the start of the engagement. Crowe Horwath has kept the agreement as originally presented and has agreed to the audit schedule requested by James Marta and Company in a separate email.

**A motion was made to approve the engagement letter with Crowe Horwath, LLP for Independent Financial Services Agreement for three years as presented.**

**Motion:** Tim Sailsbery      **Second:** Liz Ehrenstrom      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

*David Becker left the meeting at 1:32 pm*

#### **H.7. York Risk Services Workers' Compensation Claims Administration**

##### **H.7a. NCCSIF Workers' Compensation Claims Audit as of March 2017**

Mr. Beverly indicated the NCCSIF WC claims audit was conducted by Farley Consulting Services in March 2017. Mr. Beverly reviewed the highlights of the audit. The Executive Summary outlines the observations and recommendations in each of the major criteria for the audit. Highlights include adequate staffing and pending levels, effective cost containment and litigation management, thorough investigations, and consistent supervisory activity. The most notable improvements since the last audit are in diary maintenance, case reserve accuracy, and quality of



investigation. Overall the results meet or exceeded the Target Performance Level for all seven of the Key Categories of Observation, with three categories achieving 100% compliance.

*Mike Harrington left the meeting at 1:35 pm*

**A motion was made to accept and file the NCCSIF Workers' Compensation Claims Audit.**

**Motion:** Kris Haile

**Second:** Liz Ehrenstrom

**Motion Carried**

**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery

**Nays:** None

### **H.7.b. York Quarterly Report**

Ms. Bettina Hooper from York Risk Services introduced herself to the Board and indicated that Dori Zumwalt is unable to attend as she is out on vacation and therefore, she is presenting the report in Dori's stead.

Ms. Hooper reviewed the quarterly report to the Board. Ms. Hooper indicated York's goal in response to the Performance Plan is to do regular file reviews with members and review reserves with Alliant. The WC 101 trainings are beneficial to all so that everyone understands the roles each has in the WC process and she encourages member cities to reach out to York should they need a refresher course. As with the recent change in staffing, Steven Scott and Dori have been visiting members to ensure and re-affirm to members the continued commitment of the new WC team.

Information only, no action taken.

### **H.7.c. Performance Plan Follow-up Survey Result**

Mr. Beverly indicated that at the June 2016 Board meeting, York Risk Services was put on a Performance Plan for their Management of Workers' Compensation Claims Administration. To gauge the progress made to date by York a follow up survey was sent to the members.

Chair Warren asked York to provide comments. Ms. Hooper indicated overall the survey reflected positive remarks and she is confident in the continuous improvement by the WC team, but due to staffing changes recently it is unfortunate to know that members do not know their respective examiners. Ms. Hooper indicated that employee turnover is appropriate due to shortage of adjusters in the current market. York has launched a 6-week Claims Adjuster training program to recruit new college graduates as a solution to the shortage of qualified adjusters and the diminishing pool of professionals in the industry.

York representatives were asked to step out of the room. The Board reviewed the result of the follow-up survey and Chair Warren noted only fifteen out of the twenty-two members responded to the survey. After further discussion, though the survey results showed positive results and since fifteen of the members responded it may not represent the underlying concerns of some members.



The general consensus of the Board is to send another follow up survey and this time it will be mandatory and will not be anonymous as with the previous surveys in order to get feedback of the entire membership.

**A motion was made to approve the proposed 3% fee increase to York Risk Services Workers' Compensation Self-Insurance Claims Administration Agreement for FY 17/18, and to accept and file the NCCSIF Follow-up Survey Result.**

**Motion:** Sandy Ryan                      **Second:** Liz Ehrenstrom                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

Chair Warren informed the York representatives that the Board approved the proposed 3% increase to York's WC Claims Administration Agreement for FY 17/18.

#### **H.7.d. Claims Admin Rate for FY 17/18**

Reviewed under agenda item H.7.c.

#### **H.8. Transit Coverage and Cal TIP Update**

Mr. Beverly indicated due to changes in how CalTIP (California Transit Indemnity Pool) wants to manage their members' claims, it was anticipated that the three NCCSIF members with fixed route transit exposures: City of Auburn, City of Dixon and City of Folsom; would reduce their retentions to no more than their Banking Layers (\$100,000 for Folsom and \$50,000 each for Auburn and Dixon), and the transit coverage limit in the NCCSIF endorsement would be reduced accordingly. However, due to a variety of reasons, including a prospective overall increase in premiums, the three members will maintain a \$250,000 CalTIP retention for FY 17/18.

