



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND  
EXECUTIVE COMMITTEE MINUTES  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
SEPTEMBER 26, 2019**

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**COMMITTEE MEMBERS PRESENT**

Liz Ehrenstrom, City of Oroville - President (**Chair**)  
Kristine Haile, City of Folsom - Vice President  
Tim Sailsbery, City of Willows - Treasurer  
Gina Will, Town of Paradise - Secretary and CJPRMA Board Representative  
Joanne Narloch, City of Galt  
Elisa Arteaga, City of Gridley  
Veronica Rodriguez, City of Lincoln  
Loree' McCay, City of Nevada City  
Jen Lee, City of Rio Vista

**CONSULTANTS & GUESTS**

Marcus Beverly, Alliant Insurance Services  
Michael Simmons, Alliant Insurance Services  
Raychelle Maranan, Alliant Insurance Services  
Nicole Rushing, James Marta & Company  
Dori Zumwalt, Sedgwick

**A. CALL TO ORDER**

Chair Liz Ehrenstrom called the meeting to order at 11:30 a.m.

**B. APPROVAL OF AGENDA AS POSTED**

**A motion was made to approve the Agenda as posted.**

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, McCay, Lee

**Nays:** None

**C. PUBLIC COMMENTS**

There were no public comments.

**D. CONSENT CALENDAR**

1. Executive Committee Meeting Minutes - May 30, 2019 (Draft)
2. Check Register from May 1, 2019 to August 31, 2019
3. Investment Reports
  - a. Chandler Asset Management Short/Long Term - May 2019 to August 2019
  - b. Chandler Asset Management GASB 40 Reports as of June 30, 2019



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- c. Chandler Asset Management GASB 72 Reports as of June 30, 2019
- d. Local Agency Investment Fund (LAIF) Report as of June 30, 2019
- e. Treasurer's Report as of June 30, 2019
4. Police Risk Management Grant Funds Utilization Report as of September 2019
5. PMIA Performance Report & LAIF Performance Report QE June 30, 2019

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

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, McCay, Lee

**Nays:** None

*Veronica Rodriguez arrived at 11:32 am.*

**E. GENERAL RISK MANAGEMENT ISSUES**

Mr. Michael Simmons brought up a coverage issue regarding affording liability coverage under the Memorandum of Coverage (MOC) to city employees administering prescription drugs. This is a new exposure that widely affects municipality particularly dealing with homeless camps, police agencies handling Narcan (antidote to opioid overdose), and parks and recreation department handling of EpiPen. The insurance industry is still in research stage in determining coverage for those that are not medical professional administering prescription drugs. The incidental medical malpractice coverage is intended for organization outside of the health care industry who have a medical exposure for operations that are incidental that could apply to Emergency Medical Technician (EMT). NCCSIF follows form to CJPRMA MOC. Alliant will review the coverage language with CJPRMA on this issue.

Mr. Marcus Beverly indicated that Union City, CA just had a Cyber-attack a day ago. Members were reminded that Cyber threats are common occurrences and to exercise precautionary measures by signing up to Beazley's site for cyber risk management resources available to members.

Mr. Beverly mentioned that the City of Placerville plans to demolish a public restroom that was taken over by illicit activity. This is another sign of the times facing municipalities dealing with homelessness crisis.

**F. ADMINISTRATION REPORTS**

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

Chair Ehrenstrom acknowledged Dave Warren of City of Placerville for his work in developing the new logos. Chair Ehrenstrom also recognized Tim Sailsbery of City of Willows for his long-



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time contribution as Treasurer for the JPA. Also, thanked Raychelle Maranan for doing a great job and as the go-to person for NCCSIF.

**F.2. CJPRMA Update**

Chair Ehrenstrom reported that CJPRMA is financially doing ok but had to liquidate some assets to payout huge claims.

Mr. Beverly indicated that CJPRMA plans to recommend members move to higher SIR (Self-Insured Retention) of \$750,000 or \$1 million, and will have more updates at their October Board meeting.

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

Mr. Beverly indicated that NCCSIF will have a special luncheon at the October 24, 2019 Board meeting in celebration of the JPA's 40<sup>th</sup> Anniversary.

**G. FINANCIAL REPORTS**

**G.1. Quarterly Financial Report for Period Ending June 30, 2019**

Ms. Nicole Rushing handed out a revised financial report reflecting the following correction:

- Lexipol Fire Services cost was moved to pass through line item.
- Lexipol Law Enforcement entire cost was moved under the Workers' Compensation program.

Ms. Rushing reviewed the Quarterly Financial Report for period ending June 30, 2019, and presented the highlights of the report.

Ms. Rushing will follow up with Chair Ehrenstrom via e-mail on the Safety Services line item on the financial.

