



President
Ms. Liz Ehrenstrom
City of Oroville

Treasurer
Mr. Tim Sailsbery
City of Willows

NCCSIF TRAINING DAY/BOARD OF DIRECTORS MEETING

Vice President
Mr. Russell Hildebrand
City of Rocklin

Secretary
Ms. Gina Will
Town of Paradise

Date: Thursday, December 12, 2013
Time: 9:00 a.m. (Breakfast served at 8:30 a.m.)

Location: The Westin (Tower Room)
4800 Riverside Blvd
Sacramento, CA 95822
(916) 290-7223

A – Action
I – Information

1 – Attached
2 – Hand Out
3 – Separate Cover
4 – Verbal
5 – Previously Mailed

MISSION STATEMENT

The Northern California Cities Self Insurance Fund, or NCCSIF, is an association of municipalities joined to protect member resources by stabilizing risk costs in a reliable, economical and beneficial manner while providing members with broad coverage and quality services in risk management and claims management.

AGENDA

9:00 am **A. CALL TO ORDER**

B. PUBLIC COMMENTS

This time is reserved for members of the public to address the Board of Directors on matters pertaining to NCCSIF that are of interest to them.

C. APPROVAL OF AGENDA AS POSTED

A 1

D. TRAINING DAY PRESENTATIONS

I

9:05 am **1. Introductions/Expectations** **4**

Ms. Liz Ehrenstrom will provide an introduction and the expectations of the meeting.

9:15 am **2. History of NCCSIF** **4**

Mr. Michael Simmons will provide a Quick History of NCCSIF.

9:30 am **3. Board Governance and Leadership** **2**

Mr. Marcus Beverly will provide a presentation on NCCSIF Board Governance and Leadership.

10:15 am **4. NCCSIF Program Services and Resources** **2**

Mr. Johnny Yang will provide a presentation on NCCSIF Program Services and Resources available through the organization.

10:30 am ****15 MIN BREAK****



10:45 am	5. The Importance of Risk Pool Policies and Procedures	2
	<i>Mr. Johnny Yang will provide a presentation on NCCSIF's Policies and Procedures.</i>	
11:15 am	6. Understanding Pool Equity and Funding	2
	<i>Mr. James Marta will provide a presentation on Understanding Pool Equity and Funding.</i>	
12:00 pm	**LUNCH**	
12:45 pm	7. Volunteer Programs (City of Rocklin Portal Demo)	4
	<i>Mr. Russell Hildebrand will provide a demonstration of the City of Rocklin's Volunteer web portal.</i>	
1:15 pm	8. Rating Plan Options – To CAP or Not to CAP!	2
	<i>Mr. Simmons will provide a presentation on NCCSIF Rating Plan Options, and the benefits and disadvantages of capping contributions and/or experience modifiers.</i>	
1:45 pm	9. General Discussion	4
	<i>Ms. Ehrenstrom will lead a discussion on Activities and Exposures that NCCSIF members share in common.</i>	
pg. 01 2:30 pm	E. CONSENT CALENDAR	A 1
	<i>All matters listed under the consent calendar are considered routine with no separate discussion necessary. Any member of the public or the Board of Directors may request any item to be considered separately.</i>	
pg. 02	1. Board of Directors Meeting Minutes – October 13, 2013	
pg. 09	2. Check Register at September 30, 2013	
	3. Investment Report	
pg. 10	a. Chandler Asset management Short/Long Term – November 2013	
pg. 18	b. Treasurer's Report as of September 30, 2013	
pg. 19	4. Utilization Report for Safety Grant Funds as of September 30, 2013	
pg. 20	F. MINUTES AND COMMITTEE REPORTS	I 1
pg. 21	1. Executive Committee Meeting Minutes - November 13, 2013 (Draft)	
	2. Claims Committee Meeting Minutes – November 13, 2013 (Draft)	
	3. Risk Management Committee Meeting Minutes – October 10, 2013 (Draft)	
	4. Police Risk Management Committee Meeting Minutes – August 15, 2013	
	G. ADMINISTRATION REPORTS	I
	1. President's Report	4
	<i>Liz Ehrenstrom will address the Board on items pertaining to NCCSIF.</i>	



	2. Program Administrator's Report	4
	<i>Alliant will address the Board on items pertaining to NCCSIF.</i>	
pg. 38	3. CJPRMA Report	1
	<i>Ms. Paula Islas will address the Board on CJPRMA items pertaining to NCCSIF.</i>	
pg. 40	4. Executive Committee Reportable Actions	1
	<i>The Board will receive an update of the actions taken at the November 13, 2013 Executive Committee meeting.</i>	
H. FINANCIAL REPORTS		
pg. 53	1. Quarterly Financial Report for Period Ending September 30, 2013	A 1
	<i>James Marta Company will review the quarterly financial report ending September 30, 2013 and the Board should take action to Receive and File or give direction as necessary.</i>	
pg. 72	2. NCCSIF Budget to Actual Report as of September 30, 2013	A 1
	<i>The Board will receive an update of the Budget to Actual Report as of September 30, 2013 to be received and filed.</i>	
I. JPA BUSINESS		
pg. 77	1. 2013 Liability Claims Audit	A 1
	<i>The Board will be asked to review and approve the 2013 Liability Claims Audit performed for NCCSIF.</i>	
pg. 84	2. Terms of Officers and Executive Committee Rotation Schedule	A 1
	<i>The Board will be asked to review and approve the proposed changes to the NCCSIF Terms of Officers and Executive Committee Rotation schedule.</i>	
pg. 90	3. Resolution 14-02 Amendment to the NCCSIF Bylaws	A 1
	<i>The Board will be asked to review and approve Resolution 14-01 Amending the Terms of Officers in the NCCSIF Bylaws.</i>	
pg. 93	4. 2014 Slate of Officers	A 1
	<i>The Board will be asked to approve the 2014 Slate of Officers.</i>	
pg. 95	5. Resolution 14-01 Authorizing Investment of Monies in LAIF	A 1
	<i>The Board will be asked to review and approve Resolution 14-01 Authorizing Investment of Monies in LAIF.</i>	
pg. 97	6. NCCSIF Administrative Surplus	A 1
	<i>The Board will be asked to address the NCCSIF Administrative Surplus Fund.</i>	
pg. 100	7. 2014 NCCSIF Meeting Calendar	A 1
	<i>The Board will be asked to review and approve the 2014 NCCSIF Meeting Calendar.</i>	



pg. 102	8. 2014 NCCSIF Service Calendar	A	1
	<i>The Board will be asked to review and approve the 2014 NCCSIF Service Calendar.</i>		
pg. 109	9. 2014/15 Insurance Market Update and Renewal Marketing Plan	A	1
	<i>The Board will be provided with an insurance market update and be asked to approve the Renewal Marketing Plan for 2014/15.</i>		
pg. 112	10. 2013 NCCSIF Annual Report	I	2
	<i>The Board will be provided with the 2013 NCCSIF Annual Report.</i>		
pg. 113	11. Capping Experience Modification Factors or Contributions	A	1
	<i>Action may be taken to continue exploring these options this year.</i>		

J. INFORMATION ITEMS

	1. Electronic Claim Book (Handout)		
pg. 132	2. PARMA Conference (February 9 – 12, 2014)		
pg. 135	3. NCCSIF Organizational Chart		
pg. 136	4. NCCSIF 2014 Meeting Calendar		
pg. 137	5. NCCSIF Travel Reimbursement Form		
pg. 138	6. NCCSIF Resource Contact Guide		

K. ADJOURNMENT

UPCOMING MEETINGS

Police Risk Management Committee Meeting – February 12, 2014

Executive Committee Meeting – March 13, 2014

Claims Committee Meeting – March 13, 2014

Board of Directors Meeting – April 24, 2014

Risk Management Committee Meeting – April 24, 2014

Per Government Code 54954.2, persons requesting disability related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Johnny Yang at Alliant Insurance at (916) 643-2712.

The Agenda packet will be posted on the NCCSIF website at www.nccsif.org. Documents and material relating to an open session agenda item that are provided to the NCCSIF Executive Committee less than 72 hours prior to a regular meeting will be available for public inspection and copying at 1792 Tribute Road, Suite 450, Sacramento, CA 95815.

Access to some buildings and offices may require routine provisions of identification to building security. However, NCCSIF does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3



CONSENT CALENDAR

ACTION ITEM

ISSUE: The Board should review items on the Consent Calendar and, if there is any item requiring clarification or discussion, they should be removed from the agenda for separate action. The Board should then take action to approve the Consent Calendar excluding those items removed. Any items removed from Consent will be agendized later during the meeting in an order determined by the President.

FISCAL IMPACT: Unknown.

RECOMMENDATION: It is the recommendation of Program Administrators to approve the Consent Calendar after review by the Board of Directors.

BACKGROUND: The following items are placed on the Consent Calendar for approval. The Board may approve the Consent Calendar items as presented, or any individual may request that an item be pulled for discussion and separate action may be taken during the meeting. Remaining items would then be approved by action of the Board.

ATTACHMENT(S):

1. Board of Directors Meeting Minutes – October 13, 2013
2. Check Register at September 30, 2013
3. Investment Reports
 - a. Chandler Asset Management Short/Long Term – November 2013
 - b. Treasurer's Report as of September 30, 2013
4. Utilization Report for Safety Grant Funds as of September 30, 2013



**MINUTES OF THE
NCCSIF BOARD OF DIRECTORS MEETING
LINCOLN CITY HALL, LINCOLN, CA
OCTOBER 10, 2013**

MEMBERS PRESENT

Juanita Barnett, City of Anderson
Steve Johnson, City of Dixon
Brad Koehn, City of Elk Grove
Bruce Cline, City of Folsom
Karin Helvey, City of Gridley
John Lee, City of Lincoln
Matt Michaelis, City of Marysville
Catrina Olson, City of Nevada City
Liz Ehrenstrom, City of Oroville
Dave Warren, City of Placerville
Sandy Ryan, City of Red Bluff
Russell Hildebrand, City of Rocklin
Tim Sailsbery, City of Willows
Steve Kroeger, City of Yuba City
Gina Will, Town of Paradise

MEMBERS ABSENT

Shari Conley, City of Auburn
Shelly Kittle, City of Colusa
John Brewer, City of Corning
Paula Islas, City of Galt
Ed Pattison, City of Ione
Michael Daly, City of Jackson
Joe Tanner, City of Rio Vista

GUESTS & CONSULTANTS

Michael Simmons, Alliant Insurance Services, Inc.
Johnny Yang, Alliant Insurance Services, Inc.
James Marta, James Marta & Company
Marcus Beverly, York Risk Services
Matthew Nethaway, Crowe Horwath LLP
Stephen Buckner, Crowe Horwath LLP
Sean Edin, Occu-Med



A. CALL TO ORDER

The meeting was called to order at 11:36 a.m.

B. PUBLIC COMMENTS

Ms. Liz Ehrenstrom introduced Mr. Brad Koehn from the City of Elk Grove as a new NCCSIF member.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Tim Sailsbery **SECOND:** Steve Johnson **MOTION CARRIED**

D. CONSENT CALENDAR

1. Board of Directors Teleconference Meeting Minutes – August 21, 2013
2. Board of Directors Meeting Minutes – June 13, 2013
3. Check Registers at June 30, 2013
4. Investment Reports
 - a. Chandler Asset Management Short/Long Term – August 2013
 - b. Treasurer's Report as of June 30, 2013
5. Utilization Report for Safety Grant Funds as of June 30, 2013
6. Budget to Actual Report as of June 30, 2013

Mr. Steve Kroeger explained that at previous Board of Directors meetings, he has requested that the Budget to Actual Report be agendized as a separate item to allow the opportunity for staff to address the Board regarding any budget items that may be of concern.

A motion was made to approve the Consent Calendar and have Item D6. Budget to Actual Report provided as a separate item for discussion going forward.

MOTION: Steve Kroeger **SECOND:** Dave Warren **MOTION CARRIED**

LUNCHTIME SPEAKER

Mr. Sean Edin from Occu-Med provided the Board of Directors with a presentation on the services available to NCCSIF members through Occu-Med.

E. SUMMARY OF SEPTEMBER 19, 2013 EXECUTIVE COMMITTEE MEETING

This item was provided as information only. There was no discussion on this item.



F. MINUTES AND COMMITTEE REPORTS

This item was provided as information only. There was no discussion on this item.

G. ADMINISTRATION REPORTS

G1. President's Report

Ms. Ehrenstrom asked that members continue to provide topics for discussion at the December 12, 2013 Long Range Planning or Training Day meeting.

G2. Program Administration's Report

Mr. Michael Simmons advised that Alliant is currently looking for a replacement for Ms. Susan Adams as NCCSIF Program Administrator. Ms. Marilyn Kelley will be assisting in Ms. Adam's absence and Mr. Simmons will also be spending additional time to address NCCSIF's issues. Mr. Simmons also provided a lesson learned story regarding high dives and advised that City's are obligated to have a lifeguard on duty at all times for which the pool is being utilized.

H. FINANCIAL REPORT

H1. Quarterly Financial Report for Period Ending June 30, 2013

Mr. James Marta provided the Board of Directors with a presentation on the Quarterly Financial Report for Period Ending June 30, 2013. He noted that the Total Assets for NCCSIF have decreased due to member dividends and large losses in the liability program.

A motion was made to accept and file the Quarterly Financial Report for Period Ending June 30, 2013.

MOTION: Dave Warren **SECOND:** Russell Hildebrand **MOTION CARRIED:**

H2. NCCSIF YE 2013 Financial Audit

Mr. Matthew Nethaway provided the Board of Directors with a presentation on the Year End 2013 Financial Audit conducted for NCCSIF.

A motion was made to approve the NCCSIF Year End 2013 Financial Audits.

MOTION: Tim Sailsbery **SECOND:** Steve Johnson **MOTION CARRIED**



H3. NCCSIF Investment Policy

Mr. Marta explained that the Investment Policy is required to be reviewed and approved annually. The policy has been reviewed by himself and Chandler Asset Management and has no recommended changes this year. The last update was made in December 2012.

A motion was made to approve the NCCSIF Investment Policy.

MOTION: Tim Sailsbery **SECOND:** Gina Will **MOTION CARRIED**

I. JPA BUSINESS

I1. Update on City of Elk Grove

Mr. Brad Koehn introduced himself to the Board of Directors and explained that the City of Elk Grove is an “up and coming” city with most their services contracted out. The City of Elk Grove’s major workers’ compensation exposure is their police department.

I2. Review of Preliminary 2014 Meeting Calendar

Mr. Johnny Yang explained the preliminary calendar will be approved at the December 12, 2013 Board of Directors meeting and asked members to review and confirm if there are any conflicts with the preliminary 2014 dates. Currently the CJPRMA meeting dates are unknown but will be implemented upon receipt.

Mr. Simmons asked that members review and advise staff of any conflicting dates.

I3. Appointment of Mr. Russell Hildebrand as NCCSIF Vice President

Ms. Ehrenstrom explained that Mr. Andy Heath is no longer with the City of Auburn. Staff has reached out to Mr. Hildebrand and he is willing to accept the office of NCCSIF Vice President. The Executive Committee has also met and recommends approval of the appointment of Mr. Hildebrand as the NCCSIF Vice President.

A motion was made to appoint Mr. Russell Hildebrand as NCCSIF Vice President.

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

I4. Medical Services Provider Network Services

Mr. Simmons explained that NCCSIF’s current Medical Provider Network Management Services Vendor, Professional Dynamics, Inc., has been unresponsive to inquiries from members and staff as respects to services, billings and/or general questions. Staff has been in contact with York Risk Services to determine the possibilities of utilizing MPN Services by WellComp



Managed Care Services which is a subsidiary of York. He also explained that the current contract with Professional Dynamics, Inc. has expired on June 18, 2013.

Mr. Marcus Beverly advised that Ms. Gale Chmidling provided the Executive Committee with a presentation regarding WellComp's services. He explained that the MPN Services are already in York's WC Claims handling contract and in order to move to WellComp as a MPN Service Provider, an amendment to York's contract will be needed to address pricing.

Mr. Bruce Cline asked what the costs would be in switching over to WellComp for which Mr. Beverly explained that currently with PDI, NCCSIF is billed \$1,000 monthly or \$12,000 annually. PDI also charges 7% of any savings above that. WellComp charges an initial set up fee of \$1,500 and a per claim access fee of \$50. Any savings will be shared 50/50 with York and the member. Mr. Beverly then expressed the importance of an active Medical Provider Network.

Members have asked that staff provide a pricing comparison between PDI and WellComp to determine if the costs will be comparable and also if there are service providers in the current MPN that would not be available in WellComp.

Mr. Beverly then advised that WellComp can offer two pricing models and briefly explained the two models.

Mr. Simmons suggested that staff provide a price comparison between PDI, WellComp and a third vendor and bring it back for discussion.

Mr. Hildebrand suggested that this item be brought back to the Executive Committee for approval contingent to the Executive Committee receiving a staff report.

Mr. Cline also asked that another provider be evaluated as well.

Ms. Ehrenstrom advised that if WellComp is a selected MPN Provider then training is provided to members accordingly.

A motion was made to give authority to the Executive Committee to select new MPN Services Vendor contingent to staff report. Staff was directed to provide a Pricing Comparison between PDI, WellCOMP and one other vendor to the Executive Committee to be approved for a 1-year term.

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

I5. NCCSIF Rating Plan Review Update

Mr. Simmons explained that Ms. Susan Adams and Ms. Marilyn Kelley performed a review of NCCSIF's Rating Plan to determine if NCCSIF should make any changes to the current rating formula. Staff has reviewed several possible options and at the Executive Committee meeting Ms. Adams proposed no changes to the rating plan. Mr. Marta and Mr. Simmons would like to



take a second look to determine if a capped experience modification factor should be introduced. Mr. Simmons advised that this item will be presented and reviewed at the Long Range Planning or Training Day on December 12, 2013.

Staff will provide a rating plan option for capped experience modification factors to the Long Range Planning or Training Day on December 12, 2013.

I6. Long Range Planning

I6.a. Update on the December 13, 2012 Long Range Planning Meeting

Mr. Simmons explained that this item is provided as information only, showing members of the action items from the last Long Range Planning Meeting on December 13, 2012 and the status of those items.

I6.b. Consideration of December 12, 2013 Long Range Planning Session or Training Day

Mr. Simmons explained that at least every three years the Board conducts a Long Range Planning Session to consider and develop Action Items to further address during the year(s). NCCSIF has held a Long Range Planning Session, each year, for the past three years.

Mr. Tim Sailsbery expressed that he felt that consistently having a Long Range Planning session will adversely affect Long Range Planning. Mr. Marta explained that the issues at the Long Range Planning directly addressed concerns of the organization.

Mr. Steve Johnson noted that as Alliant is still looking for a replacement for Ms. Adams it may be more beneficial to hold a Long Range Planning Session after a replacement has been found.

Mr. Bruce Cline suggested a Training Day that discusses NCCSIF and the services offered by the organization.

Staff requested any additional topics be provided to staff no later than October 17, 2013.

A motion was made to approve a December 13, 2012 Training Day. Staff was directed to bring Training Day topics and an outline to the next Executive Committee meeting.

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

I7. NCCSIF Services Provider Evaluations – P&P A-2

Mr. Simmons suggested that a NCCSIF Service Provider Evaluation be performed this year via Survey Monkey. All Vendor Surveys will be completed by member cities and reviewed at the December 12, 2013 Board of Directors meeting. (All vendor surveys except Program Administration will be returned to Alliant; Alliant's survey will be returned to the NCCSIF President.)



