



**MINUTES OF THE
NCCSIF BOARD OF DIRECTORS MEETING
LINCOLN CITY HALL, LINCOLN, CA
JUNE 13, 2013**

MEMBERS PRESENT

Juanita Barnett, City of Anderson
Tom Watson, City of Corning
Bruce Cline, City of Folsom
Paula Islas, City of Galt
Ed Pattison, City of Ione
Michael Daly, City of Jackson
John Lee, City of Lincoln
Matt Michaelis, City of Marysville
Catrina Olson, City of Nevada City
Liz Ehrenstrom, City of Oroville
Sandy Ryan, City of Red Bluff
Joe Tanner, City of Rio Vista
Russell Hildebrand, City of Rocklin
Tim Sailsbery, City of Willows
Gina Will, Town of Paradise

MEMBERS ABSENT

Andy Heath, City of Auburn
Shelly Kittle, City of Colusa
John Brewer, City of Corning
Steve Johnson, City of Dixon
Karin Helvey, City of Gridley
Steve Kroeger, City of Yuba City

GUESTS & CONSULTANTS

George Silva, City of Dixon
Michael Simmons, Alliant Insurance Services, Inc.
Susan Adams, Alliant Insurance Services, Inc.
Johnny Yang, Alliant Insurance Services, Inc.
Alana Theiss, James Marta & Company
Craig Wheaton, York Risk Services



A. CALL TO ORDER

The meeting was called to order at 12:00 p.m.

B. PUBLIC COMMENTS

There were no public comments.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Michael Daly **SECOND:** Steve Kroeger **MOTION CARRIED**

D. CONSENT CALENDAR

1. Draft Minutes of the Board of Directors Meeting April 25, 2013
2. Check Register at May 31, 2013
3. Quarterly Investment Reports
 - a. NCCSIF Investment Reports, March, April and May 2013 – Short/Long Term
 - b. LAIF Statement as of March 31, 2013
 - c. CJPRMA Investment Report as of April 30, 2013
 - d. CSAC EIA Investment Report as of March 31, 2013

A motion was made to approve the remaining items on the consent calendar.

MOTION: SECOND: MOTION CARRIED

E. MINUTES AND REPORTS

1. Draft Minutes – Executive Committee Meeting May 30, 2013
2. Draft Minutes – Claims Committee Meeting May 9, 2013
3. Draft Minutes – Risk Management Committee Meeting – April 25, 2013
4. Risk Management Committee Meeting June 13, 2013 – Verbal Report

F. SUMMARY OF THE EXECUTIVE COMMITTEE MEETING HELD ON MAY 30, 2013

Ms. Adams advised that at the May 30, 2013 Executive Committee meeting, the Committee approved James Marta and Company's Accounting Contract Renewal, approved the Revised NCCSIF Defense Attorney List, and approved Defense Attorney Angelo, Kilday & Kilduff's Rate Increase.

Mr. Bruce Cline advised that he believed the Executive Committee handled the Defense Attorney List issue well and that he was glad to see attorney's being held responsible for their reporting practices.



G. ADMINISTRATION REPORTS

G1. President's Report

The President had no items to discuss.

G2. Program Administrator's Report

Program Administration had no items to discuss.

H. JPA BUSINESS

H1. Final 2013/2014 NCCSIF Budget

Ms. Adams advised that the 2013/2014 NCCSIF Budget has not been amended since last reviewed at the April Board of Directors meeting. The Total Administration Expense is \$1,045,750 which is an increase of \$13,600 over the 12/13 budget.

A motion was made to approve the Final 2013/2014 NCCSIF Budget.

MOTION: Russell Hildebrand **SECOND:** Bruce Cline **MOTION CARRIED**

H2. Liability Shared Risk Layer Retention at \$500,000

Ms. Adams explained that at the September 2012 Strategic Planning Meeting NCCSIF approved lowering their Self Insured Retention to \$500,000. Since then CJPRMA's Board of Directors has approved NCCSIF reducing their SIR from \$1,000,000 to \$500,000 per occurrence and they have approved NCCSIF's proposed "Corridor Deductible" type program in this layer. NCCSIF will pay the standard contribution at the .127 rate plus a surcharge of \$116,000 in year one. If NCCSIF incurs losses in that layer, NCCSIF would pay the first \$116,000 of NCCSIF's losses each year excess of the \$500,000 attachment. If NCCSIF does not have any incurred losses into this layer, NCCSIF does not pay the surcharge for the following two years. This allows NCCSIF to retain that surcharge until such time it is needed, if any, and NCCSIF's share of CJPRMA losses are based on NCCSIF's equity in the program less the surcharge.

