



**MINUTES OF THE
NCCSIF BOARD OF DIRECTORS MEETING
ROCKLIN EVENT CENTER, ROCKLIN, CA
JUNE 14, 2018**

BOARD OF DIRECTORS PRESENT

Liz Cottrell, City of Anderson
Cristina Shafer, City of Auburn
Brad Koehn, City of Elk Grove
Kristine Haile, City of Folsom (Alternate)
Astrida Trupovnieks, City of Lincoln
Jennifer Styczynski, City of Marysville
Loree McCay, 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
Kimberly Sarkovich, City of Rocklin
Andy Schiltz, City of Rocklin (Alternate)
Tim Sailsbery, City of Willows

BOARD OF DIRECTORS ABSENT

Toni Benson, City of Colusa
Kristina Miller, City of Corning
Rachel Ancheta, City of Dixon
Jim Francis, City of Folsom
Cora Hall, City of Galt

Juan Solis, City of Gridley
Jon Hanken, City of Ione
Yvonne Kimball, City of Jackson
Yujun Du, City of Rio Vista
Natalie Springer, City of Yuba City

CONSULTANTS & GUESTS

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

James Marta, James Marta & Company
Dori Zumwalt, York Risk Services

A. CALL TO ORDER

Chair Dave Warren called the meeting to order at 12:00 noon.

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: Tim Sailsbery **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Shafer, Koehn, Haile, Trupovnieks, Styczynski, McCay, Ehrenstrom, Will,
Warren, Ryan, Sarkovich, Sailsbery
Nays: None



D. PUBLIC COMMENTS

There were no public comments.

E. CONSENT CALENDAR

1. Board of Directors Meeting Minutes - April 26, 2018
2. Check Register from March 1, 2018 to April 30, 2018
3. Investment Reports
 - a. Chandler Asset Management Short/Long Term - March 2018 to April 2018
 - b. Local Agency Investment Fund (LAIF) Report as of March 31, 2018
 - c. Treasurer's Report as of March 31, 2018
4. Risky Business Pros Claims Auditing Services Agreement for Liability Program
5. 2017-19 ACIP Policy Crime Coverage Premium for FY 18/19
6. 2019-20 Lexipol Police Manual Updates and Daily Training Bulletins Memorandum of Understanding
7. 2018-19 Lexipol Fire Subscription Services Memorandum of Understanding
8. 2018-20 ACI Employee Assistance Program Group Discount Contract
9. Executive Committee Rotation Schedule 2019-2025

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

Motion: Kimberly Sarkovich **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Shafer, Koehn, Haile, Trupovnieks, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Sarkovich, Sailsbery

F. ADMINISTRATION REPORTS

F.1. President's Report

Chair Warren welcomed two new board members, Christina Shafer from City of Auburn and Jennifer Styczynski from City of Marysville.

Chair Warren stated one of the biggest challenges most cities face is homelessness. He encouraged members to sign up for DKF Solutions Tactical Training Verbal Judo for Sewer, Water and Public Works Employees. One is scheduled in Sacramento on August 21, 2018. The fee is \$225 per person.

Mr. Marcus Beverly chimed in and indicated that members can use their \$4,000 Training and Conference fund to pay for the training. It is a use-it-or-lose-it-fund so members are encouraged to use the fund prior to end of fiscal year.



F.2. CJPRMA Update

Ms. Astrida Trupovnieks noted that she attended the CJPRMA annual membership retreat in South Lake Tahoe last month. Ms. Trupovnieks provided a detailed update on CJPRMA matters:

- High cost claims due to California's litigious climate.
- Approved the lower admin budget for FY 18/19.
- Staff updates: David Clovis, General Manager, is retiring in October 2018; Tony Giles was hired as Assistant General Manager and will eventually assume as General Manager once David retires; and YCPARMIA Board Representative was hired as the Claims Administrator.
- Membership updates: Livermore Fire Department was approved for membership and City of Richmond joined the APD program.

F.3. Program Administrator's Report

None.

F.4. Summary of the May 17, 2018 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 March 31, 2018

Mr. James Marta reviewed the Quarterly Financial Report for period ending March 31, 2018. Mr. Marta presented the highlights of the report.

A motion was made to accept and file the Quarterly Financial Report for the period ending March 31, 2018.

Motion: Gina Will

Second: Tim Sailsbery

Motion Carried

Ayes: Cottrell, Shafer, Koehn, Haile, Trupovnieks, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Sarkovich, Sailsbery

G.2. Budget-to-Actual as of March 31, 2018

Mr. Beverly indicated that NCCSIF administrative expenses year-to-date are currently right on track with the FY 17/18 Budget. Total expenses are \$949,774, or 75% of the budgeted amount, with 25% of the budget remaining for fourth quarter expenses.

Information only, no action taken.



H. JPA BUSINESS

H.1. Conflict of Interest Code

Mr. Beverly noted the Board is required to review their Conflict of Interest Code (COIC) every even-numbered year and mentioned in December 2017 the Board made a change to remove the Risk Management Committee in COIC since the Committee has no approval authority.