A motion was made to adopt the administrative changes to Policy and Procedure A-2. Staff was instructed to send out vendor surveys, via survey monkey, to be completed by member cities and their employees to be reviewed at the December 12, 2013 Board of Directors meeting. All vendor surveys, except Program Administration, will be returned to Alliant; Alliant's survey will be returned to the NCCSIF President.

MOTION: Steve Johnson SECOND: Sandy Ryan MOTION CARRIED

I8. CSAC-EIA Payroll Audit 12/13 Assessment

Mr. Bruce Cline inquired as to why NCCSIF's payroll increased by \$4 million. Mr. Yang explained that the original payroll estimated was provided by members on their 12/13 CSAC Application. Staff then used DE9 numbers provided by members which shown an increase of \$4 million over the original estimated payroll.

Mr. Marta suggested paying the 12/13 CSAC-EIA Payroll Audit Assessment using the NCCSIF's Shared Risk Equity.

A motion was made to pay the CSAC-EIA Payroll Audit 12/13 Assessment using NCCSIF funds out of the 2013/14 NCCSIF Budget.

MOTION: Karin Helvey SECOND: Steve Kroeger MOTION CARRIED

I9. Approval of Revision to Defense Counsel Selection Admin P&P A-9

Ms. Liz Ehrenstrom advised that the revisions include the addition of Liability Defense Attorney Stephanie Quinn and the removal for Liability Defense Attorney Scott Smith as he is no longer employed by Angelo, Kilday and Kilduff, LLP.

Mr. Scott Smith is currently assisting Mr. Douglas Thorne on a couple NCCSIF cases and the Executive Committee recommends that he is retained for those cases. Upon completion of those cases, Mr. Scott Smith will need to be referred by an NCCSIF member to be added to NCCSIF's Defense Counsel List.

A motion was made to approve the proposed revisions to the Defense Counsel Selection Admin P&P A-9.

MOTION: Bruce Cline SECOND: Catrina Olson MOTION CARRIED

J. INFORMATION ITEMS

J1. PARMA Conference (February 9 – 12, 2014)

J2. NCCSIF Organizational Chart

The meeting was adjourned at 2:30 p.m.

Northern California Cities Self Insurance Fund

Check/Voucher Register - asdf

11010 - Cash - General

From 7/1/2013 Through 9/30/2013

Check Number	Check Description	Vendor Name	Effective Date	Check Amount
8155	System Generated Check/Vo...	Chandler Asset M...	7/3/2013	4,400.00
8156	System Generated Check/Vo...	James Marta	7/3/2013	5,190.15
8157	System Generated Check/Vo...	Alliant Insurance ...	7/3/2013	25,596.00
8158	System Generated Check/Vo...	Bickmore Risk Ser...	7/3/2013	8,628.33
8159	System Generated Check/Vo...	City of Folsom	7/3/2013	25,008.94
8160	System Generated Check/Vo...	MICHAEL DALY	7/3/2013	68.93
8161	System Generated Check/Vo...	Liz Ehrenstrom	7/3/2013	72.10
8162	System Generated Check/Vo...	York Risk Services...	7/3/2013	31,186.76
8163	System Generated Check/Vo...	Simple Pleasures	7/16/2013	117.42
8164	System Generated Check/Vo...	Chandler Asset M...	7/17/2013	4,246.00
8165	System Generated Check/Vo...	Occu-Med Inc.	7/17/2013	1,500.00
8166	System Generated Check/Vo...	City of Dixon	7/17/2013	5,170.47
8167	System Generated Check/Vo...	CSAC Excess Insu...	7/17/2013	677,245.00
8168	System Generated Check/Vo...	PDI	7/17/2013	1,000.00
8169	System Generated Check/Vo...	Alliant Insurance ...	7/25/2013	867,942.27
8170	System Generated Check/Vo...	York	8/5/2013	72,032.50
8171	System Generated Check/Vo...	James Marta	8/5/2013	5,180.75
8172	Meeting Catering	Simple Pleasures	8/15/2013	481.00
8173	System Generated Check/Vo...	York Risk Services...	8/22/2013	34,524.46
8174	System Generated Check/Vo...	Alliant Insurance ...	8/22/2013	22,500.00
8175	System Generated Check/Vo...	Occu-Med Inc.	8/22/2013	1,500.00
8176	System Generated Check/Vo...	California Joint Po...	8/22/2013	586,467.00
8177	System Generated Check/Vo...	PAULA ISLAS	8/22/2013	61.02
8178	System Generated Check/Vo...	City of Willows	8/22/2013	6,230.00
8179	System Generated Check/Vo...	DKF Solutions Gro...	8/22/2013	700.00
8180	System Generated Check/Vo...	Crystal Peters	8/22/2013	81.36
8181	System Generated Check/Vo...	Liz Ehrenstrom	8/22/2013	58.64
8182	System Generated Check/Vo...	Chandler Asset M...	8/23/2013	0.00
8183	System Generated Check/Vo...	Alliant Insurance ...	9/5/2013	22,500.00
8184	System Generated Check/Vo...	Bickmore Risk Ser...	9/5/2013	14,438.34
8185	System Generated Check/Vo...	James Marta	9/5/2013	5,175.00
8186	System Generated Check/Vo...	Bickmore Risk Ser...	9/5/2013	13,100.00
8187	System Generated Check/Vo...	CSAC Excess Insu...	9/5/2013	3,103.50
8189	System Generated Check/Vo...	LEXIPOL LLC	9/5/2013	92,650.00
8190	System Generated Check/Vo...	DKF Solutions Gro...	9/5/2013	700.00
8192	System Generated Check/Vo...	Chandler Asset M...	9/20/2013	4,234.00
8193	System Generated Check/Vo...	York	9/20/2013	43,682.50
8194	System Generated Check/Vo...	York Risk Services...	9/20/2013	32,324.88
8195	System Generated Check/Vo...	Alliant Insurance ...	9/20/2013	626.00
8196	System Generated Check/Vo...	Occu-Med Inc.	9/20/2013	1,500.00
Report Total				2,621,223.32

Monthly Account Statement

Northern Cal. Cities Self Ins. Fund Long Term

November 1, 2013 through November 30, 2013

Chandler Team

For questions about your account,
please call (800) 317-4747 or
Email operations@chandlerasset.com

Custodian

Bank of New York Mellon Trust
Company
Gaby Rodriguez
213-630-6461

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.



PORTFOLIO CHARACTERISTICS

Average Duration	3.65
Average Coupon	2.69 %
Average Purchase YTM	2.13 %
Average Market YTM	1.23 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	4.00 yrs
Average Life	3.91 yrs

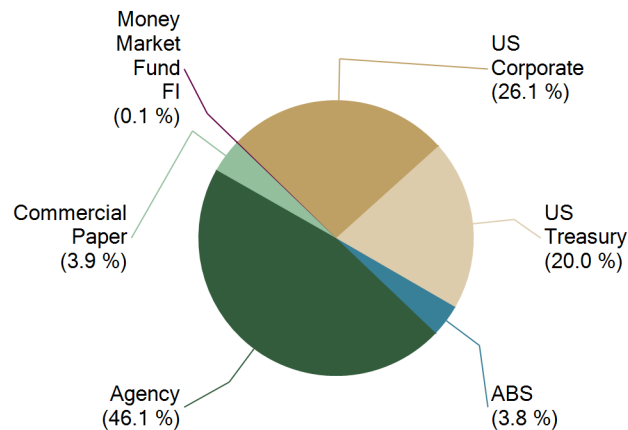
ACCOUNT SUMMARY

	Beg. Values as of 10/31/13	End Values as of 11/30/13
Market Value	20,681,912	20,686,188
Accrued Interest	157,358	149,640
Total Market Value	20,839,270	20,835,829
Income Earned	36,318	36,131
Cont/WD		0
Par	19,997,467	20,049,692
Book Value	20,260,135	20,304,575
Cost Value	20,632,510	20,685,666

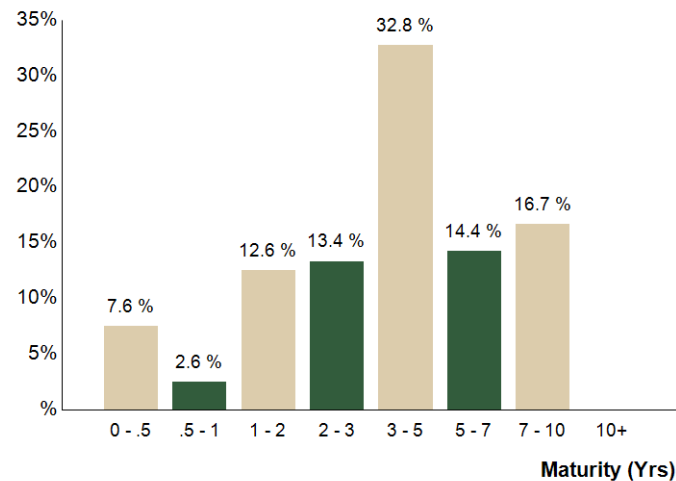
TOP ISSUERS

Issuer	% Portfolio
Government of United States	20.0 %
Tennessee Valley Authority	11.3 %
Federal National Mortgage Assoc	10.4 %
Federal Farm Credit Bank	8.6 %
Federal Home Loan Mortgage Corp	8.3 %
Federal Home Loan Bank	7.5 %
JP Morgan Chase & Co	2.9 %
Wal-Mart Stores	2.4 %
	71.5 %

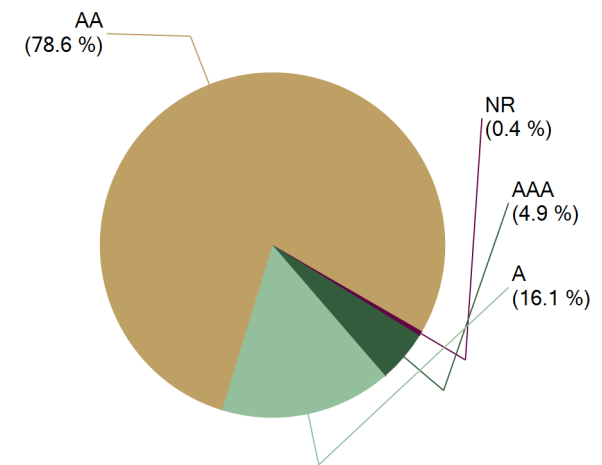
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 11/30/2013	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			Since 5/31/2006	Since 5/31/2006
					3 Yrs	5 Yrs	10 Yrs		
Northern Cal. Cities Self Ins. Fund Long Term	-0.02 %	1.37 %	-0.69 %	-0.91 %	2.26 %	3.70 %	N/A	4.96 %	43.79 %
1-10 yr Govt	-0.07 %	1.16 %	-0.71 %	-0.92 %	1.99 %	2.81 %	N/A	4.60 %	40.10 %
1-10 Year Govt/A Rated or better Corporate	-0.04 %	1.33 %	-0.46 %	-0.61 %	2.42 %	3.94 %	N/A	4.66 %	40.70 %



Northern California Cities Self-Insurance Fund - Long Term

November 30, 2013

COMPLIANCE WITH INVESTMENT POLICY

The portfolio complies with State law and with the Authority's investment policy.

Category	Standard	Comment
Asset-backed/MBS	20% maximum	Complies
Banker's Acceptances	A1/P1; 30% max; <180 days; L/T = AA	Complies
Commercial Paper	A1/P1; 25% max.; <270 days	Complies
LAIF	\$50 million	Complies
Medium Term Notes	30% max; A; 5 year maximum	Complies
Money Market Acct	15% maximum; AAA	Complies
Mutual Funds	15% maximum; AAA	Complies
Negotiable CDs	30% overall; 3-year maximum	Complies
Repurchase Agreements	10% overall; 30 days	Complies
Time CDs	3 year maximum	Complies
Treasury issues	No limitation	Complies
US Agencies	No limitation	Complies
Per Issuer Maximum	5% (except gov'ts)	Complies
Maximum Maturity	10 years	Complies
Futures and Options	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies



Reconciliation Summary

As of 11/30/2013

BOOK VALUE RECONCILIATION		
Beginning Book Value		\$20,260,135.09
Acquisition		
+ Security Purchases	\$185,747.90	
+ Money Market Fund Purchases	\$178,123.50	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$363,871.40
Dispositions		
- Security Sales	\$125,536.25	
- Money Market Fund Sales	\$185,898.22	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$0.00	
Total Dispositions		\$311,434.47
Amortization/Accretion		
+/- Net Accretion	(\$8,589.27)	
		(\$8,589.27)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$592.08	
		\$592.08
Ending Book Value		\$20,304,574.83

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$32,466.77
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$125,536.25	
Accrued Interest Received	\$43.41	
Interest Received	\$52,543.84	
Dividend Received	\$0.00	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$0.00	
Total Acquisitions	\$178,123.50	
Disposition		
Withdrawals	\$0.00	
Security Purchase	\$185,747.90	
Accrued Interest Paid	\$150.32	
Total Dispositions	\$185,898.22	
Ending Book Value		\$24,692.05

Monthly Account Statement

Northern CA Cities Self Ins. Fund Short Term

November 1, 2013 through November 30, 2013

Chandler Team

For questions about your account,
please call (800) 317-4747 or
Email operations@chandlerasset.com

Custodian

Bank of New York Mellon Trust
Company
Gaby Rodriguez
213-630-6461

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.



PORTFOLIO CHARACTERISTICS

Average Duration	2.45
Average Coupon	1.61 %
Average Purchase YTM	1.27 %
Average Market YTM	0.71 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.61 yrs
Average Life	2.48 yrs

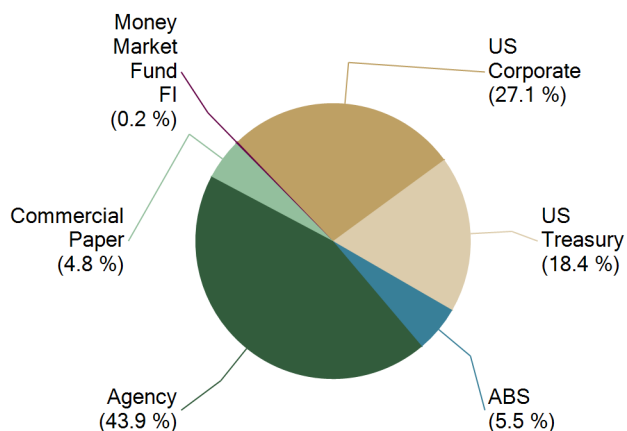
ACCOUNT SUMMARY

	Beg. Values as of 10/31/13	End Values as of 11/30/13
Market Value	20,229,069	20,280,335
Accrued Interest	91,581	73,655
Total Market Value	20,320,650	20,353,989
Income Earned	21,422	21,393
Cont/WD		0
Par	19,989,590	20,056,012
Book Value	20,070,057	20,127,292
Cost Value	20,258,389	20,320,080

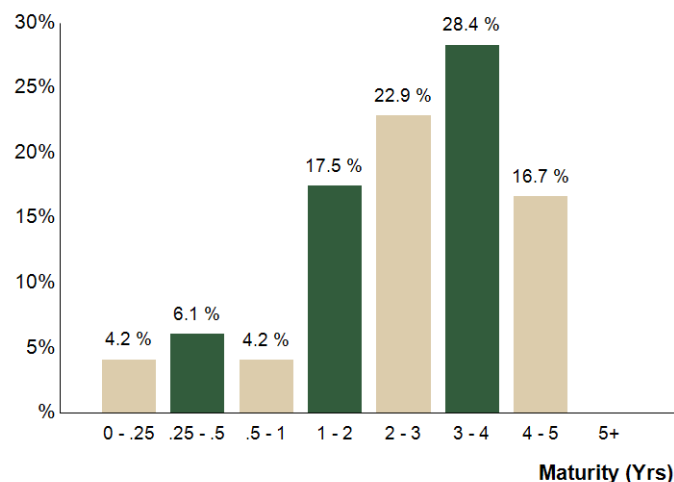
TOP ISSUERS

Issuer	% Portfolio
Government of United States	18.4 %
Federal National Mortgage Assoc	11.9 %
Federal Home Loan Bank	11.9 %
Federal Farm Credit Bank	9.9 %
Federal Home Loan Mortgage Corp	8.4 %
JP Morgan Chase & Co	2.5 %
General Electric Co	2.1 %
Bank of Tokyo-Mit UFJ	2.0 %
	67.1 %

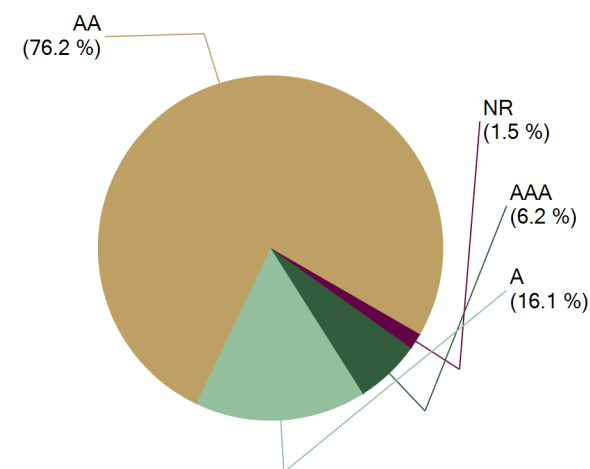
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 11/30/2013	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized				Since 12/31/1997
					3 Yrs	5 Yrs	10 Yrs	12/31/1997	
Northern CA Cities Self Ins. Fund Short Term	0.16 %	1.01 %	0.51 %	0.45 %	1.59 %	2.74 %	3.56 %	4.64 %	105.80 %
1-5 yr Govt	0.12 %	0.89 %	0.30 %	0.26 %	1.29 %	2.02 %	3.24 %	4.29 %	95.18 %
1-5 Year Govt/A Rated or better Corporate	0.15 %	1.03 %	0.55 %	0.53 %	1.65 %	2.85 %	3.37 %	4.47 %	100.54 %



Northern California Cities Self-Insurance Fund - Short Term

November 30, 2013

COMPLIANCE WITH INVESTMENT POLICY

The portfolio complies with State law and with the Authority's investment policy.

Category	Standard	Comment
Asset-backed/MBS	20% maximum	Complies
Banker's Acceptances	A1/P1; 30% max; <180 days; L/T = AA	Complies
Commercial Paper	A1/P1; 25% max.; <270 days	Complies
LAIF	\$50 million	Complies
Medium Term Notes	30% max; A; 5 year maximum	Complies
Money Market Acct	15% maximum; AAA	Complies
Mutual Funds	15% maximum; AAA	Complies
Negotiable CDs	30% overall; 3-year maximum	Complies
Repurchase Agreements	10% overall; 30 days	Complies
Time CDs	3 year maximum	Complies
Treasury Issues	No limitation	Complies
US Agencies	No limitation	Complies
Per Issuer Maximum	5% (except gov'ts)	Complies
Maximum Maturity	10 years	Complies
Futures and Options	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies



Reconciliation Summary

As of 11/30/2013

BOOK VALUE RECONCILIATION		
Beginning Book Value		\$20,070,057.33
Acquisition		
+ Security Purchases	\$673,322.59	
+ Money Market Fund Purchases	\$656,402.10	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,329,724.69
Dispositions		
- Security Sales	\$610,030.15	
- Money Market Fund Sales	\$674,979.76	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$0.00	
Total Dispositions		\$1,285,009.91
Amortization/Accretion		
+/- Net Accretion	(\$5,395.10)	
		(\$5,395.10)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$17,914.55	
		\$17,914.55
Ending Book Value		\$20,127,291.56

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$64,589.54
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$610,030.15	
Accrued Interest Received	\$3,993.43	
Interest Received	\$42,378.52	
Dividend Received	\$0.00	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$0.00	
Total Acquisitions	\$656,402.10	
Disposition		
Withdrawals	\$0.00	
Security Purchase	\$673,322.59	
Accrued Interest Paid	\$1,657.17	
Total Dispositions	\$674,979.76	
Ending Book Value		\$46,011.88



Northern California Cities Self Insurance Fund

c/o Alliant Insurance Services, Inc.