**A motion was made to accept and file the Quarterly Financial Report for the period ending June 30, 2019.**

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None



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**G.2. Budget-to-Actual as of June 30, 2019**

Mr. Beverly indicated that the NCCSIF final year-end administrative expenses is 5% below the budgeted amount. This is due to improvement with OSIP (Office of Self-Insurance Plans) annual Workers' Compensation assessment.

**G.3. FY 18/19 Financial Audit Update**

Ms. Rushing indicated that Crowe LLP will have a draft of the FYE June 30, 2019 audit report by October 11, 2019. Thus far, there were no recommended adjustments. Crowe will present the audit findings at the October 24, 2019 Board meeting.

Mr. Beverly noted that Crowe reassigned a new manager, Jennifer Hall, on this year's audit. The Program Administrators have also prepared to issue a Request for Proposals for a financial auditor for FY 19/20 and beyond based on previous direction of the Committee.

**G.4. Corridor Deductible - CJPRMA**

Mr. Beverly reported that the pool entered in to a Corridor Deductible arrangement with CJPRMA for Fiscal Years, 13/14, 14/15 and 15/16. Mr. Beverly reviewed the corridor deductible calculation with the Committee and noted that additional cost due to CJPRMA is estimated at \$88,895.60 to be confirmed with updated loss data by year-end, December 31, 2019.

Mr. Simmons reminded the Committee why the pool made the deal and it turned out to be advantageous arrangement for NCCSIF.

**A motion was made to approve the additional reimbursement to CJPRMA per the terms of the corridor deductible agreement.**

**MOTION:** Gina Will

**SECOND:** Kristine Haile

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

**H. CLAIMS SERVICES**

**H.1. FY 19/20 Liability Claims Audit Agreement**

Mr. Beverly indicated that NCCSIF is scheduled to conduct the Liability Claims Audit this year. Alliant has requested proposal from Ken Maiolini of Risk Management Services (RMS). Mr. Beverly suggested to do a full-blown Request for Proposal (RFP) in two years.



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Mr. Tim Sailsbery stated to stagger RFP per the contract schedule timeline previously approved to ensure manageability of the RFP process.

**A motion was made to approve Risk Management Services proposal as the Liability Claims Auditor for FY 19/20 as presented and authorized Marcus Beverly to sign the agreement on behalf of NCCSIF.**

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

## **H.2. Approval of NCCSIF Defense Attorney List for Liability**

Mr. Beverly indicated that the Claims Committee recommended addition of these attorneys at their meeting held that morning. It was noted direction was given to Program and Claims Administrators to review the legal panel to make sure it is accurate and up to date based on utilization and include the City that is using the firm on the panel list.

**A motion was made to approve the addition of Melissa D. Culp, Ruben Escobedo, Courtney L. Hylton, and Norman J. Watkins from Lynberg & Watkins to the Liability Counsel Approved List.**

**MOTION:** Gina Will

**SECOND:** Kristine Haile

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

## **I. JPA BUSINESS**

### **I.1. Draft Board Meeting Agendas**

#### **I.1.a. October 24, 2019 Board of Directors Meeting Agenda**

#### **I.1.b. January 16, 2020 Long Range Planning (LRP) and Board of Directors Meeting Agenda**

The above items were reviewed altogether.

Mr. Beverly reviewed the draft agenda for the upcoming October 24, 2019 Board of Directors meeting. The JPA's 40th Anniversary Celebration is also scheduled on this day with past Board members and past service providers invited to attend. It was noted that members are allowed to extend invitation to other city employees.



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Mr. Beverly reviewed the draft agenda for the upcoming Long-Range Planning (LRP) and Board of Directors meeting in January.

Mr. Simmons indicated that the Committee may need to schedule another meeting between the BOD meetings in October and January to vet the items on the LRP topics and any follow up from the October Board meeting. Suggested the first or second week of December via teleconference.

The Executive Committee is in agreement scheduling a teleconference meeting the first or second week of December.

**A motions was made to approve the draft agendas for the October 24, 2019 Board meeting and the January 16, 2020 Long-Range Planning and Board meeting as presented.**

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

## **I.2. 40<sup>th</sup> Anniversary Rebranding**

Mr. Beverly indicated that Dave Warren of City of Placerville worked with a graphic artist to come up with a modern logo to update the pools image and to commemorate the JPA's fortieth anniversary. The anniversary represents a good time to assess the branding of the pool as NorCal Cities.

The Committee provided their feedback and suggested to keep the state within the circle and include more of the state so it is clear it is the State of California.

**A motion was made to approve the logos with recommend changes keeping the state within the circle and include more of the state so it is recognizable that it is the State of California and for the Program Administrators to e-mail the revised logos to the Executive Committee for final approval prior to the October Board meeting.**

**MOTION:** Kristine Haile

**SECOND:** Loree McCay

**MOTION CARRIED**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, McCay, Lee

**Nays:** Rodriguez

## **I.3. Policy and Procedure Revisions**

**I.3.a. A-4: Quarterly Financial Statements**

**I.3.b. A-16: Segregation of Accounting Duties**

**I.3.c. A-18: Finance Committee Composition and Duties**

**I.3.d. A-13: Review and Control of Investment Activities**



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These above items were reviewed altogether.