A motion was made to approve the Conflict of Interest Code as presented and authorized the President to sign the Multi-County Agency Biennial Notice to file with the California Fair Political Practices Commission.

Motion: Liz Ehrenstrom **Second:** Kimberly Sarkovich **Motion Carried**
Ayes: Cottrell, Shafer, Koehn, Haile, Trupovnieks, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Sarkovich, Sailsbery

H.2. FY 18/19 NCCSIF Administration Budget

Mr. Beverly indicated the only change from the preliminary budget for FY 18/19 since the April 2018 Board meeting was the full cost for the Lexipol Police Manual Updates and Daily Training Bulletins was moved to the Workers' Compensation Admin budget, since all members participate in that program. The biggest unknown is the State Funding/Fraud Assessment which is estimated to increase by 18%. Overall, the budget increase is 3% over FY 17/18 largely due to the State Comp Assessment increase, without the State Assessment increase, the increase would have been just 1%.

A motion was made to approve the FY 18/19 NCCSIF Administration Budget as presented.

Motion: Liz Ehrenstrom **Second:** Loree McCay **Motion Carried**
Ayes: Cottrell, Shafer, Koehn, Haile, Trupovnieks, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Sarkovich, Sailsbery

H.3. FY 18/19 NCCSIF Memorandum of Coverage (MOC)

H.3.a. Liability MOC

Mr. Beverly indicated that NCCSIF annually reviews the Liability Memorandum of Coverage (MOC). The NCCSIF MOC is underlying coverage and follows the form of CJPRMA, excess Liability provider. There are no changes to the CJPRMA MOC. There is a new endorsement to the NCCSIF MOC for Violent Event Coverage. Mr. Beverly noted that the Declaration pages have been updated to reflect the excess coverage provided by CJPRMA. One discrepancy noted in the exclusion number, transit exclusion 35 and 26, are now 35 and 25 in CJPRMA MOC.



A motion was made to approve the FY 18/19 NCCSIF Liability Memorandum of Coverage with correction to CJPRMA's exclusion numbers.

Motion: Liz Ehrenstrom **Second:** Gina Will **Motion Carried**
Ayes: Cottrell, Shafer, Koehn, Haile, Trupovnieks, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Sarkovich, Sailsbery

H.3.b. Workers' Compensation MOC

Mr. Beverly indicated that there are no changes to the NCCSIF MOC. Mr. Beverly noted that the Declaration pages have been updated to reflect the excess coverage provided by CSAC EIA.

A motion was made to approve the FY 18/19 NCCSIF Workers' Compensation Memorandum of Coverage as presented.

Motion: Kimberly Sarkovich **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Shafer, Koehn, Haile, Trupovnieks, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Sarkovich, Sailsbery

H.4. FY 18/19 Property Program Renewal

H.4.a. Property Renewal Proposal

Mr. Beverly indicated that the Total Insurable Values (TIV) for the fifteen members that have property coverage through the Alliant Property Insurance Program (APIP) have increased by 13.62% since last year from \$1,059,819,258 to \$1,204,173,435. The property rate increased 16.30% from \$0.081 to \$0.094 per \$100 of TIV for All Risk Primary and Excess coverage with \$5,000 deductible. The property rate increases are associated with a hard market. Overall changes resulted in a total premium increase of 32.14%, from \$861,481.82 to \$1,138,402.59.

Ms. Raychelle Maranan confirmed the inflation factor used to adjust values for real property and personal property is 3.66% and 2.33%, respectively.

Mr. Beverly also reviewed some of the changes to the Property Coverage this year noting that for the current year FY 17/18 there is a sublimit of \$2M for unscheduled infrastructure (with a \$500k deductible) – this sublimit will decrease for FY 18/19 to \$750,000 (with a \$500k deductible). It was mentioned if a city chooses to schedule infrastructure the all-risk deductible would apply instead.

Members were also reminded to report a claim as soon as it occurs to ensure coverage is provided due to the strict reporting requirements of the APIP Pollution and Cyber coverages.

After review and discussion, a motion was made to approve the FY 18/19 Property Program renewal through Alliant Property Insurance Program and have the President sign the declination of TRIA and D1 Disclosure Form.



Motion: Kimberly Sarkovich **Second:** Astrida Trupovnieks **Motion Carried**
Ayes: Cottrell, Shafer, Koehn, Haile, Trupovnieks, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Sarkovich, Sailsbery

Item H.4.d. Active Shooter Coverage Option

Mr. Beverly provided a presentation of the new coverage offering through Alliant Property Insurance Program (APIP) called Active Shooter coverage effective July 1, 2018. The limit is \$500,000 per claim with \$2.5 million aggregate limit for the JPA; the deductible is \$10,000. The coverage includes \$250,000 sub-limits for crisis management, counseling services, funeral expenses and creation of a memorial. A crisis management hotline is available 24 hours a day. The additional premium for this coverage is \$8,467 based on the Total Insurable Value of members in the Property Program. Mr. Beverly handed out the premium calculation estimate for each member in APIP.

Mr. Mike Simmons stated that APIP will need to have 40% of its insureds purchase the coverage in order to roll out the active shooter program. Alliant could provide a quote for members not in the Property Program this year however, it is unknown if it would be offered on a stand-alone basis next year.