Corporate Insurance License No. 0C36861

Main Location: 1792 Tribute Road, Suite 450, Sacramento, CA 95815 * (916) 643-2700 * Facsimile: (916) 643-2750

Accounting Location: Mr. James Marta, James Marta & Company, 701 Howe Avenue, Suite E3, Sacramento, CA 95825 * (916) 993-9494

NCCSIF INVESTMENT REPORT FOR THE QUARTER ENDING SEPTEMBER 30, 2013

	MARKET VALUE
CASH:	
(1) Tri Counties Checking	\$ 148,183.96
(2) Local Agency Inv Fund (LAIF)	3,953,232.69
Total Cash	4,101,416.65
INVESTMENTS (Unrestricted):	
(3) Chandler Investments	
Account no. 170	20,182,706.00
Account no. 171	20,586,439.00
Total Unrestricted Investments	40,769,145.00
TOTAL CASH AND INVESTMENTS	\$44,870,561.65

- (1) This consists of one interest-bearing checking account and two pass-thru accounts (liability and workers comp claims). The rate of interest is 0.10%
- (2) The LAIF rate of return as of quarter ended June 30, 2013 0.27%
- (3) See attached Investment Activity Reports.

THIS PORTFOLIO IS IN COMPLIANCE WITH NCCSIF'S INVESTMENT POLICY AND IS LIQUID ENOUGH TO MEET EXPECTED CASH FLOW NEEDS OVER THE NEXT SIX MONTHS.

Tim Sailsbery, Treasurer

Date

A Joint Powers Authority

Members: Cities of Anderson, Auburn, Colusa, Corning, Dixon, Folsom, Galt, Gridley, Ione, Jackson, Lincoln, Marysville, Nevada City, Oroville, Town of Paradise, Placerville, Red Bluff, Rio Vista, Rocklin, Willows and Yuba City.

NCCSIF

ADA and Safety Grant Fund Reimbursements History

Last Update: 11/5/2013

By: RLZ

Member	ADA Grants Declared in FY 2009 Board Meeting 4/24/2009	Risk Management Grants elected to be retained in WC admin by members from their WC shared refund FY 2010	Risk Management Grants elected to be retained in WC admin by members from their WC shared refund FY 2011	Risk Management Grants elected to be retained in WC admin by members from their WC shared refund FY 2012	Risk Management Grants elected to be retained in WC admin by members from their WC shared refund FY 2013	Total funds available FY 2009 - FY 2013 for ADA grants and Risk Management Grants	Total Disbursements Paid through Last Update	Funds Available
Anderson	\$ 6,496.00	8,039.00	7,650.00	7,540.00	7,451.00	37,176.00	22,185.00	14,991.00
Auburn	6,397.00	-	-	8,098.00	-	14,495.00	6,397.00	8,098.00
Colusa	6,258.00	-	-	5,817.00	5,662.00	17,737.00	12,075.00	5,662.00
Corning	6,157.00	6,149.00	5,788.00	5,678.00	-	23,772.00	23,772.00	-
Dixon	6,592.00	-	-	-	10,379.00	16,971.00	11,762.47	5,208.53
Folsom	16,732.00	62,977.00	-	61,737.00	61,566.00	203,012.00	81,309.61	121,702.39
Galt	7,613.00	14,375.00	14,135.00	14,171.00	14,153.00	64,447.00	50,294.00	14,153.00
Gridley	6,144.00	6,391.00	-	6,507.00	6,476.00	25,518.00	6,144.00	19,374.00
Ione	-	-	-	-	-	-	-	-
Jackson	5,627.00	3,510.00	3,487.00	-	-	12,624.00	5,500.00	7,124.00
Lincoln	6,303.00	8,638.00	10,028.00	-	10,854.00	35,823.00	24,969.00	10,854.00
Marysville	6,758.00	-	-	-	-	6,758.00	-	6,758.00
Nevada City	5,665.00	-	-	-	3,618.00	9,283.00	5,665.00	3,618.00
Oroville	7,633.00	-	-	-	-	7,633.00	7,633.00	-
Placerville	6,883.00	-	-	-	-	6,883.00	6,883.00	-
Paradise	7,182.00	-	-	-	-	7,182.00	7,182.00	-
Red Bluff	7,339.00	12,860.00	12,493.00	12,290.00	-	44,982.00	44,982.00	-
Rio Vista	5,818.00	-	4,770.00	4,766.00	-	15,354.00	5,818.00	9,536.00
Rocklin	9,178.00	24,019.00	25,254.00	25,419.00	25,476.00	109,346.00	58,451.00	50,895.00
Willows	5,856.00	4,618.00	4,412.00	-	-	14,886.00	8,656.00	6,230.00
Yuba City	8,607.00	-	-	22,184.00	-	30,791.00	30,791.00	-
	\$ 145,238.00	151,576.00	88,017.00	174,207.00	145,635.00	704,673.00	420,469.08	284,203.92

SEE DETAIL BELOW



MINUTES AND COMMITTEE REPORTS

INFORMATION ITEM

ISSUE: Minutes Committee Reports are provided to the Board of Directors for their information.

FISCAL IMPACT: None.

RECOMMENDATION: None. This item is presented as information only.

BACKGROUND: Minutes and Committee Reports are provided to the Board of Directors for their information on other committees and excess providers meetings.

ATTACHMENT(S):

1. Executive Committee Meeting Minutes – November 13, 2013 (Draft)
2. Claims Committee Meeting Minutes – November 13, 2013 (Draft)
3. Risk Management Committee Meeting Minutes – October 10, 2013 (Draft)
4. Police Risk Management Committee Meeting Minutes – August 15, 2013



**MINUTES OF THE
NCCSIF SPECIAL EXECUTIVE COMMITTEE MEETING
TELECONFERENCE
NOVEMBER 14, 2013**

MEMBERS PRESENT

John Lee, City of Lincoln
Liz Ehrenstrom, City of Oroville
Gina Will, Town of Paradise
Russell Hildebrand, City of Rocklin
Tim Sailsbery, City of Willows

MEMBERS ABSENT

Catrina Olson, City of Nevada City
Shari Conley, City of Auburn
Karin Helvey, City of Gridley

GUESTS & CONSULTANTS

Marylin Kelley, Alliant Insurance Services
Johnny Yang, Alliant Insurance Services
Marcus Beverly, York Risk Services
Ben Burg, York Risk Services
Lela Casey, York Risk Services
Robin Zane, James Marta & Company

A. CALL TO ORDER

The meeting was called to order at 10:02 a.m.

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

D. CONSENT CALENDAR

1. Executive Committee Meeting Minutes – September 19, 2013
2. Executive Committee Meeting Minutes – October 17, 2013
3. Investment Reports



- a. Chandler Asset Management Short/Long Term – October 2013
- b. LAIF Report as of September 30, 2013

A motion was made to approve the Consent Calendar.

MOTION: Russell Hildebrand

SECOND: John Lee

MOTION CARRIED

E. COMMITTEE REPORTS

1. Board of Directors Meeting Minutes – October 10, 2013
2. Clams Committee Meeting Minutes – September 4, 2013

There was no discussion on the Committee Reports.

F. FINANCIAL REPORTS

F1. Quarterly Financial Report for Period Ending September 30, 2013

Ms. Robin Zane, James Marta & Company, provided the Committee with a presentation on the Quarterly Financial Report for Period Ending September 30, 2013.

A motion was made to receive and file the Quarterly Financial Report for Period Ending September 30, 2013 and the Financial Reports provided by James Marta & Company.

MOTION: Russell Hildebrand

SECOND: John Lee

MOTION CARRIED

G. JPA BUSINESS

G1. MPN Services

Ms. Marilyn Kelley explained that NCCSIF currently has a non-functioning MPN through Professional Dynamics (PDI) with a contract that has expired on June 30, 2013. Currently NCCSIF has access to their Healthsmart Provider Network, but it is not being utilized.

She explained the history of NCCSIF's MPN Services and added that there had been poor match ups with the physicians and service providers in the smaller cities and those in the network. This has always been problematic but due to the claims adjusting staff and an effective Utilization and Bill Review program provided by York, the impacts to NCCSIF of not having an active MPN were minimal.

The current agreement with PDI is a \$1,000 monthly fee for maintenance of the Medical Provider Network. The alternative provider, WellCOMP would charge a one-time \$1,500 fee for the MPN filings with the State of California. She mentioned that the new agreement with WellCOMP has two fee options which were as follows:

Option 1: A fee of \$60 per claim for the MPN Notification. NCCSIF has had an average of 390 claims per year over the past five years. This would be an additional cost of \$23,400 which would be charged against the claims file as an expense if every claim was directed to the MPN.

Additionally, WellCOMP would charge 50% of savings below the fee schedule. For the past two years, the PPO saving shown on the Bill Review Summaries are about 2-3% of the savings to the regular costs and would result in additional costs (through reduction of savings) of \$60,000 - \$80,000 annually, again if all claims were directed to the MPN.

Option 2: A \$5 per bill fee. This works better with claims that have less than 12 bills. Plus 15% of the contract discount for the network not WellCOMP. This is the same way the Bill Review program works, but we pay \$10.50 per bill for that service. Marcus Beverly advises that the average number of bills per claims is 13. So this may or may not be of benefit to NCCSIF. This would still have the additional charge of 5% of savings below the fee schedule.

The fees proposed from PDI are \$50 per first report of injury and \$1,000 per month for network maintenance. There is no fee for savings below the fee schedule.

Mr. Ben Burg advised that the program is currently being utilized by Folsom explaining that the MPN physicians are less available in the more rural areas.

Ms. Kelley explained that Ms. Susan Adams has received poor responses from PDI in an attempt to obtain additional information and utilization reports. Currently NCCSIF is paying \$1,000 per month for the MPN Maintenance. Ms. Kelley has since been able to obtain the requested information from PDI to perform a pricing comparison between PDI and WellCOMP. She advised that moving to a new MPN program will likely cost NCCSIF more per claim. This would be due to the additional costs in shared savings.

Ms. Tim Sailsbery asked that the NCCSIF members double check the list of physicians and noted that the City of Willows did not find any physicians in their area in reviewing WellCOMP's list of physicians.

Ms. Kelley recommends that NCCSIF enters into a 1-year agreement with WellCOMP.

Mr. Hildebrand asked that if NCCSIF moves over to WellCOMP, would members be expected to use the MPN or would members still have the option to use their own doctors as what's being currently done. Ms. Kelley explained that members would still have the option to use the MPN or their own doctors.

Mr. Hildebrand then asked how the expected additional costs would be incurred by NCCSIF. Ms. Kelley explained that the expected additional costs would be due to the 50% share of the savings that NCCSIF would have received per claim. Mr. Beverly added that these savings are calculated using the actual costs vs. a fee schedule on file with the MPN.



Upon further discussion, the Committee noted that the annual \$12,000 to maintain the current MPN Services with PDI is shared by all members regardless of their usage. With respects to WellCOMP, there will be an initial set up fee will be \$1,500 shared by all members but any expenses incurred going forward will be toward each member's individual losses. The Committee agreed on a consensus to move to WellComp.

Mr. Beverly advised that all that is needed is to add an addendum to the current Workers' Compensation Claims Adminsitration Contract in place. Staff was directed to ask NCCSIF Legal Counsel, Russell Hildebrand and Liz Ehrenstrom for review of the addendum to the contract.

A motion was made to approval a 1-year contract with WellCOMP pending contract review by NCCSIF Legal Counsel and signature by NCCSIF President and Vice President.

MOTION: Gina Will

SECOND: John Lee

MOTION CARRIED

G2. Status of 2013 Liability Claims Audit

Ms. Kelley advised that the Liability Claims Audit was requested late this year and as a result, a verbal report has been provided for this meeting. The details of the verbal report per Marylin's conversation with Mr. Ken Maiolini were listed in the Background description of the Agenda Item write up. She advised that NCCSIF's claims are handled in a manner that meets and exceeds the reporting standards. Ms. Kelley also explained that there were no comments on the Property Loss Notice programs and that Mr. Maiolini found no adverse affects in utilizing paperless systems.

Mr. Marcus Beverly explained that York will also be audited by CJPRMA in the Spring of 2014.

G3. Approval of Changes to Terms of Officers and Changes to the Executive Committee Rotation Schedule

Ms. Kelley explained that a Notice of Intent to Amend the Bylaws has been sent to NCCSIF members. NCCSIF Bylaws would need to be amended to change the term of officers to allow the number of members on the Executive Committee to fluctuate between six and seven depending on the regions, as well as amend the number of regions for the Executive Committee service rotation from the current six to seven. Ms. Liz Ehrenstrom has agreed to serve an additional year as President, and Mr. Russell Hildebrand agrees to serve the additional 2 years as President, thereafter. She also mentioned that a Quorum for the Executive Committee is currently 4 members.

The recommendation of the Program Administrators is that the NCCSIF Bylaws be amended so that the Office of Past President is eliminated, and that the terms of the office for the President,



Vice President and Secretary be changed from one year to two years. The number of the Executive Committee would be amended from 7 to 6-8.

The President, a Member of the green region that would have transitioned to Past President will instead serve a second year as President. The Vice President will begin service as President as his Pink region rotates off the Executive Committee. Program Administration also recommends approval of the revised rotation schedule with 7 regions.

This would mean the Executive Committee would be comprised of 6-8 members plus the NCCSIF President.

A motion was made to approve the proposed amendment to the NCCSIF Bylaws regarding the Terms of Officers and changes to the Executive Committee Rotation Schedule.

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

G4. 2014 Nominating Committee and Nomination of Officers

Ms. Kelley advised that the Executive Committee rotates annually and each member serves for a two-year term. There are two motions that would need to be taken for this item regarding electing the 2014 Nominating Committee and the Nomination of Officers.

A motion was made to approve the NCCSIF Executive Committee as the Nominating Committee for the 2014 NCCSIF Nomination of Officers.

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

Ms. Kelley then explained that the 2014 Slate of Officers is recommended as follows:

Liz Ehrenstrom, President
Russell Hildebrand, Vice President
Tim Sailsbery, Treasurer
Gina Will, Secretary
Paula Islas, CJPRMA Representative

A motion as made to approve the 2014 Slate of Officers as proposed above.

MOTION: John Lee **SECOND:** Gina Will **MOTION CARRIED**



G5. Resolution 14-01 Authorizing Investment of Monies of LAIF

This resolution must be approved by the Board of Directors on an annual basis authorizing the newly elected President, Vice President and Treasurer, authority to order the deposits or withdrawal of monies in LAIF.

A motion was made to approve Resolution 14-01 Authorizing Investment of Monies in LAIF.

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

G6. NCCSIF Administrative Surplus

Ms. Kelley advised that the Financial Report Ending June 30, 2013 shows an administrative equity of \$477,525 has been built up. She explained that historically NCCSIF has a tendency to build up an administrative surplus. Usually, when this has occurred, a portion of the administrative surplus is used to offset some of the next year's administrative fiscal costs.

Staff recommends that 50% of the administrative surplus, not including funds for 2013-2014 and not otherwise allocated, be utilized for the 2014/2015 fiscal year to offset the administrative costs proposed for that year. Staff would be directed to verify that the declared equity does not have outstanding potential costs associated with it and if so to verify the unrestricted equity funds.

Mr. Hildebrand suggested that this item be brought to the full board for their direction and approval.

A motion was made to bring this item to the Board of Directors for direction and approval.

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

G7. 2014 NCCSIF Meeting Calendar

The Program Administrator recommends that the Executive Committee review and approve the proposed 2014 NCCSIF Meeting Calendar.

A motion was made to approve the 2014 NCCSIF Meeting Calendar.

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



G8. 2014 NCCSIF Service Calendar

Ms. Kelley advised that the 2014 NCCSIF Service Calendar is provided to the Executive Committee showing a timeline of the annual activities to be completed on behalf of the organization.

A motion was made to approve the 2014 NCCSIF Service Calendar.

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

G9. 2014/15 Insurance Market Update and Renewal Marketing Plan

Ms. Kelley explained that, annually, staff provides an insurance market update as well as proposes a renewal marketing plan for the upcoming policy year. She explained that the market update will be given during the December 12, 2013 Board of Directors meeting and that at the present time, the Program Administrators believe the following should occur with the NCCSIF programs:

Workers' Compensation: Renew coverage with CSAC EIA. Traditional Excess WC Insurance carriers in California are still not competitive with our program through CSAC EIA.

Liability: Continue participation in CJPRMA; this has been a strong partner and a valuable alternative to traditional excess insurance.

Property: The PEPiP program re-evaluates carriers annually, with carriers being added or deleted depending on market conditions. The program renews in July for all members. Two years ago Alliant marketed the Property program and found that the current program provided members with the broadest coverage's and the lowest cost; this continues in today's environment.

Crime: We have remained with AIG, in part, because the Alliant Crime program (ACIP), would not provide an alternative. We are going to approach at similar program through CSAC EIA this year for competitive pricing and higher limits.

G10. December 12, 2013 Training Day Itinerary

Ms. Kelley explained that staff has reached out to members for Training Day topics to be discussed on December 12, 2013 and have proposed the attached Training Day Itinerary.

Ms. Gina Will asked that staff provide a short presentation of all the resources available through NCCSIF.

Mr. Hildebrand also asked that a discussion be held on pool exposures common amongst NCCSIF members. The committee suggested this topic be discussed during General Discussion.

Mr. Hildebrand then brought up the topic of Volunteer Programs explaining that Mr. Michael Simmons discussed the idea of a Volunteer Programs Joint Document Pool of various sample waivers and release of liability forms that may be shared amongst NCCSIF members.

A motion was made to approve the December 12, 2013 Training Day Itinerary with the addition of a List of Various Resources provided by NCCSIF and a demonstration by Mr. Russell Hildebrand on the City of Rocklin's Volunteer portal website.

MOTION: Gina Will

SECOND: John Lee

MOTION CARRIED

G11. Discussion of Lunchtime Presentations for 2014

Ms. Kelley advised that staff is looking for recommendations, explaining that York would like to give a presentation on their Property Recovery Program.

Mr. Russell Hildebrand also wanted a different Comprehensive Fitness for Duty Training to address what should be and what can be done regarding Fit for Duty Evaluations mentioning specific employment law that will address a city's obligation regarding bringing an injured employee back to work. This led to the discussion regarding a returning an employee to work and the challenges a member city faces.

A motion was made to approve the list of recommended Lunchtime Presentations for 2014 as listed below:

- Risk Management topics
 - Defensive Driving
 - First Line Supervisor Training
 - Comprehensive Fitness for Duty Training
 - Frustrations of 4850
- Funding / Cost Effectiveness
 - How does NCCSIF continue to keep premiums down during time of "hard" and/or volatile markets?
 - Property Recovery Program by York Risk Services
- Value Propositions/Services
 - What are the benefits to Members of staying with NCCSIF and not another insurance pool?
 - Could/Should smaller cities share a rotating, dedicated Risk Management professional for a few hours a month?