Mr. Beverly indicated that the Program Administrators are undertaking a review of NCCSIF Policies and Procedures and the following Administrative Policies relating to the Treasurer's responsibility, preparation of quarterly financial statements and segregation of accounting duties are out of date and will need to bring current:

- a. A-4: Quarterly Financial Statement - principal change is to replace references to the Treasurer's preparation of the financial statements with the Financial Consultant. Suggested addition of, "Claims Administrators to send check register to Financial Consultant."
- b. A-16: Segregation of Accounting Duties - introduces the role of the Financial Consultant as distinct from the Treasurer.
- c. A-18: Finance Committee Composition and Duties - being updated to note that the Executive Committee performs the duties on a regular basis and convenes the Finance Committee as needed.
- d. A-13: Review and Control of Investment Activities - references the Executive Committee's normal role in review and control of investment activities. The Committee questioned whether it is necessary to name a specific bank on the policy

As additional clarification is needed on A-4 to clearly identify the role of the Treasurer and the Financial Consultant, James Marta & Company, the Committee tabled these items for further review at the next Executive Committee meeting.

The Committee directed the Program Administrators to review the policies to ensure it is in alignment with governing documents.

#### **I.4. Legal Services Agreement with Gibbons & Conley**

Mr. Beverly indicated that Gibbons and Conley, Board Legal Counsel, have requested an increase in their fees for the next three years. The request is reasonable, especially given the excellent work the firm has provided in coverage-issue claims and the recent landmark inverse claim precedent in successfully defending a sewer claim against the City of Oroville.

**A motion was made to approve Gibbons & Conley Legal Services Agreement as presented and authorized Marcus Beverly to sign the agreement on behalf of NCCSIF.**

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee



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**Nays:** None

**I.5. Appointment of CJPRMA Board Representative**

Mr. Beverly indicated the Committee is asked to appoint a new Board Representative to the California Joint Powers Risk Management Authority (CJPRMA). It was noted that Liz Ehrenstrom has filled in as CJPRMA Alternate Board Rep in the past year when Gina Will, CJPRMA Board Rep, was not able to fulfill the role due to the unfortunate event with Camp Fire that monopolized her time.

Ms. Veronica Rodriguez of City of Lincoln volunteered to serve as CJPRMA Board Representative.

**A motion was made to recommend appointment of Veronica Rodriguez as CJPRMA Board Representative to the Board.**

**MOTION:** Gina Will                      **SECOND:** Kristine Haile                      **MOTION CARRIED  
UNANIMOUSLY**  
**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee  
**Nays:** None

Chair Ehrenstrom indicated she is willing to remain as CJPRMA Alternate Board Representative.

**I.6. 2020 NCCSIF Officers**

Mr. Beverly indicated the Executive Committee (EC) rotates annually, on a calendar-year rotation, with each Member serving a two-year term. The Program Administrators suggested changing the EC term of office from calendar-year to fiscal-year basis to align with NCCSIF's operations. In order to move forward with the change beginning July 1, 2020, the transitional period can be done by truncating the terms for some members by six months and/or extending the terms for additional six months for some members.

The Committee discussed and is in agreement with aligning the EC terms of office to NCCSIF's fiscal-year operation. The Committee directed the Program Administrators to check the Bylaws for any conflicts and provide a clear report on how to undertake this change for approval at the October Board meeting.

Mr. Simmons indicated will present option extending office terms for those ending December 31, 2019 to June 30, 2020.

Mr. Tim Sailsbery indicated that he is willing to serve as Treasurer for continuity.

**A motion was made to nominate Tim Sailsbery as Treasurer.**





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**MOTION:** Liz Ehrenstrom

**SECOND:** Gina Will

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

**I.7. Preliminary 2020 Meeting Calendar**

Mr. Beverly asked the Committee to review the dates and advise if there are any conflicts. The proposed dates were changed to work around the CJPRMA meeting dates to lessen conflict for the CJPRMA Board Representative.

**A motion was made to recommend the Preliminary 2020 Meeting Calendar to the Board as presented.**

**MOTION:** Gina Will

**SECOND:** Loree McCay

**MOTION CARRIED  
UNANIMOUSLY**

**Ayes:** Ehrenstrom, Haile, Sailsbery, Will, Narloch, Arteaga, Rodriguez, McCay, Lee

**Nays:** None

**J. INFORMATION ITEMS**

1. NCCSIF Organizational Chart
2. NCCSIF 2019 Meeting Calendar
3. NCCSIF Travel Reimbursement

There was no discussion on these items.

**K. ADJOURNMENT**

The meeting was adjourned at 1:19 p.m.

Respectfully Submitted,

  
\_\_\_\_\_  
Gina Will, Secretary

  
\_\_\_\_\_  
Date