H3. 2013/2014 Deposit Calculations

H3a. 2013/2014 Workers' Compensation Deposit Calculations

Ms. Adams advised that preliminary Deposit Calculations were presented in April. Since then, Alliant has received the new CSAC-EIA premium which has been included in the calculation. At their last meeting, the Board of Directors approved the Workers' Compensation Maximum (Capped) Deposit Percentage at the 40% level, but allowing Members that exceed 20% the option of deferring any amount in excess of a 20% increase. The amount deferred will be



collected over the following five years and through this interim step, contributions are not to be re-distributed among the remaining Members in their Banking Layer. Ms. Adams noted that staff will be working with Marilyn Kelley in the development of new Rating Plan options in the summer.

Ms. Alana Theiss noted that James Marta and Company has not received the deferral options of those members who are incurring a Workers' Compensation Deposit increase over 20%. Staff will follow up with the remaining members accordingly.

A motion was made to approve the 2013/2014 Workers' Compensation Deposit Calculations.

MOTION: Michael Daly **SECOND:** Catrina Olson **MOTION CARRIED**

H3b. 2013/2014 Liability Deposit Calculations

Ms. Adams explained that CJPRMA does not provide their final premium until July but staff does not expect to see much of a difference from the estimated amount. Staff recommends the approval of the 2013/2014 Liability Deposit Calculations as provided.

A motion was made to approve the 2013/2014 Liability Deposit Calculations

MOTION: Tim Sailsbery **SECOND:** Michael Daly **MOTION CARRIED**

H4. NCCSIF Memorandums of Coverage

H4a. NCCSIF 13-14 Workers' Compensation Memorandum of Coverage

Ms. Adams advised that the NCCSIF Workers' Compensation Memorandum of Coverage is reviewed on an annual basis and updated, if needed. There are no changes recommended for this year.

A motion was made to approve the 2013/2014 Workers' Compensation Memorandum of Coverage.

MOTION: Bruce Cline **SECOND:** Catrina Olson **MOTION CARRIED**

H4b. NCCSIF 13-14 Liability Memorandum of Coverage

Ms. Adams advised that the NCCSIF Liability Memorandum of Coverage is reviewed on an annual basis and updated, if needed. There are no changes recommended for this year.

A motion was made to approve the 2013/2014 Liability Memorandum of Coverage.

MOTION: Bruce Cline **SECOND:** Tim Sailsbery **MOTION CARRIED**



H5. 2013/2014 Crime Coverage Renewal

Ms. Adams explained that the Crime program renewal was quoted at \$23,723, which is a \$3,025 increase over the prior year. She advised that Public Entities are seeing an increase in Crime losses. Staff will provide the accountant with the allocated premiums per member.

A motion was made to approve the 2013/2014 Crime Coverage Renewal as proposed.

MOTION: Tim Sailsbery **SECOIND:** Paula Islas **MOTION CARRIED**

H6. 2013/2014 Property Renewal

H6a. NCCSIF Property Renewal

Ms. Adams advised that Property premiums went up across the Board for all members due to catastrophic losses throughout the globe. NCCSIF Total Insurable Values increased 2.53% due to various changes throughout the year. The total premium increased 11.85% over the last year. The main factors of the premium increase are due to the increased rate of 9.08% along with increased values. The Property Deposit Calculations include the Property Appraisals provide and to be provided by AssetWorks.

A motion was made to approve the 2013/2014 Property Renewal and Deposit Calculations.

MOTION: Russell Hildebrand **SECOND:** Gina Will **MOTION CARRIED**

H6b. APIP Claims Procedures Acknowledgement

Ms. Adams advised that the Alliant Property Insurance Program has developed APIP Claims Reporting Procedures for Property, Cyber Liability and Pollution claims. APIP requires its members to sign the Acknowledgement Form which outlines steps that should be taken at the time of property, cyber liability and pollution losses occur to assure that the insurance available through APIP remains in force and available for claim payments.

Mr. Simmons advised that members should be aware that the Cyber Liability and Pollution coverage is added to the Property Program as a bonus and members should make the appropriate departments aware of these offered coverages.

A motion was made to authorize the Board President, Ms. Liz Ehrenstrom, to sign the acknowledgement form on behalf of NCCSIF.

MOTION: Bruce Cline **SECOND:** Tim Sailsbery **MOTION CARRIED**



- I. INFORMATION ITEMS**
- II. NCCSIF Organization Chart**
- II. NCCSIF Meeting Calendar 2013**

Ms. Adams explained that the September 12th, 2013 Executive Committee meeting falls on the same date as the CAJPA Conference and proposed the meeting be re-scheduled to September 19, 2013. Direction was given to staff to re-schedule as proposed.

- I3. NCCSIF Travel Reimbursement Form**
- I4. NCCSIF Resource Contact Guide**

J. CLOSED SESSION TO DISCUSS PENDING CLAMS – The Board of Directors went into closed session in accordance with Government Code Section 54956.95 at 1:00 p.m. and discussed the following claims:

- 1. Haley vs. City of Rocklin

The Board of Directors came out of closed session at 1:04 p.m.

K. ADJOURNMENT

The meeting was adjourned at 1:05 p.m.