MOTION: Russell Hildebrand

SECOND: Gina Will

MOTION CARRIED

The Committee also discussed the option of body cameras for NCCSIF members' police department for which Liz noted that she would like to explore discussion on the cameras and their effectiveness.

G12. NCCSIF Service Provider Evaluations Update

Mr. Johnny Yang explained that staff has received 8 – 9 responses to the NCCSIF Service Provider Evaluations sent out to members via Survey Monkey. Results were anonymous and provided in the Agenda Packet.

Staff was directed to bring NCCSIF Service Provider Evaluations forms to the December 12, 2013 Training Day/Board of Directors meeting to be completed.

H. INFORMATION ITEMS

1. Weekly Law Resume: Torts – Public Entities – Immunity for Natural Conditions
2. CIO Economic Commentary – Third Quarter
3. TargetSolutions' Hazard Communication Course (OSHA GHS Standard)
4. NCCSIF Organizational Chart
5. NCCSIF Travel Reimbursement Form

I. ADJOURNMENT

The meeting was adjourned at 12:30 p.m.

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
MINUTES OF NCCSIF SPECIAL CLAIMS COMMITTEE MEETING
THURSDAY, NOVEMBER 14, 2013

MEMBERS PRESENT: John Lee, City of Lincoln
Liz Ehrenstrom, City of Oroville
Russell Hildebrand, City of Rocklin

MEMBERS ABSENT: Shari Conley, City of Auburn
Catrina Olson, City of Nevada City

CONSULTANTS: Marylin Kelley, Alliant Insurance Services
Johnny Yang, Alliant Insurance Services
Ben Burg, York Risk Services Group, Inc.
Lela Casey, York Risk Services Group, Inc.
Jennifer Nogosek, York Risk Services Group, Inc.

A. Call to Order

The Claims Committee was called to order at 12:50 p.m.

B. Public Comment

Ms. Jennifer Nogosek provided the Committee with an update on Mr. Douglas Thorne. She explained the trial went very well in favor of the city. She then proceeded to explain the issues that were brought up regarding Mr. Thorne noting that York has not received any reports since June of 2013. Ms. Nogosek asked for direction from the Committee regarding new cases.

Ms. Islas explained that Mr. Thorne advised that York has not been responsive to his requests as well and that information has been provided to York. Ms. Ehrenstrom advised that staff has met with Mr. Thorne and given the specific expectations from him. Ms. Islas suggested that before a final decision is made regarding Mr. Thorne, he be given an opportunity to present his thoughts. Ms. Ehrenstrom advised that a letter has been provided to him outlining the guidelines and expectations.

Ms. Islas advised that she will bring Mr. Thorne up to date on what has been discussed. The Committee directed York to hold off on Mr. Thorne's representation of additional claims until further notice.

C. NCCSIF 09/19/13 Claims Committee Minutes for Approval

A motion was made to approve the NCCSIF Claims Committee Minutes.

MOTION: John Lee SECOND: Russell Hildebrand MOTION CARRIED

- D. Closed Session – The Claims Committee went into closed session in accordance with Government Code Section 54956.95 at 1:03 p.m. and discussed the following claims:**

Liability

1. Haley vs. City of Rocklin

Workers' Compensation

1. City of Nevada City
2. City of Galt

The Committee came out of closed session at 1:33 p.m.

- E. Adjournment – The meeting was adjourned at 1:33 p.m.**



**MINUTES OF THE
NCCSIF RISK MANAGEMENT COMMITTEE MEETING
LINCOLN CITY HALL, LINCOLN, CA
OCTOBER 10, 2013**

MEMBERS PRESENT

Juanita Barnett, City of Anderson
Steve Johnson, City of Dixon
Brad Koehn, City of Elk Grove
Bruce Cline, City of Folsom
Karin Helvey, City of Gridley
John Lee, City of Lincoln
Matt Michaelis, City of Marysville
Catrina Olson, City of Nevada City
Liz Ehrenstrom, City of Oroville
Dave Warren, City of Placerville
Sandy Ryan, City of Red Bluff
Russell Hildebrand, City of Rocklin
Tim Sailsbery, City of Willows
Steve Kroeger, City of Yuba City
Gina Will, Town of Paradise

MEMBERS ABSENT

City of Auburn
City of Colusa
City of Corning
City of Galt
City of Ione
City of Jackson
City of Rio Vista

GUESTS & CONSULTANTS

Michael Simmons, Alliant Insurance Services, Inc.
Johnny Yang, Alliant Insurance Services, Inc.
Henri Castro, Bickmore

A. CALL TO ORDER

The meeting was called to order at 10:49 a.m.

B. PUBLIC COMMENTS

Ms. Liz Ehrenstrom introduced Mr. Brad Koehn as the NCCSIF representative for the City of Elk Grove who just joined NCCSIF's Workers' Compensation program effective September 1, 2013.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Bruce Cline **SECOND:** Dave Warren **MOTION CARRIED**

D. CONSENT CALENDAR

1. Minutes of the Risk Management Committee Meeting – June 13, 2013.

A motion was made to approve the consent calendar.

MOTION: Bruce Cline **SECOND:** Dave Warren **MOTION CARRIED**

E. RISK MANAGEMENT BUSINESS

E1. Risk Control Service as of October 10, 2013

Ms. Henri Castro explained Assessments have been completed and that two days have been allocated to each member to address those Assessments. She is currently in the process of implementing an action plan for each member. Ms. Castro also advised that she has met with the City of Elk Grove and will conduct an Assessment shortly.

Ms. Castro then noted that the next Police Risk Management Committee meeting is scheduled for November and it will be focused on Officer Involved Shootings.

There was discussion on how the Risk Control Services should be reported to the Committee. Mr. Simmons suggested that projects stay on the report for longer than a 12 month time frame. The Committee suggested that a report be provided for a 12 month time frame and projects are captured on a separate document.

Ms. Castro then asked if the committee has any topics to receive Safety Communication on which lead to a brief discussion on the possibility of web based training. She proceeded to advise that at the recent Regional Workshop for CalOSHA training there were 32 participants. She then advised that a workshop is being planned for Certificate Pool Operators.

E2. Police Risk Management Committee Meeting Summary

Ms. Ehrenstrom explained that the next Police Risk Management Committee will be focused on Officer Involved Shootings as Ms. Castro touched on earlier. She advised that at the August PRMC meeting there was a mixed crowd of departments for the Fitness for Duty Evaluation Training.

F. INFORMATION ITEMS

F1. Parma Conference

F2. NCCSIF Travel Reimbursement Form

Ms. Castro advised that member have inquired about who is required to take the CalOSHA training and explained that only those who handle waste water, public works, utilities and janitorial staff are required to take the training. She noted that all employees who deal with chemicals are required.

Ms. Castro also provided a presentation of Bickmore's website and the resources available.

Mr. Bruce Cline explained that an IRIC Training Flyer is available at today's meeting and advised that this is a very beneficial training provided by Marylin Kelley and members should review it.

G. ADJOURNMENT

The meeting was adjourned at 11:31 a.m.

**MINUTES OF THE
POLICE RISK MANGEMENT COMMITTEE MEETING
AUGUST 15, 2013**

MEMBERS PRESENT

Chief John Ruffcorn, City of Auburn
Lt. Sheldon Sterling, City of Folsom
Chief Bill Bowen, City of Galt
Chief Bill Lagrone, City of Oroville
Chief Paul Nanfito, City of Red Bluff
Cpt. Chad Butler, City of Rocklin

GUESTS & CONSULTANTS

Tom Kline, Bickmore Risk Services
Henri Castro, Bickmore Risk Services
Kelli Vitale-Carson, York Risk Services Group, Inc.
Johnny Yang, Alliant Insurance Services
Dr. Jocelyn Roland
Liz Ehrenstrom, City of Oroville
Vi Cobb, City of Red Bluff
Jason Bennett, City of Red Bluff
Russell Hildebrand, City of Rocklin
Sgt. Forrest Richardson, City of Rocklin

A. CALL TO ORDER

The meeting was called to order at 10:17 a.m.

B. PUBLIC COMMENTS

There were no public comments.

C. APPROVAL OF AGENDA AS POSTED

There was no discussion on this item.

D. CONSENT CALENDAR

D1. 07.07.13 Draft Police Risk Management Committee Meeting Minutes

There was no discussion on this item.

E. RISK MANAGEMENT

E1. Risk Management Committee Meeting Summary

Ms. Liz Ehrenstrom explained that at the June 13, 2013 Risk Management Committee meeting the Risk Management Committee Ms. Henri Castro provided an update of the Risk Control Services provided by Bickmore and discussed upcoming Risk Control Services. Ms. Castro advised the Police Risk Management Committee of available resources on Bickmore's website.

Ms. Ehrenstrom noted that the Risk Management Budget was approved which included a Police Risk Management Committee Training Budget increase from \$5,000 to \$12,000.

E2. Police Liability and Workers' Compensation Claims Analysis

Mr. Tom Kline advised that staff has provided, in the agenda packet, a 1-year Liability and Workers' Compensation Analysis regarding Police losses. Strain, Physical Altercation, Training, Contagious Diseases, and Slip, Trip or Fall are the loss leaders for Workers' Compensation. Civil Rights/Excessive Force/False Arrest is the leading loss leader for Liability. At today's meeting a handout has been provided which shows losses from 07/01/07 – 06/30/13 with a more comprehensive breakdown of the losses.

He suggested performing a further analysis, drilling down on the losses to determine any actions that can be taken to help lower the frequency of losses.

E3. Round Table Discussion

Mr. Kline advised that at the last Police Risk Management Committee, Mr. Bruce Kilday provided a presentation on Use of Force and today the Committee will receive a presentation on Fit for Duty Evaluations. He then requested suggested topics for the next Police Risk Management Committee meeting. The Committee requested a presentation on Officer Involved Shootings and the following meeting the Committee will discuss the Skelly Hearings, Police Officer Bill of Rights and so on.

Ms. Ehrenstrom requested that staff drill down on the Strain losses further to determine if these losses are from lower back or fitness involved claims which brought up the discussion on possible Wellness Programs for the Police Department. Ms. Kelli Vitale-Carson suggested that staff contact Savvy Fitness to determine if their services will be beneficial to NCCSIF.

Ms. Castro suggested that staff takes a look at those members who are currently using a wellness program to determine if their Workers' Compensation claims are noticeably positively affective in relation to other members who do not have a wellness program in place.

Staff was asked to reach out to Wellness Networks to see if there are possible group rates that can be brought to NCCSIF for further discussion.

Mr. Kline explained that at the November meeting, a presentation will be provided on Officer Involved Shootings. Staff will research possible wellness options to be brought to NCCSIF for discussion.

F. REDUCING THE RISKS OF A FITNESS FOR DUTY EVALUATION

Dr. Jocelyn Roland will provide the Committee with a presentation on understanding the best approach to a fitness-for-duty evaluation and how this may help reduce the risks posed to entities in terms of exposure, loss of good employees, and costs associated with unnecessary time-off and return to work. Topics included:

- Evaluating the referral
- Collecting data for the evaluation
- Timing the evaluation
- Less intrusive and employee friendly options
- Reports – what to request and what to expect
- Understanding the totality of risks presented
- Finding a quality professional given the referral question

H. INFORMATION ITEMS

H1. NCCSIF Meeting Calendar 2013

H2. NCCSIF Resource Contact Guide

These items were provided as information only.

I. ADJOURNMENT

The meeting was adjourned at 1:00 p.m.

CJPRMA REPORT

ACTION ITEM

ISSUE: Ms. Paula Islas attended the recent CJPRMA meeting and would like to ask for NCCSIF's direction regarding the two items listed below as CJPRMA will be voting in December to make changes that will affect member agencies. The first is an amendment to the Memorandum of Coverage regarding fireworks displays. The second is reflecting changes to the Bylaws regarding CJPRMA's settlement recommendations.

Fireworks:

Although CJPRMA recommends \$5 million coverage to be provided by fireworks vendors, they are planning to amend the MOC to require the \$5 million minimum. Most member agencies only acquire \$1-2 million coverage which exposes other members to losses. The paragraph below is the proposed language to be added to the current MOC.

Basically, if an NCCSIF member doesn't require/attain \$5 million coverage for fireworks displays, they are on the hook for part of the claim.

For any fireworks display or demonstration sponsored or controlled by the covered party, if the covered party has not secured an additional insured endorsement in its favor from the fireworks vendor's insurance or coverage provider with limits in an amount of at least \$5 million per occurrence, with a \$5 million dedicated, project specific aggregate limit. The Retained Limit will not be satisfied by any payment by the insurance or coverage provider for the vendor (see Definition 25(d)), and must instead be paid by the covered party; and the applicable Retained Limit will be increased by 50% (fifty percent) for any claim(s) arising out of the fireworks display or demonstration.

CJPRMA Settlement Recommendations:

Current language in the bylaws allows CJPRMA to take control of claims if a determination is made the member is handling a claim in such a manner that would pose an adverse financial impact to the organization. There have been a number of cases where a member agency chooses a stern stance on settlement arising out of political pressure or the reaction of the community which would occur in the event of a settlement. CJPRMA understands the importance of members to participate in the litigation process but it often places CJPRMA with significant adverse financial impact. The language being proposed has been adopted by other pools which allows members to continue to pursue litigation and also provides a buffer for adverse financial impact.



**Northern California Cities Self Insurance Fund
Board of Directors Meeting
December 12, 2013**

From what is understood, the change will mean that NCCSIF can choose to litigate a claim but CJPRMA will only pay the amount of their recommended settlement amount. This allows the agency to continue with the claim if they so choose. The paragraph below is the recommended language:

In accordance with the Memorandum of Coverage, a member may choose to not settle a claim within their member entity's retained limit. If however, the Member Entity refuses to consent to any settlement or compromise recommended by the Authority's General Manager and Executive Committee, and elects instead to continue to contest the Claim, then the Authority's liability shall not exceed the amount for which the Authority would have been able to settle the Claim, in excess of the member entity's retained limit, plus Defense Costs at the time the Claim could have been settled or compromised.

Ms. Islas would like to have NCCSIF's recommendation on how to vote on these two issues on behalf of the organization. An update after the December 19th CJPRMA board meeting.

FISCAL IMPACT: NA.

RECOMMENDATION: A verbal recommendation will be provided by staff during discussion.

BACKGROUND: CJPRMA Reports are provided to the Board of Directors for their information on what transpired at recent CJPRMA meetings.

ATTACHMENT(S): None.



EXECUTIVE COMMITTEE REPORTABLE ACTIONS

INFORMATION ITEM

ISSUE: NCCSIF currently has a *non-functioning* MPN through Professional Dynamics (PDI). We have access to their Healthsmart Provider Network, but with the exception of Folsom, it is not being utilized. At the time of the signing of the contract with PDI, NCCSIF did not elect to include the option of having PDI get the first reports of injury so that they would provide a copy of the MPN notification to the injured worker. At that time, York (then Bragg) agreed to provide this information to the worker thus saving NCCSIF \$50 per claim. But this step fell out of use over time and eventually stopped.

We began our MPN shortly after the legislation for this option was passed. It is because of that our initial roll out had problems. Most police and fire personnel designated physicians or chiropractors so they would not be included in the MPN. Additionally, we initially had poor match ups with the physicians and service providers in our smaller cities, and those in the network, and getting the correct parties added was problematic.

Because NCCSIF has had good claims adjusting staff and an effective Utilization and Bill Review program through Wellcomp, the impacts to NCCSIF of not having an active MPN were minimal. Now the MPN Network that we are part of has over 20,000 physicians. They also have a history of having a good working relationship with York on other JPA accounts. One difference is that they are involved from the first notice of injury.

ACTION TAKEN: The Program Administrator was directed by the NCCSIF Board of Directors to review MPN options and to report back to the Executive Committee with a recommendation to go forward with again implementing an MPN. We reported back with options from PDI and from Wellcomp. The Executive Committee selected a one year agreement with WellComp a subsidiary of York. An amendment to the Workers' Compensation Claims Administration contract was developed and has been submitted to NCCSIF Legal Counsel for review and approval. The final contract amendment will then be sent to the NCCSIF President and Vice President for approval and signature.

This will be an elective program. Members are NOT required to participate.

FISCAL IMPACT: The new agreement with WellComp will be under the following fee schedule:

A fee of \$60 per claim for the MPN Notification. NCCSIF has an average of 390 claims per year over the past five years. This would be an additional cost of \$23,400 which would be charged against the claims file as an expense.

Additionally, WellComp would charge 50% of savings below the fee schedule. For the past two years the PPO savings shown on the Bill Review Summaries attached are about 2-3% of savings to the regular costs and would result in additional costs (through reduction of savings) of \$60,000 - \$80,000 annually.

Example: Total Billed Charges for 2011-12 were \$5,411,962. Bill review and correction down to the fee schedule reduced those costs by \$3,460,213. Additionally, there are PPO savings of an additional \$122,357. Under the WellComp MPN the last number would be shared 50% with WellComp and 50% would remain as savings.

The rates negotiated with the MPN are different than those negotiated with the PPO network, so this is not an exact comparison.

BACKGROUND: During this review process staff asked several key questions from both MPN providers and also other JPA's. We wanted to address TWO Questions:

- ❖ **Would NCCSIF benefit from an active MPN program?**
- ❖ **What are our savings without using an MPN Program?**

As shown on the attached Bill Review reports from the past two years, NCCSIF has had savings of \$3,491,409 for 2011-2012 and \$3,540,808 for 2012-2013. These savings are from Preferred Provider Savings and Bill Review savings. These services are provided by WellComp.

- The attached Utilization Review reports from the past two years NCCSIF has had savings of \$179,126 for 2011-2012 and \$762,347 for 2012-2013. These services are provided by WellComp.
- Are there additional savings to be had from an MPN? Probably not as the current savings from the PPO network are higher than the savings will be under the MPN.
- Marcus Beverly from York has advised that using the Well Comp MPN network rather than the PPO network may provide less savings because the MPN network:
 - ✓ Requires reporting timely and to MPN standards;
 - ✓ Has more specialists than the PPO network;



- ✓ Is easier to manage for maintaining good physicians rather than ALL physicians;
- ✓ The PPO network savings are based on volume while the MPN network is also based on adherence to standards.
- ✓ Savings for the MPN generally average about 8% under the Formulary Schedule. Our savings for Bill Review and Utilization Review are shown from Total Fees not from the Formulary Schedule, so the two are not able to be compared.

❖ **What other benefits result from the usage of an MPN?**

- One of the other JPA's managed in the Alliant offices recently did a report on the advantages of an MPN. Some of these results are for the State of California and not a specific JPA.
 - Employer medical control for the "life of the claim"
 - Earlier return to work - California average Non-MPN is 34% higher indemnity costs
 - Lower medical costs - California average Non-MPN is 17% higher medical costs
 - Limited provider change once in program
 - Limits initial provider selection. Employee risks suspension of compensation benefits if treatment received from a non-network physician
 - This JPA found that their average non MPN claims duration was 142 days and MPN claims duration was 117 days.
 - This JPA also found that average cost for MPN claims was \$2,521 compared with non MPN claims average \$9,541
 - Here is their chart of average costs per claim for 2012 with NCCSIF Data added for the past five years and for the highest of those five years:

**SECOND AMENDMENT
TO THE WORKERS' COMPENSATION
SELF-INSURANCE SERVICE AGREEMENT
Dated As of July 1, 2010**

This Second Amendment to that certain Workers' Compensation Self-Insurance Service Agreement dated as of July 1, 2010 (the "Agreement") by and between NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND ("Client") a self-insured California joint powers authority, and YORK RISK SERVICES GROUP, INC. hereinafter ("Claims Administrator" or "York");

WITNESSETH

Whereas:

The parties wish to revise their Agreement to include additional services and term for those services as set forth below.

