



**MINUTES OF THE
NCCSIF EXECUTIVE COMMITTEE SPECIAL MEETING
(TELECONFERENCE)
JUNE 30, 2015**

MEMBERS PRESENT

Michelle Pellegrino, City of Dixon
Brad Koehn, City of Elk Grove
Bruce Cline, City of Folsom

Michael Daly, City of Jackson
Russell Hildebrand, City of Rocklin

MEMBERS ABSENT

Dave Andres, City of Ione
Paula Islas, City of Galt
Dave Warren, City of Placerville

Tim Chapa, City of Rio Vista
Tim Sailsbery, City of Willows

OTHER CITY MEMBERS PRESENT

Satwant Takhar, City of Marysville

GUESTS & CONSULTANTS

Marcus Beverly, Alliant Insurance Services
Raychelle Maranan, Alliant Insurance Services

A. CALL TO ORDER

The meeting was called to order at 1:33 p.m.

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

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: Michael Daly

MOTION CARRIED

AYES: Pellegrino, Koehn, Hildebrand

NAYS: None.



D. MARYSVILLE REQUEST FOR QUARTERLY PAYMENTS

Marcus Beverly indicated at the June 18, 2015, Board meeting the City of Marysville's request for a quarterly payment plan for their liability funding was referred to the Executive Committee for a decision in part due to a lack of information regarding the city's financial condition and the City of Marysville was not represented at the meeting to explain their financial situation. It was noted no member has ever requested a payment plan in the past so there is no precedent to follow, and while there are no prohibitions against granting Marysville's request, there are JPA Agreement provisions, Bylaw provisions and Administrative Policy and Procedure that taken together to support the JPA's policy of requiring timely payment of premiums. The following provisions of the governing documents and policies were referenced to aid in the discussion on this matter:

- The JPA Agreement, Article VIII, Responsibilities of the Member Entities, states:
C. Each Member Entity shall timely pay all premiums, fees, charges and assessments imposed or levied by the Authority.
- The Bylaws, Section 21, also establish that "Deposits are due and payable immediately upon commencement of the Liability Plan year and quarterly for the Workers' Compensation Plan. Deposits are considered delinquent if not received by the Treasurer within thirty (30) days."
- Policy and Procedure A-8, Late Payment Charges, establishes an annual payment for Liability Coverage, due August 1, and quarterly payments for Workers' Compensation. Interest is charged at the LAIF rate on any payment once it is overdue by 15 days.

Mr. Beverly indicated the governing documents and policies of NCCSIF clearly require and support timely payment of premiums on an established schedule, with interest charged on late payments. Failure to make on time payment is subject to expulsion with 2/3 vote of the membership. There is no provision in the current governing documents for installment payments for the liability funding. Mr. Beverly referenced Article X of the JPA Agreement that establishes the Powers of the Board of Directors including the ability to delegate to the Executive Committee all powers and duties necessary to conduct all business of the JPA. The Committee may exercise that power to amend the Bylaws to allow such provision for extenuating circumstances such as this whereby a temporary financial restriction on the member city impedes timely payment.

The Committee was unsure as to why the Workers' Compensation contribution on quarterly payments and not the Liability. The Committee discussed in length whether exception can be made for City of Marysville's request; however, the Committee is conflicted amending the Bylaws. It was noted the respective merit of Marysville's request. The general consensus of the Committee is to take this matter to the Board of Directors due to the lack of authority of the Committee to amend the Bylaws.



Satwant Takhar was present at the meeting and explained City of Marysville's cash flow issues to the Committee. He thanked the Committee for considering the request and understands the predicament the Committee is in.

A motion was made to deny City of Marysville's request for quarterly installment payment for the Liability contribution based on the Committee's lack of authority to amend the Bylaws.

MOTION: Brad Koehn **SECOND:** Bruce Cline **MOTION CARRIED**
AYES: Pellegrino, Daly, Hildebrand
NAYS: None.

Brad Koehn pointed out that City of Marysville has money in their Safety Grant Funds and whether it can be rolled over towards payment of premium. The Safety Grant Funds has little impact in the overall cash flow of the group and Marysville can discuss this option with Mr. Beverly.

Russell Hildebrand directed the Program Administrator to work with Jim Marta in evaluating the possibility of quarterly payments for the Liability funding and its impact in terms of cash flow and to report back to the Executive Committee.

E. CYBER LIABILITY COVERAGE FROM CJPRMA

Marcus Beverly indicated at the June 18, 2015, Board meeting of NCCSIF's Excess Liability Coverage provider, CJPRMA, the members voted to purchase a Cyber Liability Policy for all CJPRMA members with assets from the Excess Liability Fund. While the CJPRMA Cyber Policy could be beneficial to NCCSIF members if it provides limits in excess of those provided by the APIP Cyber Liability policy currently in place. Mr. Beverly noted there is some concern to accepting the CJPRMA Cyber Liability as it is not clear at this time how it could affect the NCCSIF Cyber coverage through the APIP program. Mr. Beverly stated the recommendation is to not accept the coverage until Alliant have had time to review and determine that there is no conflict of having concurrent insurance.

It was noted having another layer of coverage is beneficial for all and the Committee would not want to pass up the opportunity, therefore, the Committee approved participation to CJPRMA Cyber Liability coverage contingent it is excess and until further research could be done to determine if and how this coverage could affect NCCSIF's own coverage.

A motion was made to inform CJPRMA that NCCSIF is interested in participating in the Cyber Liability Option contingent it is excess to NCCSIF Cyber coverage through the APIP program.

MOTION: Michael Daly **SECOND:** Bruce Cline **MOTION CARRIED**
AYES: Pellegrino, Koehn, Hildebrand
NAYS: None.



F. Round Table Discussion


None.

G. ADJOURNMENT

The meeting was adjourned at 1:59 p.m.

NEXT MEETING DATE: September 24, 2015 in Rocklin, CA

Respectfully Submitted,



Michelle Pellegrino, Secretary
9/24/15
Date