A motion was made to approve the Active Shooter Coverage for members in the Alliant Property Insurance Program as presented.

Motion: Tim Sailsbery **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Shafer, Koehn, Haile, Trupovnieks, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Sarkovich, Sailsbery

H.4.b. APIP Claims Reporting Acknowledgments

Mr. Marcus Beverly reiterated the importance of promptly reporting claims. All members that have coverage in APIP will be asked to sign and return the claims reporting acknowledgment form.

Information only.

H.4.c. Cyber Liability Coverage Enhancement Options

Mr. Beverly presented the Board with information about the options that are available for Cyber Coverage including the APIP Primary Coverage, Cyber Enhancement Options (CEO) and the Alliant Cyber Excess Solutions (ACES) Program. Mr. Beverly explained the coverage in APIP Primary Cyber and how the CEO and ACES Programs work in tandem with the Primary Coverage.

Information only.



H.4.d. Active Shooter Coverage Options

This item was discussed under agenda item H.4.a

H.5. Property Appraisal Services Request for Proposals

Mr. Beverley noted that four responses from appraisal firms were received with cost ranging from \$128,000 to \$235,000. The Board was presented with a summary of the RFP responses and evaluation worksheet and was asked to provide guidance to the program administrator. The Program Administrator recommended AssetWorks on best value based on the evaluation criteria.

A motion was made to award the Property Appraisal Services contract to AssetWorks.

Motion: Astrida Trupovnieks **Second:** Liz Ehrenstrom **Motion Carried**
Ayes: Cottrell, Shafer, Koehn, Haile, Trupovnieks, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Sarkovich, Sailsbery

H.6. FY 18/19 Identity Fraud Expense Reimbursement Coverage Renewal

Mr. Beverly noted the Identity Fraud Expense Reimbursement is the same coverage as last year. The coverage is for employees including family members. The limit of liability is \$25,000 per insured person for reimbursement of expenses associated with resolving a fraud event, including resolving and replacing documents. There is no deductible and the premium is based on the group as a whole. The cost of this coverage is included in the Administrative Budget. Mr. Beverly noted that he will clarify whether the age of child is under 25 or 18 prior to renewal. The premium increase was due to 17.5% increase in the number of employees from 2,727 to 3,203.

A motion was made to renew the FY 18/19 Identity Fraud Expense Reimbursement coverage with clarification on the age of child under family coverage.

Motion: Gina Will **Second:** Kimberly Sarkovich **Motion Carried**
Ayes: Cottrell, Shafer, Koehn, Haile, Trupovnieks, Styczynski, McCay, Ehrenstrom, Will, Warren, Ryan, Sarkovich, Sailsbery

H.7. FY 18/19 Deposit Calculations

H.7.a. Liability

Mr. Beverly indicated at the April meeting the Board approved to increase the funding level from 75% Confidence Level (CL) to 80% CL for the FY 18/19. Mr. Beverly reviewed the deposit calculation spreadsheet with the Board. The total funding at 80% CL is estimated at \$5,897,011, an increase of 5.2% over FY 17/18 funding at the 75% CL. Individual member increases are capped at 28% with one member exceeding the 28% cap, City of Auburn.



Chair Warren indicated the Board direction to approve the extension terms as recommended by the Executive Committee as presented on the schedule of contracts with one correction to Bickmore as three years with two one-year extension as it was cut off on the report.

Information item.

Michael Simmons left the meeting at 2:35 p.m.

H.10. Board Training Day - December 13, 2018

H.10.a. Training Day

H.10.b. 40th Anniversary Recognition

Mr. Beverly reviewed the list of topics for the Board Training Day in December 2018. It was noted that 2019 marks the 40th anniversary of the JPA. Mr. Beverly stated that staff will embark on a new logo design project in collaboration with the City of Placerville incorporating the milestone and a fresh look that represent the members' NorCal geographic region. The general consensus of the Board is to celebrate the JPA's anniversary in fall 2019.

H.11. York Quarterly Report

Ms. Dori Zumwalt from York reviewed the quarterly report with the Board. The report shows the recent activities and progress to date in meeting claims management benchmarks. File reviews are regularly conducted either in person or over the phone. The goal is to close more claims through Compromise & Release settlement.

Presented as information only.

I. ROUND TABLE DISCUSSION

None.

J. INFORMATION ITEMS

1. CAJPA Conference - September 12-15, 2018 in South Lake Tahoe, CA
2. Glossary of Terms
3. NCCSIF Organizational Chart
4. NCCSIF 2018 Meeting Calendar
5. NCCSIF Vendor Services Matrix
6. NCCSIF Resource Contact Guide
7. NCCSIF Travel Reimbursement Form

These items were provided as information only.



K. ADJOURNMENT

The meeting was adjourned at 2:48 p.m.

Next Meeting Date: October 25, 2018 in Rocklin, CA

BOD Approval Date of Minutes: 10/25/2018

Respectfully Submitted,

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

Gina Will, Secretary

A handwritten date "10/25/18" in blue ink is written over a horizontal line.

Date