NOW THEREFORE

The parties hereby agree as follows:

1. Section 3 (c) entitled "*Medical Cost Containment and Management*" shall be added to reflect the following:

A. Section 3 (c) 1. The Scope of Services shall be defined as follows:

- WellComp will file all required material with the State of California Administrative Director and ensure approval of your plan
- WellComp will assist with termination of the existing plan, if necessary;
- WellComp will provide NCCSIF with access to medical providers;
- WellComp will work to customize the NCCSIF MPN working to add nominated medical providers after undertaking their own due diligence;
- WellComp will also work to delete non performing medical providers in coordination with the NCCSIF Claims Adjusters;
- WellComp will credential each medical provider participating in the plan at a frequency of not less than every two years verifying that each provider is licensed, registered and/or certified by its respective board or agency, if that is required by law;

- WellComp will compile medical provider information, Member information, e.g. longitude and latitude of each facility location, and other data required for filing & administration of a validly organized medical provider network pursuant to Government Labor Code §4616 et seq.

- In accordance with new California Legislation effective January 1, 2014, WellComp will provide information necessary to locate medical providers by area on its website at www.wellcomp.com. This data will be accessible by injured workers, NCCSIF, and NCCSIF Claims Adjusters;

- WellComp will provide the NCCSIF with an employee notice as required under the requirements of C.C.R. Title 8 Section 9767.12 and shall assist the NCCSIF, as requested in (i) the distribution of the employee notice to covered employees and (ii) working with the NCCSIF to produce affidavits that the employee notice was distributed. Two employee notices are recommended for each employee;

- WellComp will prepare on behalf of NCCSIF and the Members, the MPN application to be filed with the Administrative Director of the California Division of Workers' Compensation, and all attachments, required for the filing for a validly organized medical provider network pursuant to Labor Code §4616 et seq. WellComp also agrees to prepare and file on behalf of NCCSIF up to one amendment of the MPN application per each 12 months at no cost;

- WellComp will provide QUARTERLY reports on all data (including provider usage rates, savings rates, etc);

- WellComp will work in coordination with York, the WC Claims Administrator to provide a QUARTERLY loss run as of 3/31, 6/30, 9/31, and 12/31 showing all NCCSIF claims (whether in the MPN or not) incurred in the term of the contract (not just the prior quarter) with the following information:

1. Date of Loss
2. City
3. Whether claimant utilized the MPN or not
4. Open or Closed
5. Description
6. Number of Days off work
7. Medical Payments
8. Medical Reserves
9. Indemnity Payments
10. Indemnity Reserves
11. Expense Payments
12. Expense Reserves
13. Subrogation
14. Total Paid
15. Total Reserves

- WellComp will train NCCSIF Members and the WC Claims Adjusters on how to utilize the medical provider network, including training activities such as providing educational materials on-site and regional trainings, and teleconferences;
- WellComp will publicize and monitor a toll free telephone number that is available to injured workers, who may call to learn more about the WellComp MPN;
- WellComp will coordinate patient services with NCCSIF and the NCCSIF Claims Examiners. WellComp will be responsible for developing and distributing materials, such as provider directory, that may reasonably be requested by injured workers. This may be provided by access to the website as stated above or physically;
- WellComp will be responsible for developing and mailing informational and training materials and provider directories as reasonable requested by NCCSIF by access to the website or physically;
- WellComp will be responsible for communication with medical providers within the MPN;
- WellComp will perform such acts as required for the on-going administration of the MPN, including such acts as may reasonably be requested by NCCSIF and as are required by statute or regulation.

B.Section 3 (c) 2. Fees in addition to the BR and UR fees as this MPN is another MC service and does not take the place of those services/fees:

- Administrative Filing Fee - \$1,500 one-time State filing fee, includes one material modification per L.C. Section 9767.8 (For example change in liaison or authorized individual, location updates, change in employees greater than 25%, change in physician list greater than 10%; note not physician add.
- Direct Cost to NCCSIF - \$60 per claim entering the MPN for the life of claim or contract (Access fee);
- Savings Cost to NCCSIF – 50% share of contractual discounts below the Official Medical Fee Schedule for claims in the MPN
- Savings Cost to NCCSIF – 50% share of Physician's Reimbursements below the Official Medical Fee Schedule for claims in the MPN

C.Section 3(c) 3. This term of this Agreement Amendment will extend from January 1, 2014 through June 30, 2014.

2. Except as noted above, the Agreement shall remain unchanged.

In witness whereof, the parties have executed this amendment to be effective January 1, 2014.

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND

By: _____
Elizabeth Ehrenstrom, President

Date: _____

YORK RISK SERVICES GROUP, INC.

By: _____
Jody A. Gray, Senior Vice President

Date: _____

Reviewed by NCCSIF Legal Counsel

By: _____
Byrne Conley, Gibbons and Conley

Date: _____

Bill Review Activity Summary

Employer: **NCCSIF**
 Activity Period: **07.01.11 – 06.30.12**
 Data Valued: **10.31.13**

Summary

<u>Bills</u>	
Bills (net)	7,561
Lines (net)	18,354
Gross Charges	\$7,124,889.87
Duplicates/Excl. Chgs	\$1,712,927.88
<hr/>	
Net Charges	\$5,411,961.99
Recommended Allowances	\$1,829,392.03

Savings Detail

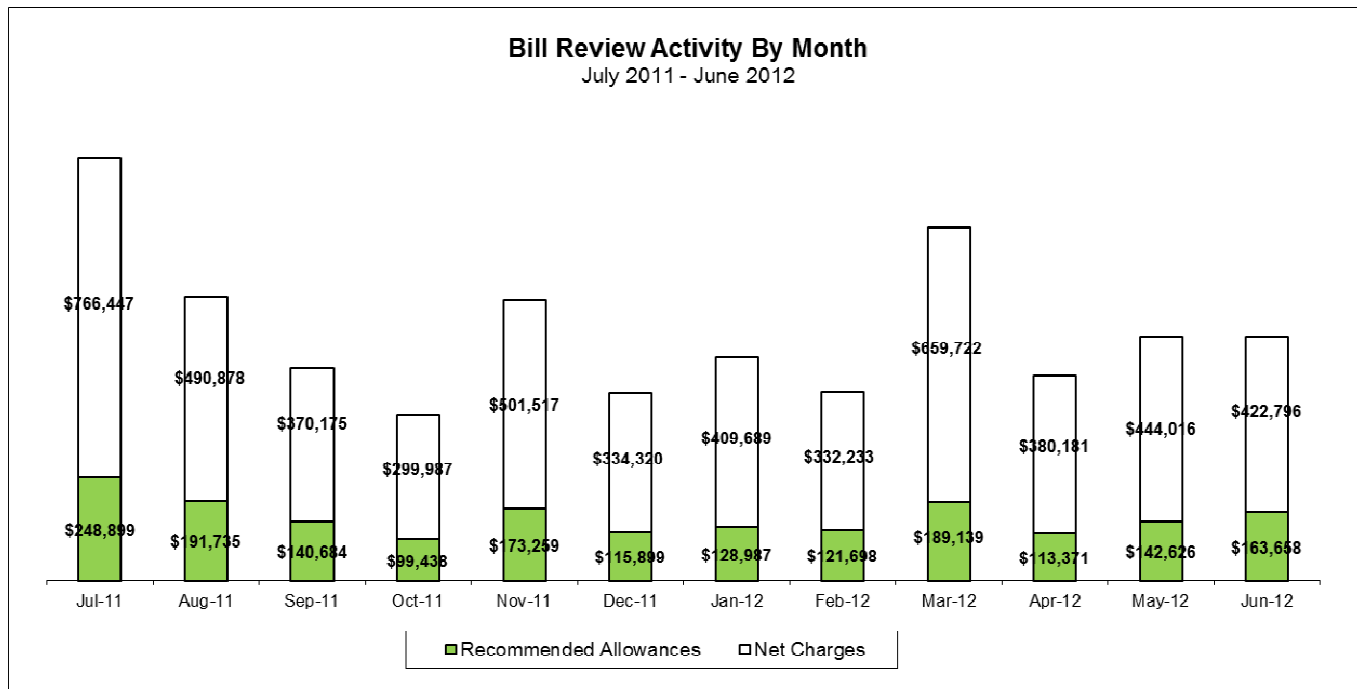
<u>Savings:</u>	
Bill Review (net)	\$3,460,213.20
PPO Network	\$122,356.76
<hr/>	

Gross Savings Total **\$3,582,569.96** **66%**

Fees

Bill Review Services	\$91,161.42
<hr/>	

Net Savings Total **\$3,491,408.54**



Bill Review Activity Summary

Employer: **NCCSIF**
 Activity Period: **07.01.12 – 06.30.13**
 Data Valued: **10.31.13**

Summary

<u>Bills</u>	
Bills (net)	7,924
Lines (net)	18,933
Gross Charges	\$7,287,014.22
Duplicates/Excl. Chgs	\$1,857,183.91
<hr/>	
Net Charges	\$5,429,830.31
Recommended Allowances	\$1,786,158.41

Savings Detail

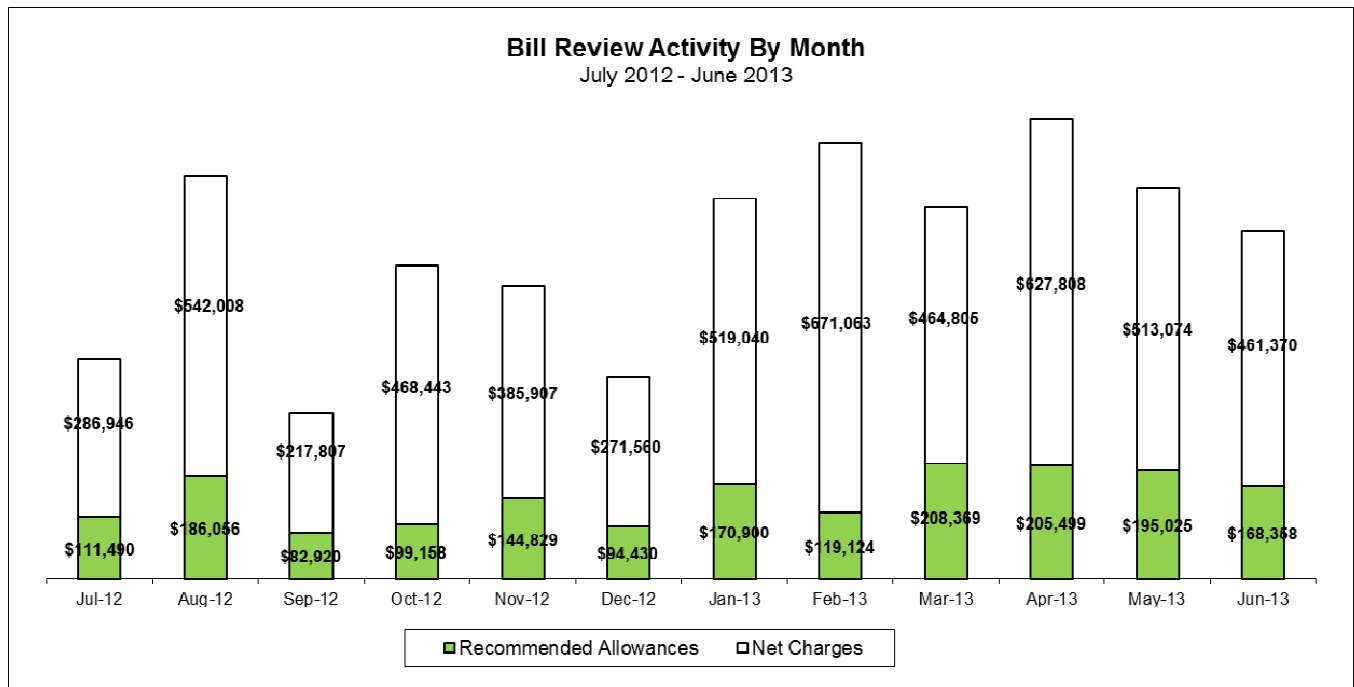
<u>Savings:</u>	
Bill Review (net)	\$3,482,861.10
PPO Network	\$160,810.80
<hr/>	

Gross Savings Total **\$3,643,671.90** **67%**

Fees

Bill Review Services	\$102,862.83
<hr/>	

Net Savings Total **\$3,540,809.07**



Utilization Review Activity Summary

Employer: **NCCSIF**
 Activity Period: **07.01.11 – 06.30.12**
 Data Valued: **10.31.13**

Summary

Claims

Indemnity:	156
First Aid:	0
Medical Only:	30
Future Medical:	148

Activity

Number of Events	703
Authorized	442
MD Approved	89
<hr/>	
MD Appeal Reviews	7
MD Delay	0
Denied/Modified	164
<hr/>	
	76%
	23%

Savings Detail

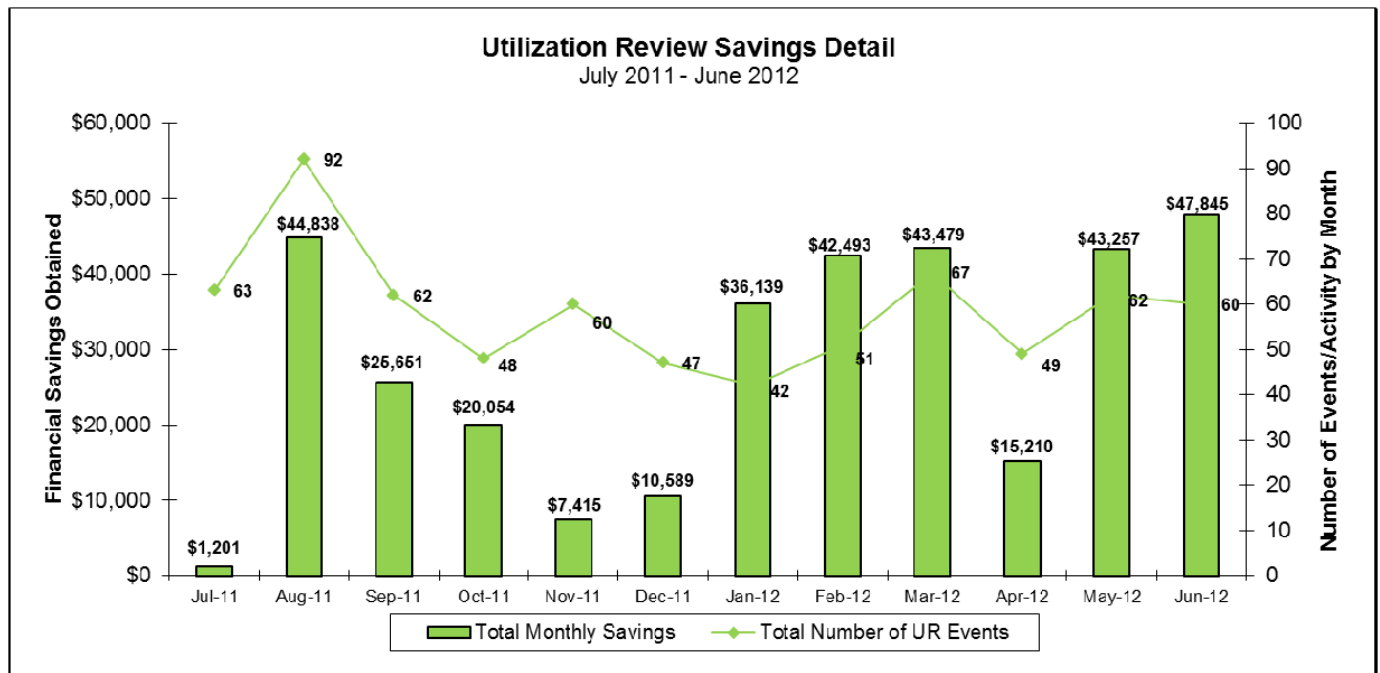
Medical Savings:	\$277,749.27
Indemnity Savings:	\$60,602.18

Gross Savings	\$338,351.45
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Fees

Utilization Services	\$91,325.00
Physician Review	\$67,900.00

Net Savings	\$179,126.45
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Utilization Review Activity Summary

Employer: **NCCSIF**
 Activity Period: **07.01.12 – 06.30.13**
 Data Valued: **10.31.13**

Summary

Claims

Indemnity:	180
First Aid:	0
Medical Only:	30
Future Medical:	116

Activity

Number of Events	749	
Authorized	522	
MD Approved	67	79%
<hr/>		
MD Appeal Reviews	6	
MD Delay	0	
Denied/Modified	153	20%

Savings Detail

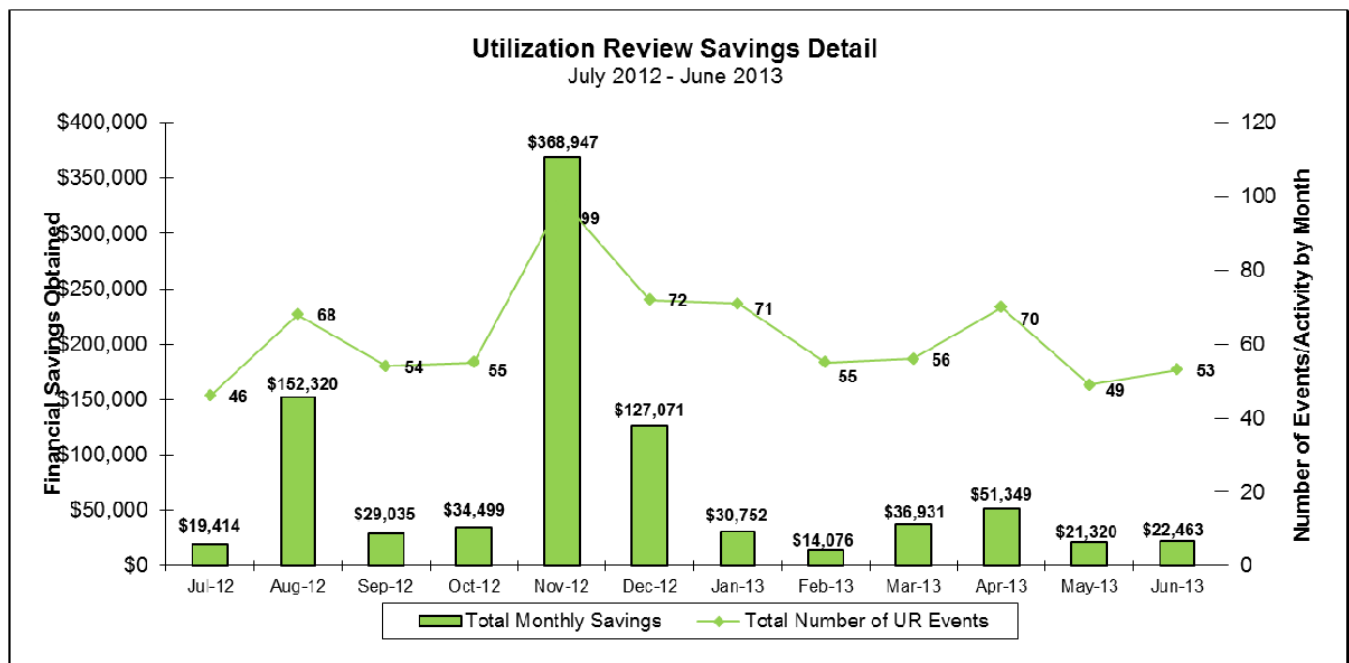
Medical Savings:	\$787,830.46
Indemnity Savings:	\$120,346.60

Gross Savings	\$908,177.06
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Fees

Utilization Services	\$86,090.00
Physician Review	\$59,740.00

Net Savings	\$762,347.06
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QUARTERLY FINANCIAL REPORT FOR PERIOD ENDING SEPTEMBER 30, 2013

ACTION ITEM

ISSUE: The Board of Directors receives a quarterly report on the financial status of NCCSIF. James Marta & Company will present NCCSIF's Financials for Quarter ending September 30, 2013 to the Board of Directors for their review.