**A motion was made to continue to provide coverage up to \$250,000 for the fixed route transit claim exposure for the City of Auburn, City of Dixon and City of Folsom.**

**Motion:** Liz Ehrenstrom                      **Second:** Kim Stalie                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

#### **H.9. Selection of the CJPRMA Board and Alternate Representatives**

Mr. Beverly indicated with the departure of Paula Islas, current CJPRMA Representative, and Michael Daly, Alternate CJPRMA Representative, these positions are vacant and the NCCSIF must have a representative on the Board of Directors for the group's excess coverage provider, the California Joint Powers Risk Management Authority (CJPRMA).



Mr. Beverly indicated that an e-mail was sent to members to solicit interest, and at least one member, Astrida Trupovnieks from the City of Lincoln, has expressed a desire to serve.

**A motion was made to appoint Astrida Trupovnieks from the City of Lincoln as the CJPRMA Board Representative and Liz Ehrenstrom from the City of Oroville as the Alternate CJPRMA Board Representative.**

**Motion:** Tim Sailsbery                      **Second:** Corey Shaver                      **Motion Carried**  
**Ayes:** Cottrell, Miller, Stalie, Reddig, Haile, Michaelis, Hanken, Blankenship, Trupovnieks, Shaver, Ehrenstrom, Will, Warren, Ryan, Lee, Sailsbery  
**Nays:** None

#### **H.10. FY 17/18 Property Renewal Update**

Mr. Beverly updated the Board on the status of the property renewal. Members have updated their property schedules, and have been confirmed and sent to underwriters. The estimated property premium report shows two premium calculations, one with no rate increase and the other with a 5% increase for budgeting purposes. The report also shows the total insured value comparison from FY 16/17 to FY 17/18. The actual rates and premiums should be available before the end of May and will be distributed when available.

*Sandy Ryan left the meeting at 2:33 pm*

Information only, no action taken.

#### **H.11. FY 17/18 Crime Policy Renewal Update**

Mr. Beverly updated the Board on the status of the Crime Coverage renewal. The NCCSIF Crime Policy is with Alliant Crime Insurance Program (ACIP) at \$3 million limit. The estimated premium report is provided for budgeting purposes. The actual premiums should be available before the end of May and will be distributed when available. It was noted that the City of Rio Vista was added mid-term.

Information only, no action taken.

#### **H.12. Preliminary FY 17/18 NCCSIF Budget**

Mr. Marcus Beverly provided an overview of the changes in the preliminary budget for FY 17/18. The Legal Services have increased by \$7,000 based on increased number of coverage opinions. The Accounting Services fee increase is to be determined due to the ongoing negotiation. Mr. Beverly noted there was a significant increase in the State Funding/Fraud Assessment by 34%, or 10% from the actual expense for FY 16/17 for the anticipated increase. It was noted that it is hard to estimate the State Funding/Fraud Assessment bill due to various factors mainly depending on State's budget as well as claim input for indemnity payments. The Risk Management Committee recommended to eliminate the ACI budget and re-allocate the budgeted expense of \$15,000 to



Seminar Conference training budget and rename it as 'Member Training and Risk Management' with an estimate of \$4,000 for each member to use for more generalized risk management training funds. It was noted that those members who want to continue the wellness service may do so and will be billed directly by ACI.

Mr. Beverly noted that overall the budget increase is 3% over last year's budget, without the State Fund increase.

Information only, no action taken.

## I. ROUND TABLE DISCUSSION

Ms. Kara Reddig volunteered Brad Koehn to the Ad Hoc Committee for the Accounting Services.

The Board members shared their challenges at their city with the heavy rainfall in the past months that led to some flood issues and most notably, the broken dam spillway in Oroville that attracted National news.

Mr. Beverly indicated that the City of Marysville did suffer flood loss and thankfully the city purchased a separate Flood coverage through APIP (Alliant Property Insurance Program). The City received a \$500,000 advance check from APIP to help them recover. It is estimated that the total loss may exceed \$3 million when all is resolved.

## J. INFORMATION ITEMS

1. NCCSIF Organizational Chart
2. NCCSIF 2016 Meeting Calendar
3. NCCSIF Travel Reimbursement Form
4. NCCSIF Resource Contact Guide

These items were provided as information only.

## K. ADJOURNMENT

The meeting was adjourned at 2:45 p.m.

**Next Meeting Date:** June 6, 2016 in Rocklin, CA

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Corey Shaver", is written over a horizontal line.

Corey Shaver, Secretary

6/15/17

Date