FISCAL IMPACT: Unknown.

RECOMMENDATION: Receive and file the Quarterly Financials as presented.

BACKGROUND: Each quarter the Board of Directors reviews the quarterly financials for accuracy and refers questions for follow-up, or receives and files the report as presented.

ATTACHMENTS: Quarterly Financial Report as of September 30, 2013.

FINANCIAL REPORT

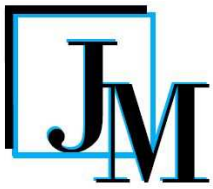
SEPTEMBER 30, 2013

AND FOR THE THREE MONTHS THEN ENDED

Northern California Cities Self Insurance Fund

Northern California Cities Self Insurance Fund
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September 30, 2013

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James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Tax, and Consulting

ACCOUNTANT'S REPORT

Board of Directors
Northern California Cities Self Insurance Fund
701 Howe Avenue, Suite E3
Sacramento, CA 95825

We have compiled the accompanying statement of net position of Northern California Cities Self Insurance Fund as of September 30, 2013, and the related statement of revenues, expenses and changes in net position for the three months then ended, and the supplementary information on pages 4 through 18 are presented for purposes of additional analysis and has been compiled from information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplementary information and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements. During our compilation, we did become aware of certain departures from accounting principles generally accepted in the United States of America that are described in the following paragraph.

A statement of cash flows for the three months ended September 30, 2013 has not been presented. Accounting principles generally accepted in the United States of America require that such a statement be presented when financial statements purport to present financial position and results of operations.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Northern California Cities Self Insurance Fund.

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
November 11, 2013

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Statement of Net Position
September 30, 2013

Assets

Current Assets		
Cash	\$	4,266,417
Accounts Receivable		53,503
Interest Receivable		212,826
Excess Accounts Receivable		1,169,122
Prepaid Expense		1,910,459
Total Current Assets		<u>7,612,327</u>
Non-Current Assets		
Investments*		<u>40,604,150</u>
Total Assets	\$	<u><u>48,216,477</u></u>

Liabilities & Net Position

Current Liabilities		
Accounts Payable	\$	197,977
Deferred Revenue		4,591,336
Total Current Liabilities		<u>4,789,313</u>
Non-Current Liabilities		
Outstanding Liabilities*		34,161,425
ULAE*		1,947,631
Total Non-Current Liabilities		<u>36,109,056</u>
Total Liabilities		40,898,369
Net Position		<u>7,318,108</u>
Liability & Net Position	\$	<u><u>48,216,477</u></u>

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Statement of Revenues, Expenses and Changes in Net Position
For the Three Months Ended September 30, 2013**

Operating Income	
Administration Deposit	\$ 266,685
Banking Layer Deposit	1,466,221
Shared Risk Layer	830,350
Excess Deposit/Premium	459,214
Property/Crime Insurance Income	231,290
Risk Management Grants	145,635
Other Income	<u>929</u>
Total Operating Income	<u>3,400,324</u>
Operating Expenses	
Claims Paid	1,986,213
O/S Liability adj.	617,754
ULAE	29,783
Consultants	33,000
Administration-Other	15,006
Safety Service	134,204
Claims Administration	115,717
Program Administration	109,116
Board Expenses	1,020
Excess Insurance	419,528
Property/Crime Insurance Expense	<u>217,291</u>
Total Operating Expenses	<u>3,678,632</u>
Operating Income (Loss)	(278,308)
Non-Operating Income	
Change in Fair Market Value	(44,920)
Interest Income	<u>247,831</u>
Total Non-Operating Income	<u>202,911</u>
Change in Net Position	(75,397)
Beginning Net Position	<u>7,393,505</u>
Ending Net Position	<u>\$ 7,318,108</u>

See Accompanying Accountant's Report

SUPPLEMENTARY INFORMATION

Selected Information
Substantially All Disclosures Required by Generally Accepted
Accounting Principles Are Not Included

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position - Liability
September 30, 2013**

	L Shar	L Admin	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Folsom	City of Galt	City of Gridley	City of Ione
Current Assets											
Cash	\$ 1,308,787	\$ 364,768	\$ 87,482	\$ 102,736	\$ 22,350	\$ 32,400	\$ 88,719	\$ 388,417	\$ 137,304	\$ 49,476	\$ 21,705
Accounts Receivable	-	-	-	-	2,776	5,411	-	-	-	-	1,283
Interest Receivable	47,938	11,359	1,271	4,909	941	523	740	21,944	2,653	266	(133)
Assessments Receivable	-	-	-	-	-	-	-	-	-	-	-
Excess Accounts	622,891	-	-	-	-	-	-	-	-	-	-
Prepaid Expense	1,402,525	-	-	-	-	-	-	-	-	-	-
Total Current Assets	3,382,141	376,127	88,753	107,645	26,067	38,334	89,459	410,361	139,957	49,742	22,855
Non-Current Assets											
Investments*	4,040,119	205,430	62,039	28,582	31,283	14,352	95,441	1,383,595	76,660	123,470	3,538
Total Assets	\$ 7,422,260	\$ 581,557	\$ 150,792	\$ 136,227	\$ 57,350	\$ 52,686	\$ 184,900	\$ 1,793,956	\$ 216,617	\$ 173,212	\$ 26,393
Current Liabilities											
Accounts Payable	\$ 404	\$ 27,807	\$ 570	\$ 1,131	\$ 301	\$ 2,380	\$ 122	\$ 8,934	\$ 4,356	\$ 672	\$ 997
Deferred Revenue	2,357,017	382,991	28,187	48,528	22,622	14,258	29,981	327,085	74,736	26,908	9,602
Total Current Liabilities	2,357,421	410,798	28,757	49,659	22,923	16,638	30,103	336,019	79,092	27,580	10,599
Non-Current Liabilities											
Outstanding Liabilities*	5,463,389	-	7,104	34,418	52,927	147,914	20,870	766,453	127,874	82,070	26,930
Total Non-Current	5,463,389	-	7,104	34,418	52,927	147,914	20,870	766,453	127,874	82,070	26,930
Total Liabilities	7,820,810	410,798.00	35,861	84,077	75,850	164,552	50,973	1,102,472	206,966	109,650	37,529
Net Position	(398,550)	170,759	114,931	52,150	(18,500)	(111,866)	133,927	691,484	9,651	63,562	(11,136)
Liability & Net Position	\$ 7,422,260	\$ 581,557	\$ 150,792	\$ 136,227	\$ 57,350	\$ 52,686	\$ 184,900	\$ 1,793,956	\$ 216,617	\$ 173,212	\$ 26,393

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position - Liability
September 30, 2013**

	City of Jackson	City of Lincoln	City of Marysville	City of Oroville	City of Paradise	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City	Total
Current Assets											
Cash	\$ 8,399	\$ 96,128	\$ 53,780	\$ 61,340	\$ 151,059	\$ 93,768	\$ 13,808	\$ 88,252	\$ 25,826	\$ 113,533	\$ 3,310,037
Accounts Receivable	11,527	-	-	-	-	-	-	-	-	-	20,997
Interest Receivable	1,564	5,168	3,555	2,124	2,199	4,090	1,289	3,439	(30)	2,468	118,277
Assessments Receivable	-	-	-	-	-	-	-	-	-	-	-
Excess Accounts	-	-	-	-	-	-	-	-	-	-	622,891
Prepaid Expense	-	-	-	-	-	-	-	-	-	-	1,402,525
Total Current Assets	21,490	101,296	57,335	63,464	153,258	97,858	15,097	91,691	25,796	116,001	5,474,727
Non-Current Assets											
Investments*	558	294,784	154,903	110,580	78,008	120,576	65,639	401,876	56,851	506,871	7,855,155
Total Assets	\$ 22,048	\$ 396,080	\$ 212,238	\$ 174,044	\$ 231,266	\$ 218,434	\$ 80,736	\$ 493,567	\$ 82,647	\$ 622,872	\$ 13,329,882
Current Liabilities											
Accounts Payable	\$ 1,212	\$ 878	\$ 1,013	\$ 1,210	\$ 2,265	\$ 1,333	\$ 80,057	\$ 4,268	\$ 4,430	\$ 4,363	\$ 148,703
Deferred Revenue	11,806	92,443	44,630	60,149	50,744	77,292	(63,755)	91,108	1,934	116,507	3,804,773
Total Current Liabilities	13,018	93,321	45,643	61,359	53,009	78,625	16,302	95,376	6,364	120,870	3,953,476
Non-Current Liabilities											
Outstanding Liabilities*	87,689	188,134	116,831	19,147	290,733	143,721	46,505	158,144	36,532	273,750	8,091,135
Total Non-Current	87,689	188,134	116,831	19,147	290,733	143,721	46,505	158,144	36,532	273,750	8,091,135
Total Liabilities	100,707	281,455	162,474	80,506	343,742	222,346	62,807	253,520	42,896	394,620	12,044,611
Net Position	(78,659)	114,625	49,764	93,538	(112,476)	(3,912)	17,929	240,047	39,751	228,252	1,285,271
Liability & Net Position	\$ 22,048	\$ 396,080	\$ 212,238	\$ 174,044	\$ 231,266	\$ 218,434	\$ 80,736	\$ 493,567	\$ 82,647	\$ 622,872	\$ 13,329,882

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position - Liability
For the Three Months Ended September 30, 2013

	L. Shar	L. Admin	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Folsom	City of Galt	City of Gridley	City of Ione
Operating Income											
Administration Deposit	\$ -	\$ 127,664	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	-	-	9,396	16,176	7,541	4,753	9,994	109,028	24,912	8,969	3,201
Shared Risk Layer	276,265	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	278,117	-	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Income	231,290	-	-	-	-	-	-	-	-	-	-
Total Operating Income	785,672	127,664	9,396	16,176	7,541	4,753	9,994	109,028	24,912	8,969	3,201
Operating Expenses											
Claims Paid	620,499	-	-	2,464	18,315	6,445	575	86,844	12,384	4,477	2,392
O/S Liability adj.	(247,457)	-	1,827	4,903	1,209	103,911	5,228	41,243	27,505	29,295	2,163
Consultants	-	16,500	-	-	-	-	-	-	-	-	-
Administration-Other	-	3	-	-	-	-	-	-	-	-	-
Safety Service	-	105,477	-	-	-	-	-	-	-	-	-
Claims Administration	-	-	-	-	-	-	-	-	-	-	-
Program Administration	-	57,933	-	-	-	-	-	-	-	-	-
Board Expenses	-	510	-	-	-	-	-	-	-	-	-
Excess Insurance	250,217	-	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Expense	217,291	-	-	-	-	-	-	-	-	-	-
Total Operating Expense	840,550	180,423	1,827	7,367	19,524	110,356	5,803	128,087	39,889	33,772	4,555
Operating Income (Loss)	(54,878)	(52,759)	7,569	8,809	(11,983)	(105,603)	4,191	(19,059)	(14,977)	(24,803)	(1,354)
Non-Operating Income											
Change in Fair Market Value	(2,884)	(1,119)	(205)	(304)	(95)	(85)	(460)	(2,867)	(532)	(262)	(46)
Interest Income	12,685	678	1,058	1,611	498	478	2,360	14,692	2,664	1,339	243
Total Non-Operating Income	9,801	(441)	853	1,307	403	393	1,900	11,825	2,132	1,077	197
Change in Net Position	(45,077)	(53,200)	8,422	10,116	(11,580)	(105,210)	6,091	(7,234)	(12,845)	(23,726)	(1,157)
Beginning Net Position	(353,473)	223,959	106,509	42,034	(6,920)	(6,656)	127,836	698,718	22,496	87,288	(9,979)
Ending Net Position	\$ (398,550)	\$ 170,759	\$ 114,931	\$ 52,150	\$ (18,500)	\$ (111,866)	\$ 133,927	\$ 691,484	\$ 9,651	\$ 63,562	\$ (11,136)

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position - Liability
For the Three Months Ended September 30, 2013

	City of Jackson	City of Lincoln	City of Marysville	City of Oroville	City of Paradise	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City	Total
Operating Income											
Administration Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	127,664
Banking Layer Deposit	3,935	30,814	14,877	20,050	16,915	25,764	5,269	30,369	2,071	38,836	382,870
Shared Risk Layer	-	-	-	-	-	-	-	-	-	-	276,265
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-	-	278,117
Property/Crime Insurance Income	-	-	-	-	-	-	-	-	-	-	231,290
Total Operating Income	3,935	30,814	14,877	20,050	16,915	25,764	5,269	30,369	2,071	38,836	1,296,206
Operating Expenses											
Claims Paid	5,991	17,269	4,697	83	4,710	9,230	6,204	40,565	295	21,118	864,557
O/S Liability adj.	13,100	6,847	49,738	5,779	36,391	31,139	1,047	18,999	5,382	80,863	219,112
Consultants	-	-	-	-	-	-	-	-	-	-	16,500
Administration-Other	-	-	-	-	-	-	-	-	-	-	3
Safety Service	-	-	-	-	-	-	-	-	-	-	105,477
Claims Administration	-	-	-	-	-	-	-	-	-	-	-
Program Administration	-	-	-	-	-	-	-	-	-	-	57,933
Board Expenses	-	-	-	-	-	-	-	-	-	-	510
Excess Insurance	-	-	-	-	-	-	-	-	-	-	250,217
Property/Crime Insurance Expense	-	-	-	-	-	-	-	-	-	-	217,291
Total Operating Expense	19,091	24,116	54,435	5,862	41,101	40,369	7,251	59,564	5,677	101,981	1,731,600
Operating Income (Loss)	(15,156)	6,698	(39,558)	14,188	(24,186)	(14,605)	(1,982)	(29,195)	(3,606)	(63,145)	(435,394)
Non-Operating Income											
Change in Fair Market Value	(99)	(441)	(458)	(286)	(454)	(376)	(171)	(1,030)	(130)	(852)	(13,156)
Interest Income	614	2,248	2,331	1,446	2,309	1,910	864	5,333	778	4,333	60,472
Total Non-Operating Income	515	1,807	1,873	1,160	1,855	1,534	693	4,303	648	3,481	47,316
Change in Net Position	(14,641)	8,505	(37,685)	15,348	(22,331)	(13,071)	(1,289)	(24,892)	(2,958)	(59,664)	(388,078)
Beginning Net Position	(64,018)	106,120	87,449	78,190	(90,145)	9,159	19,218	264,939	42,709	287,916	1,673,349
Ending Net Position	\$ (78,659)	\$ 114,625	\$ 49,764	\$ 93,538	\$ (112,476)	\$ (3,912)	\$ 17,929	\$ 240,047	\$ 39,751	\$ 228,252	\$ 1,285,271

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position – Workers’ Compensation
September 30, 2013

	WC Shar	WC Admin	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Elk Grove	City of Folsom	City of Galt	City of Gridley	City of Ione	City of Jackson
Current Assets													
Cash	\$ (493,620)	\$ 195,864	\$ 35,766	\$ 21,994	\$ 51,157	\$ 56,112	\$ 160,086	\$ 54,260	\$ 50,837	\$ 125,696	\$ 37,288	\$ 63,490	\$ 56,660
Accounts Receivable	-	-	-	16,279	1,633	1,730	-	-	-	-	-	-	-
Interest Receivable	(21,111)	6,400	1,717	3,239	4,541	2,701	2,646	-	34,963	9,152	1,840	(345)	189
Excess Accounts	546,231	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expense	507,934	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	539,434	202,264	37,483	41,512	57,331	60,543	162,732	54,260	85,800	134,848	39,128	63,145	56,849
Non-Current Assets													
Investments*	17,162,293	549,802	255,631	540,805	105,846	105,646	736,821	0	4,651,921	849,487	381,591	23,763	207,663
Total Assets	\$ 17,701,727	\$ 752,066	\$ 293,114	\$ 582,317	\$ 163,177	\$ 166,189	\$ 899,553	\$ 54,260	\$ 4,737,721	\$ 984,335	\$ 420,719	\$ 86,908	\$ 264,512
Current Liabilities													
Accounts Payable	\$ 2,823	\$ 42,806	\$ 73	\$ 110	\$ 39	\$ 37	\$ 178	\$ -	\$ 1,032	\$ 205	\$ 101	\$ 19	\$ 47
Deferred Revenue	399,101	-	-	-	8,883	-	-	-	-	-	-	13,813	25,556
Total Current Liabilities	401,924	42,806	73	110	8,922	37	178	-	1,032	205	101	13,832	25,603
Non-Current Liabilities													
Outstanding Liabilities*	13,926,199	-	374,381	692,160	155,289	209,370	512,220	112,667	3,312,651	824,224	197,014	2,793	151,380
ULAE*	1,040,384	-	27,969	51,709	11,601	15,641	38,266	8,417	247,478	61,575	14,718	209	11,309
Total Non-Current	14,966,583	-	402,350	743,869	166,890	225,011	550,486	121,084	3,560,129	885,799	211,732	3,002	162,689
Total Liabilities	15,368,507	42,806	402,423	743,979	175,812	225,048	550,664	121,084	3,561,161	886,004	211,833	16,834	188,292
Net Position	2,333,220	709,260	(109,309)	(161,662)	(12,635)	(58,859)	348,889	(66,824)	1,176,560	98,331	208,886	70,074	76,220
Liability & Net Position	\$ 17,701,727	\$ 752,066	\$ 293,114	\$ 582,317	\$ 163,177	\$ 166,189	\$ 899,553	\$ 54,260	\$ 4,737,721	\$ 984,335	\$ 420,719	\$ 86,908	\$ 264,512

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Net Position – Workers’ Compensation
September 30, 2013**

	City of Lincoln	City of Marysville	City of Nevada City	City of Oroville	City of Paradise	City of Placerville	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City	Total
Current Assets												
Cash	\$ 52,693	\$ 34,305	\$ 71,070	\$ 37,507	\$ 47,014	\$ 102,002	\$ 21,138	\$ 22,404	\$ 41,940	\$ 61,609	\$ 49,108	\$ 956,380
Accounts Receivable	7,725	-	-	-	-	-	-	-	-	5,139	-	32,506
Interest Receivable	347	431	963	13,049	7,447	7,042	(777)	741	5,892	2,873	10,609	94,549
Excess Accounts	-	-	-	-	-	-	-	-	-	-	-	546,231
Prepaid Expense	-	-	-	-	-	-	-	-	-	-	-	507,934
Total Current Assets	60,765	34,736	72,033	50,556	54,461	109,044	20,361	23,145	47,832	69,621	59,717	2,137,600
Non-Current Assets												
Investments*	532,509	747,239	227,104	392,030	758,017	532,052	555,030	264,403	1,770,707	206,668	1,191,967	32,748,995
Total Assets	\$ 593,274	\$ 781,975	\$ 299,137	\$ 442,586	\$ 812,478	\$ 641,096	\$ 575,391	\$ 287,548	\$ 1,818,539	\$ 276,289	\$ 1,251,684	\$ 34,886,595
Current Liabilities												
Accounts Payable	\$ 176	\$ 177	\$ 49	\$ 108	\$ 180	\$ 110	\$ 145	\$ 64	\$ 403	\$ 59	\$ 333	\$ 49,274
Deferred Revenue	-	22,302	-	-	-	-	-	75,209	228,199	8,204	5,297	786,563
Total Current Liabilities	176	22,479	49	108	180	110	145	75,273	228,602	8,263	5,630	835,837
Non-Current Liabilities												
Outstanding Liabilities*	612,242	715,556	99,326	285,649	642,058	490,736	504,980	92,037	809,131	115,060	1,233,167	26,070,290
ULAE*	45,739	53,457	7,420	21,340	47,966	36,661	37,726	6,876	60,448	8,596	92,126	1,947,631
Total Non-Current	657,981	769,013	106,746	306,989	690,024	527,397	542,706	98,913	869,579	123,656	1,325,293	28,017,921
Total Liabilities	658,157	791,492	106,795	307,097	690,204	527,507	542,851	174,186	1,098,181	131,919	1,330,923	28,853,758
Net Position	(64,883)	(9,517)	192,342	135,489	122,274	113,589	32,540	113,362	720,358	144,370	(79,239)	6,032,837
Liability & Net Position	\$ 593,274	\$ 781,975	\$ 299,137	\$ 442,586	\$ 812,478	\$ 641,096	\$ 575,391	\$ 287,548	\$ 1,818,539	\$ 276,289	\$ 1,251,684	\$ 34,886,595

*For internal reporting purposes, investments and claim liabilities are classified as non-current.

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position - Workers' Compensation
For the Three Months Ended September 30, 2013

	WC Shar	WC Admin	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Elk Grove	City of Folsom	City of Galt	City of Gridley	City of Ione	City of Jackson
Operating Income													
Administration Deposit	\$ -	\$ 139,021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	-	-	26,407	42,911	14,642	19,330	55,849	54,260	243,129	52,720	13,716	9,586	20,913
Shared Risk Layer	554,085	-	-	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	181,097	-	-	-	-	-	-	-	-	-	-	-	-
Risk Management Grants	-	145,635	-	-	-	-	-	-	-	-	-	-	-
Other Income	929	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	736,111	284,656	26,407	42,911	14,642	19,330	55,849	54,260	243,129	52,720	13,716	9,586	20,913
Operating Expenses													
Claims Paid	351,935	-	66,749	38,093	6,573	10,403	(24,220)	-	210,640	25,172	6,400	-	6,737
O/S Liability adj.	175,159	-	(73,398)	7,080	20,731	(996)	(29,542)	112,667	278,672	(148,086)	(13,172)	23	(4,959)
ULAE	13,086	-	(5,483)	529	1,549	(74)	(2,207)	8,417	20,819	(11,063)	(984)	2	(371)
Consultants	-	16,500	-	-	-	-	-	-	-	-	-	-	-
Administration-Other	-	15,003	-	-	-	-	-	-	-	-	-	-	-
Safety Service	-	28,727	-	-	-	-	-	-	-	-	-	-	-
Claims Administration	-	28,350	2,741	3,398	1,494	1,915	3,147	-	23,150	4,970	1,494	-	1,081
Program Administration	-	51,183	-	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	510	-	-	-	-	-	-	-	-	-	-	-
Excess Insurance	169,311	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	709,491	140,273	(9,391)	49,100	30,347	11,248	(52,822)	121,084	533,281	(129,007)	(6,262)	25	2,488
Operating Income (Loss)	26,620	144,383	35,798	(6,189)	(15,705)	8,082	108,671	(66,824)	(290,152)	181,727	19,978	9,561	18,425
Non-Operating Income													
Change in Fair Market Value	(14,377)	(338)	(368)	(543)	(168)	(149)	(827)	0	(5,117)	(956)	(472)	(81)	(172)
Interest Income	81,442	1,094	2,259	3,434	1,062	1,021	5,034	0	31,293	5,679	2,858	516	1,310
Total Non-Operating Income	67,065	756	1,891	2,891	894	872	4,207	0	26,176	4,723	2,386	435	1,138
Change in Net Position	93,685	145,139	37,689	(3,298)	(14,811)	8,954	112,878	(66,824)	(263,976)	186,450	22,364	9,996	19,563
Beginning Net Position	2,239,535	564,121	(146,998)	(158,364)	2,176	(67,813)	236,011	0	1,440,536	(88,119)	186,522	60,078	56,657
Ending Net Position	\$ 2,333,220	\$ 709,260	\$ (109,309)	\$ (161,662)	\$ (12,635)	\$ (58,859)	\$ 348,889	\$ (66,824)	\$ 1,176,560	\$ 98,331	\$ 208,886	\$ 70,074	\$ 76,220

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Net Position - Workers' Compensation
For the Three Months Ended September 30, 2013

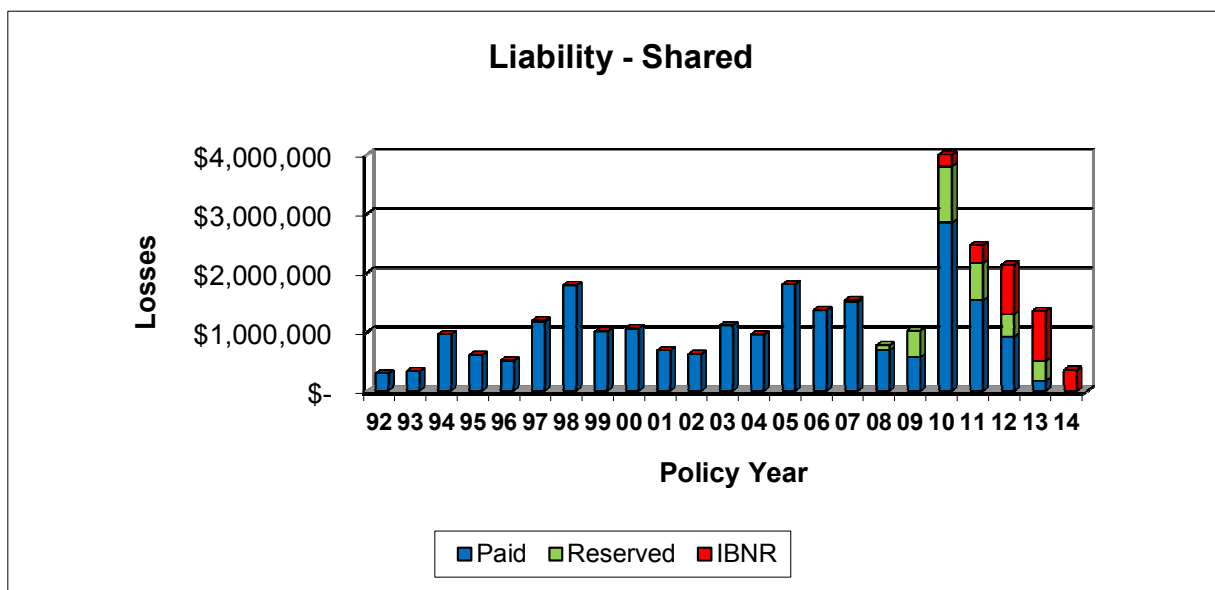
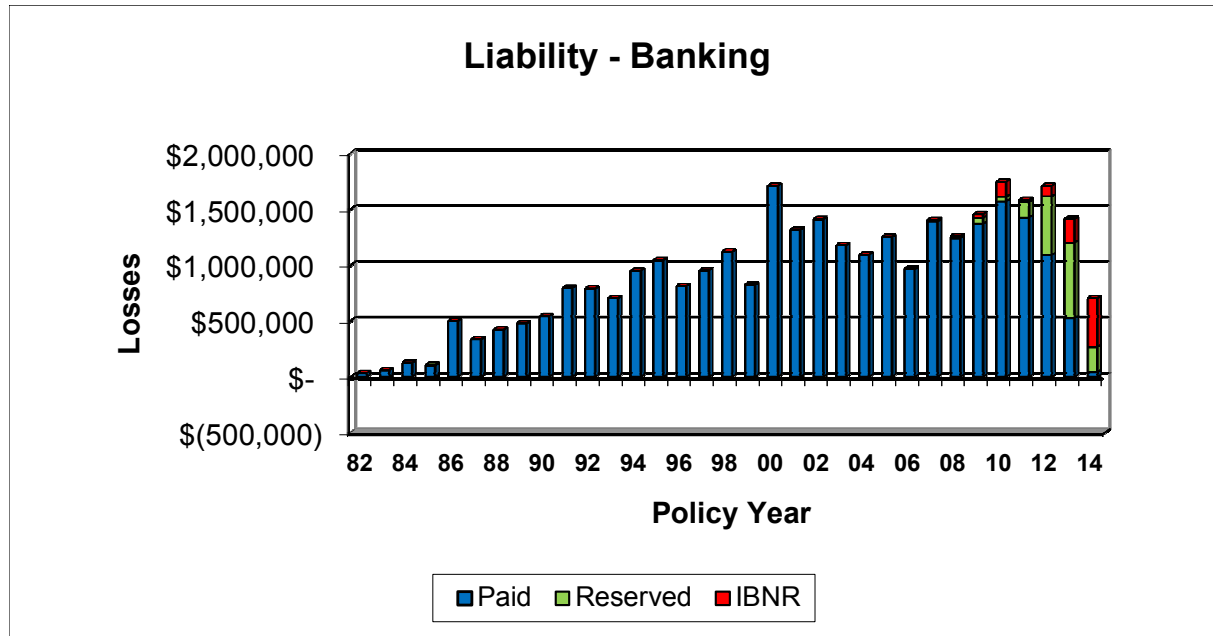
	City of Lincoln	City of Marysville	City of Nevada City	City of Oroville	City of Paradise	City of Placerville	City of Red Bluff	City of Rio Vista	City of Rocklin	City of Willows	City of Yuba City	Total
Operating Income												
Administration Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	139,021
Banking Layer Deposit	65,129	34,026	15,123	42,437	48,185	49,587	57,315	10,664	83,558	26,097	97,767	1,083,351
Shared Risk Layer	-	-	-	-	-	-	-	-	-	-	-	554,085
Excess Deposit/Premium	-	-	-	-	-	-	-	-	-	-	-	181,097
Risk Management Grants	-	-	-	-	-	-	-	-	-	-	-	145,635
Other Income	-	-	-	-	-	-	-	-	-	-	-	929
Total Operating Income	65,129	34,026	15,123	42,437	48,185	49,587	57,315	10,664	83,558	26,097	97,767	2,104,118
Operating Expenses												
Claims Paid	51,940	56,112	312	27,289	33,786	14,635	64,544	10,949	59,900	4,494	99,213	1,121,656
O/S Liability adj.	94,915	12,202	(56,323)	17,159	(61,012)	86,655	(45,151)	(2,459)	19,183	(14,077)	23,371	398,642
ULAE	7,091	912	(4,208)	1,282	(4,558)	6,474	(3,373)	(184)	1,433	(1,052)	1,746	29,783
Consultants	-	-	-	-	-	-	-	-	-	-	-	16,500
Administration-Other	-	-	-	-	-	-	-	-	-	-	-	15,003
Safety Service	-	-	-	-	-	-	-	-	-	-	-	28,727
Claims Administration	2,741	4,232	1,243	3,568	4,479	3,984	5,475	1,575	6,567	1,989	8,124	115,717
Program Administration	-	-	-	-	-	-	-	-	-	-	-	51,183
Board Expenses	-	-	-	-	-	-	-	-	-	-	-	510
Excess Insurance	-	-	-	-	-	-	-	-	-	-	-	169,311
Total Operating Expenses	156,687	73,458	(58,976)	49,298	(27,305)	111,748	21,495	9,881	87,083	(8,646)	132,454	1,947,032
Operating Income (Loss)	(91,558)	(39,432)	74,099	(6,861)	75,490	(62,161)	35,820	783	(3,525)	34,743	(34,687)	157,086
Non-Operating Income												
Change in Fair Market	(785)	(824)	(183)	(513)	(810)	(492)	(676)	(310)	(1,849)	(228)	(1,526)	(31,764)
Interest Income	4,783	4,969	1,389	3,080	4,919	3,024	4,074	1,843	11,377	1,663	9,236	187,359
Total Non-Operating Income	3,998	4,145	1,206	2,567	4,109	2,532	3,398	1,533	9,528	1,435	7,710	155,595
Change in Net Position	(87,560)	(35,287)	75,305	(4,294)	79,599	(59,629)	39,218	2,316	6,003	36,178	(26,978)	312,681
Beginning Net Position	22,677	25,770	117,037	139,783	42,675	173,218	(6,678)	111,046	714,355	108,192	(52,261)	5,720,156
Ending Net Position	\$ (64,883)	\$ (9,517)	\$ 192,342	\$ 135,489	\$ 122,274	\$ 113,589	\$ 32,540	\$ 113,362	\$ 720,358	\$ 144,370	\$ (79,239)	\$ 6,032,837

**Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Reconciliation of Claims Liability by Program
As of September 30, 2013 and 2012**

	Liability Banking 2013	Liability Shared Risk 2013	Total Liability Program		WC Banking 2013	WC Shared Risk 2013	Total WC Program		Totals	
			2013	2012			2013	2012	2013	2012
Unpaid claims and claim adjustment expenses at beginning of the fiscal year	2,161,176	5,710,847	7,872,023	9,524,917	12,811,159	14,778,338	27,589,496	24,047,879	35,461,519	33,572,796
Incurred claims and claim adjustment expenses:										
Provision for insured events of the current fiscal year	705,341	358,288	1,063,629	2,769,500	959,304	609,848	1,569,152	6,075,112	2,632,781	8,844,612
Increases (Decreases) in provision for insured events of prior fiscal years	5,285	14,754	20,039	485,712	33,901	(82,756)	(48,855)	1,229,056	(28,816)	1,714,767
Change in provision for ULAE in current year	-	-	-	-	16,696	13,086	29,781	348,561	29,781	348,561
Total incurred claims and claim adjustment expenses	710,626	373,042	1,083,668	3,255,212	1,009,900	540,178	1,550,078	7,652,729	2,633,746	10,907,940
Payments:										
Claims and claim adjustment expenses attributable to insured events of the current fiscal year	43,952	-	43,952	628,324	86,961	-	86,961	802,974	130,913	1,431,298
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	200,106	620,500	820,606	4,279,783	682,759	351,934	1,034,693	3,308,138	1,855,299	7,587,921
Total Payments	244,058	620,500	864,557	4,908,107	769,721	351,934	1,121,654	4,111,112	1,986,212	9,019,219
Total unpaid claims and claim adjustment expenses at end of the fiscal year	2,627,745	5,463,389	8,091,133	7,872,022	13,051,338	14,966,582	28,017,920	27,589,496	36,109,054	35,461,518
Claims Liability	2,627,745	5,463,389	8,091,133	7,872,022	12,144,090	13,926,199	26,070,289	25,671,646	34,161,422	33,543,668
Claims ULAE	-	-	-	-	907,248	1,040,384	1,947,632	1,917,850	1,947,632	1,917,850
Total Claim Liabilities	2,627,745	5,463,389	8,091,133	7,872,022	13,051,338	14,966,582	28,017,920	27,589,496	36,109,054	35,461,518

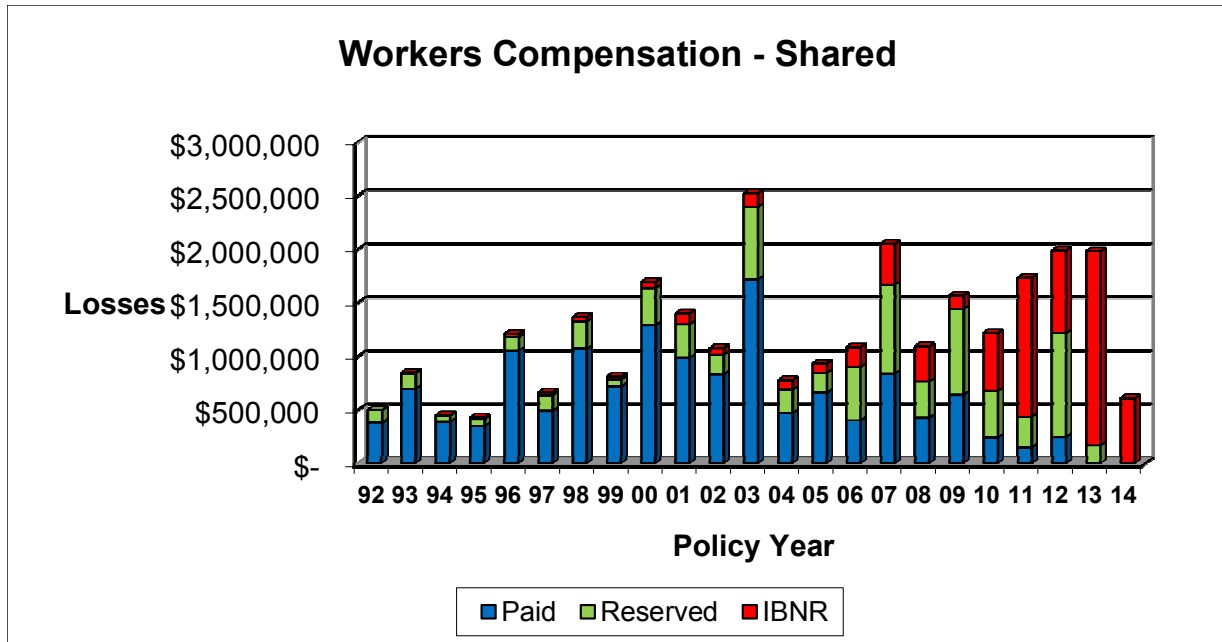
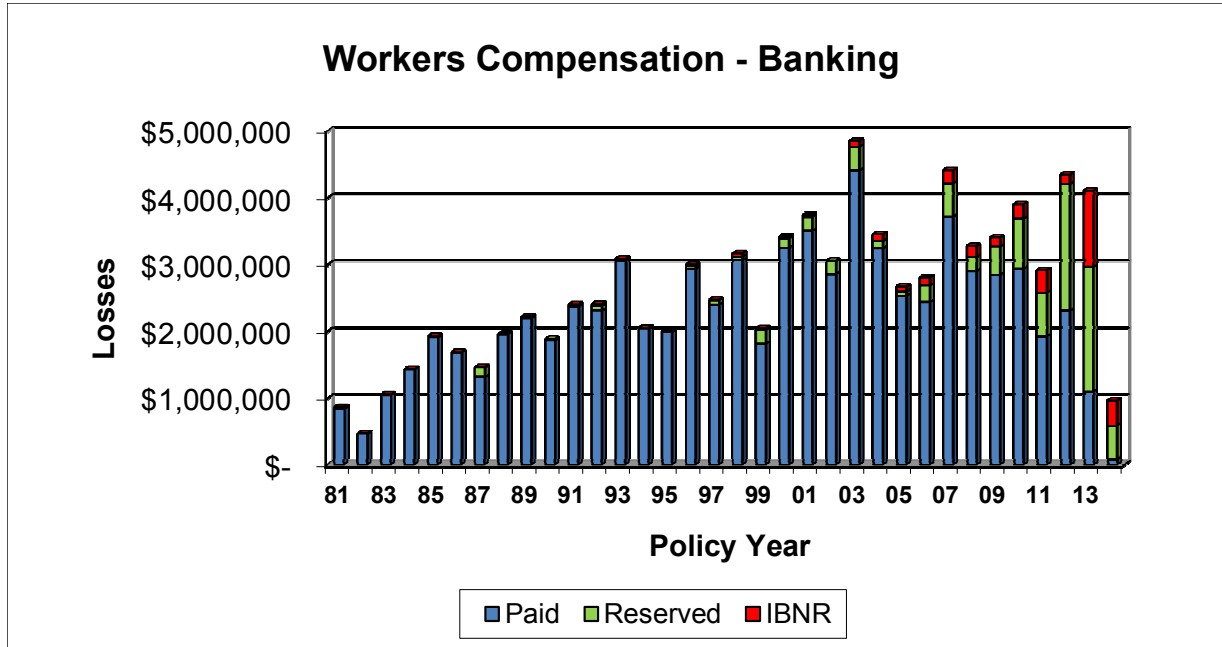
See Accompanying Accountant's Report

Northern California Cities Self Insurance Fund
Graphical Summary of Claims
As of September 30, 2013



See Accompanying Accountant's Report

Northern California Cities Self Insurance Fund
Graphical Summary of Claims
As of September 30, 2013



See Accompanying Accountant's Report



NCCSIF BUDGET TO ACTUAL REPORT AS OF SEPTEMBER 30, 2013

INFORMATION ITEM

ISSUE: The Board will receive an update on NCCSIF's current Budget to Actual Report as of September 30, 2013.

FISCAL IMPACT: None.

RECOMMENDATION: None. This item is provided as information only.

BACKGROUND: Program Administrators has been asked to provide an update on the Budget to Actual Report at each meeting to allow the opportunity to address any pertinent Budget updates and ensure the budget is on track.

ATTACHMENT(S): NCCSIF Budget to Actual Report as of September 30, 2013.

Northern California Cities Self Insurance Fund
Budget to Actual
As of September 30, 2013

	Budget 2013-2014			YTD Expended 2013-2014			Remaining 2013-2014		
	Total	WC	Liab	Total	WC	Liab	Total	WC	Liab
ADMIN BUDGET									
Administrative Revenue									
41010 Administrative Deposit	\$ 1,045,750	\$ 535,095	\$ 510,655	\$ 266,685	\$ 139,021	\$ 127,664	\$ 779,065	\$ 396,074	\$ 382,991
44030 Change in Fair Value	-	-	-	(1,457)	(338)	(1,119)	1,457	338	1,119
44040 Interest Income	-	-	-	1,770	1,094	676	(1,770)	(1,094)	(676)
44080 Risk Management Grants	-	-	-	145,635	145,635	-	(145,635)	(145,635)	-
Total Admin Revenue	\$ 1,045,750	\$ 535,095	\$ 510,655	\$ 412,633	\$ 285,412	\$ 127,221	\$ 778,752	\$ 249,683	\$ 383,434
Administrative Expenses									
52100 Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
52101 Claims Audit	7,000	7,000	-	-	-	-	7,000	7,000	-
52102 Financial Audit	26,100	13,050	13,050	21,000	10,500	10,500	5,100	2,550	2,550
52103 Legal Services	15,000	7,500	7,500	-	-	-	15,000	7,500	7,500
52104 Actuarial Services	10,000	4,000	6,000	9,500	4,750	4,750	500	(750)	1,250
52105 Computer Services	-	-	-	-	-	-	-	-	-
52106 JPA Accreditation	-	-	-	-	-	-	-	-	-
52107 Fidelity Bonds	2,000	1,000	1,000	2,500	1,250	1,250	(500)	(250)	(250)
52109 Miscellaneous Consultants	5,000	2,500	2,500	-	-	-	5,000	2,500	2,500
XXXXX Errors & Omissions	-	-	-	-	-	-	-	-	-
Total Admin Expenses	\$ 65,100	\$ 35,050	\$ 30,050	\$ 33,000	\$ 16,500	\$ 16,500	\$ 32,100	\$ 18,550	\$ 13,550
Safety Services									
52200 Safety Service	\$ 25,000	\$ -	\$ 25,000	\$ 1,400	\$ 700	\$ 700	\$ 23,600	\$ (700)	\$ 24,300
52201 Risk Mgmt Comm Services	25,000	12,500	12,500	5,218	2,609	2,609	19,782	9,891	9,891
52202 Risk Mgmt Comm Mtg Expense	1,000	500	500	-	-	-	1,000	500	500
52203 Police Risk Mgmt Comm Svcs	12,000	6,000	6,000	-	-	-	12,000	6,000	6,000
52204 On Site	155,260	77,630	77,630	12,938	6,469	6,469	142,322	71,161	71,161
XXXXX Yuba City On Site	-	-	-	-	-	-	-	-	-
52205 Hot Line	-	-	-	-	-	-	-	-	-
52206 Safety Library	-	-	-	-	-	-	-	-	-
52207 Seminars and PARMA	63,200	23,200	40,000	2,994	1,497	1,497	60,206	21,703	38,503
52208 Police Risk Mgmt Manual	100,000	-	100,000	90,700	-	90,700	9,300	-	9,300
52209 Safety Contingency	-	-	-	1,950	-	1,950	(1,950)	-	(1,950)
52210 Process Safety Mgmt Program	-	-	-	-	-	-	-	-	-
52211 Website Development	-	-	-	-	-	-	-	-	-
XXXXX TargetSolutions Fire Training Module	-	-	-	-	-	-	-	-	-
52212 Safety Service - Other do not use	18,000	18,000	-	-	-	-	18,000	18,000	-
52213 Property Appraisals	-	-	-	-	-	-	-	-	-
52214 OCCUMED	-	-	-	4,500	4,500	-	(4,500)	(4,500)	-
52215 Online Risk Management Services	20,000	10,000	10,000	3,104	1,552	1,552	16,896	8,448	8,448
52216 Backsafe	-	-	-	-	-	-	-	-	-
52217 Wellness Optional	13,840	13,840	-	-	-	-	13,840	13,840	-
Total Safety Services Expenses	\$ 433,300	\$ 161,670	\$ 271,630	\$ 122,804	\$ 17,327	\$ 105,477	\$ 310,496	\$ 144,343	\$ 166,153

Northern California Cities Self Insurance Fund
Budget to Actual
As of September 30, 2013

	Budget 2013-2014			YTD Expended 2013-2014			Remaining 2013-2014		
	Total	WC	Liab	Total	WC	Liab	Total	WC	Liab
ADMIN BUDGET CONTINUED									
Claims Administration									
52302 Claims Administration Fee	\$ 49,250	\$ 28,350	\$ 20,900	\$ 28,350	\$ 28,350	\$ -	\$ 20,900	\$ -	\$ 20,900
52303 Fraud Hotline	-	-	-	-	-	-	-	-	-
52305 MPN Services	12,000	12,000	-	5,000	5,000	-	7,000	7,000	-
52304 State Funding/Fraud Assessment	135,000	135,000	-	-	-	-	135,000	135,000	-
Total Claims Admin Expenses	<u>\$ 196,250</u>	<u>\$ 175,350</u>	<u>\$ 20,900</u>	<u>\$ 33,350</u>	<u>\$ 33,350</u>	<u>\$ -</u>	<u>\$ 162,900</u>	<u>\$ 142,000</u>	<u>\$ 20,900</u>
Program Administration									
52401 Program Administration Fee	\$ 270,000	\$ 122,475	\$ 147,525	\$ 98,766	\$ 46,008	\$ 52,758	\$ 171,234	\$ 76,467	\$ 94,767
52403 Accounting Services	62,100	31,050	31,050	10,350	5,175	5,175	51,750	25,875	25,875
Total Program Admin Expenses	<u>\$ 332,100</u>	<u>\$ 153,525</u>	<u>\$ 178,575</u>	<u>\$ 109,116</u>	<u>\$ 51,183</u>	<u>\$ 57,933</u>	<u>\$ 222,984</u>	<u>\$ 102,342</u>	<u>\$ 120,642</u>
Board Expenses									
52501 Executive Committee	\$ 2,000	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ 2,000	\$ 1,000	\$ 1,000
52502 Executive Committee Member Travel	5,000	2,500	2,500	446	223	223	4,554	2,277	2,277
52503 Board of Directors Meetings (includes Travel)	6,000	3,000	3,000	574	287	287	5,426	2,713	2,713
XXXXX Board of Directors Long Range Planning Session (every 3 years, 2012)	-	-	-	-	-	-	-	-	-
52504 Association Memberships	6,000	3,000	3,000	-	-	-	6,000	3,000	3,000
Total Board Expenses	<u>\$ 19,000</u>	<u>\$ 9,500</u>	<u>\$ 9,500</u>	<u>\$ 1,020</u>	<u>\$ 510</u>	<u>\$ 510</u>	<u>\$ 17,980</u>	<u>\$ 8,990</u>	<u>\$ 8,990</u>
Other Administration Expenses - Not identified with above budget line items									
52000 Administrative Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
52001 Administration Expense - Other	-	-	-	6	3	3	(6)	(3)	(3)
Total Other Admin	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ (6)</u>	<u>\$ (3)</u>	<u>\$ (3)</u>
Contingency Reserves	-	-	-	-	-	-	-	-	-
Total Admin Expenses	<u>\$ 1,045,750</u>	<u>\$ 535,095</u>	<u>\$ 510,655</u>	<u>\$ 299,296</u>	<u>\$ 118,873</u>	<u>\$ 180,423</u>	<u>\$ 746,454</u>	<u>\$ 416,222</u>	<u>\$ 330,232</u>
TOTAL ADMIN REVENUE OVER EXPENSES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,337</u>	<u>\$ 166,539</u>	<u>\$ (53,202)</u>	<u>\$ 32,298</u>	<u>\$ (166,539)</u>	<u>\$ 53,202</u>

Northern California Cities Self Insurance Fund
Budget to Actual
As of September 30, 2013

	Budget 2013-2014			YTD Expended 2013-2014			Remaining 2013-2014		
	Total	WC	Liab	Total	WC	Liab	Total	WC	Liab
BANKING LAYER BUDGET									
Banking Layer Revenue									
41020 Banking Layer Deposit	\$ 5,551,540	\$ 4,020,072	\$ 1,531,468	\$ 1,466,214	\$ 1,083,347	\$ 382,867	\$ 4,085,326	\$ 2,936,725	\$ 1,148,601
41050 Banking Layer Refund	-	-	-	-	-	-	-	-	-
43010 Banking Layer Assessment	-	-	-	-	-	-	-	-	-
41060 Liab Shared Risk Layer Transfer	-	-	-	-	-	-	-	-	-
44020 CJPRMA Refund Transfer	(414,401)	-	(414,401)	-	-	-	(414,401)	-	(414,401)
44030 Change in Fair Value	-	-	-	(26,205)	(17,050)	(9,155)	26,205	17,050	9,155
44040 Interest Income	-	-	-	151,938	104,824	47,114	(151,938)	(104,824)	(47,114)
44010 Other Income	-	-	-	929	929	-	(929)	(929)	-
Total Banking Layer Revenue	\$ 5,137,139	\$ 4,020,072	\$ 1,117,067	\$ 1,592,876	\$ 1,172,050	\$ 420,826	\$ 3,544,263	\$ 2,848,022	\$ 696,241
Banking Layer Expenses									
51100 Claims Paid	\$ 5,308,000	\$ 3,892,000	\$ 1,416,000	\$ 911,861	\$ 769,721	\$ 142,140	\$ 4,396,139	\$ 3,122,279	\$ 1,273,860
51110 Claims Refunds	-	-	-	(2,862)	(1,511)	(1,351)	2,862	1,511	1,351
51000 Claims Adjusting Fee	924,000	540,000	432,000	-	-	-	924,000	519,000	405,000
43030 Banking Layer Refund	-	-	-	-	-	-	-	-	-
51050 Voids - claims	-	-	-	(1,244)	(1,062)	(182)	1,244	1,062	182
51115 Claims Subrogation/Recoveries	-	-	-	(130,560)	(130,560)	-	130,560	130,560	-
51130 Claims Investigation Liab and WC	-	-	-	-	-	-	-	-	-
51135 Claims Admin - Liability	-	-	-	101,918	-	101,918	(101,918)	-	(101,918)
51140 Claims Excess Adj	-	-	-	(21,065)	9,415	(30,480)	21,065	(9,415)	30,480
51400 OS Liability Adjustment	-	-	-	617,754	398,643	219,111	(617,754)	(398,643)	(219,111)
51800 ULAE Adjustment	-	-	-	29,781	29,781	-	(29,781)	(29,781)	-
52300 Claims Admin - Monthly WC Only	-	-	-	87,365	87,365	-	(87,365)	(87,365)	-
Total Banking Layer Expenses	\$ 6,232,000	\$ 4,432,000	\$ 1,848,000	\$ 1,592,948	\$ 1,161,792	\$ 431,156	\$ 4,639,052	\$ 3,249,208	\$ 1,389,844
TOTAL BANKING REVENUE OVER EXPENSES	\$ (1,094,861)	\$ (411,928)	\$ (730,933)	\$ (72)	\$ 10,258	\$ (10,330)	\$ (1,094,789)	\$ (401,186)	\$ (693,603)

Northern California Cities Self Insurance Fund
Budget to Actual
As of September 30, 2013

	Budget 2013-2014			YTD Expended 2013-2014			Remaining 2013-2014		
	Total	WC	Liab	Total	WC	Liab	Total	WC	Liab
SHARED RISK LAYER BUDGET									
Shared Layer Revenue									
41030 Shared Risk Layer Deposit	\$ 3,179,888	\$ 2,074,828	\$ 1,105,060	\$ 830,350	\$ 554,085	\$ 276,265	\$ 2,349,538	\$ 1,520,743	\$ 828,795
41040 Excess Deposit/Premium	1,789,713	677,244	1,112,469	459,214	181,097	278,117	1,330,499	496,147	834,352
41060 Shared Risk Refund	-	-	-	-	-	-	-	-	-
42000 CJPRMA / Shared Risk Admin	-	-	-	-	-	-	-	-	-
43020 Shared Risk Layer Assessment	-	-	-	-	-	-	-	-	-
XXXXX CJPRMA Refund	-	-	-	-	-	-	-	-	-
44030 Change in Fair Value	-	-	-	(17,261)	(14,377)	(2,884)	17,261	14,377	2,884
44040 Interest Income	-	-	-	94,127	81,443	12,684	(94,127)	(81,443)	(12,684)
44060 Property Premium	901,440	-	901,440	225,360	-	225,360	676,080	-	676,080
44070 Crime Premium	23,723	-	23,723	5,930	-	5,930	17,793	-	17,793
Total Shared Layer Revenue	<u>\$ 5,894,764</u>	<u>\$ 2,752,072</u>	<u>\$ 3,142,692</u>	<u>\$ 1,597,720</u>	<u>\$ 802,248</u>	<u>\$ 795,472</u>	<u>\$ 4,297,044</u>	<u>\$ 1,949,824</u>	<u>\$ 2,347,220</u>
Shared Layer Expenses									
51100 Claims Paid	\$ 3,396,000	\$ 2,030,000	\$ 1,366,000	\$ 1,128,166	\$ 475,654	\$ 652,512	\$ 2,267,834	\$ 1,554,346	\$ 713,488
52401 CJPRMA/Shared Risk Layer Admin	-	-	-	-	-	-	-	-	-
54100 Excess Deposit/Premium Exp	1,378,682	792,215	586,467	419,528	169,311	250,217	959,154	622,904	336,250
54200 Safety Grant Fund	250,000	150,000	-	21,400	21,400	-	228,600	228,600	-
54150 Member Property Coverage	901,440	-	901,440	217,291	-	217,291	684,149	-	684,149
54150 Member Crime Coverage	23,723	-	23,723	-	-	-	23,723	-	23,723
Total Shared Layer Expenses	<u>\$ 5,949,845</u>	<u>\$ 2,972,215</u>	<u>\$ 2,877,630</u>	<u>\$ 1,786,385</u>	<u>\$ 666,365</u>	<u>\$ 1,120,020</u>	<u>\$ 4,163,460</u>	<u>\$ 2,405,850</u>	<u>\$ 1,757,610</u>
TOTAL SHARED REVENUE OVER EXPENSES	\$ (55,081)	\$ (220,143)	\$ 265,062	\$ (188,665)	\$ 135,883	\$ (324,548)	\$ 133,584	\$ (456,026)	\$ 589,610
OTHER INCOME/(EXPENSE)									
Rounding	-	-	-	3	1	2	-	-	-
Total Other Income/(Expense)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL INCOME/(EXPENSE)	(1,149,942)	(632,071)	(465,871)	(75,397)	312,681	(388,078)	(928,907)	(1,023,751)	(50,791)



2013 LIABILITY CLAIMS AUDIT

ACTION ITEM

ISSUE: The Liability Claims Audit is performed on odd numbered years. The purpose of the audit is a review of the claims handling practices of the Liability Claims Adjusters at York. The Audit compares performance to the NCCSIF Claims Handling standards and those of CJPRMA as well. Due to the fact that there are no outstanding recommendations, the Executive Committee determines that the Claims Auditor would not be required to present the audit in person.

FISCAL IMPACT: The all inclusive cost of the audit will be \$5,625. This is within the amount budgeted for the claims audit.

RECOMMENDATION: It is the recommendation of Program Administrators that the Audit Report be approved as provided. The only recommendation was to increase a reserve on one claim, which has already been done in conjunction with the exit interview with Jennifer Nogosek of York.

BACKGROUND: The NCCSIF claims administrators are audited every two years. This year the liability claims audit has been performed. The Liability Claims Auditor is Ken Maiolini with Risk Management Services. This is the third liability claims audit Ken has performed for NCCSIF. One Wednesday, November 6, 2013 Ken provided a comprehensive exit interview to Marylin Kelley. In addition to the information provided within the report, Ken noted the following:

CLAIM LOADS – Claims adjusters are spread out somewhat, but Ken was advised this is to enable adjusters in different locations to handle claims physically if needed for inspections, witness interviews, emergencies, etc. For 80% of claims the average experience of the adjusters is around 20 years. This includes all larger claims.

LITIGATION MANAGEMENT - Ken noted timely status reporting from law offices and noted a good natural flow in the communications. There were no warning letters or repeated requests for information visible in the files reviewed.

Bill review is thorough. Bills are reviewed by the adjuster and also by a supervisor prior to being approved for payment. There were no aberrations in billings.



CJPRMA COMMUNICATION - Ken noted that reporting and communication with CJPRMA is good. Communication with Craig Schweikhard at CJPRMA is proactive. Ken has the CJPRMA role with two other JPA's and felt that communication was up to par with what he requires in the same type of circumstances.

Marylin Kelley did not ask the auditor to comment on the property recovery program, so no comments on that service are given.

Marylin Kelley also asked Craig Schweikhard from CJPRMA if he had any additional comments and he advised:

"I agree with Ken's evaluation. I have a unique relationship with York and I therefore find it very easy to communicate with them. They are responsive and timely in their reporting and recently we worked together (York-Alliant-CJPRMA) to resolve a problem with an attorney who was not reporting. Although I miss working with Craig Wheaton I have found Jennifer equally as responsive. The folks are doing an excellent job as always. As to reportable claims I do not doubt that all claims are reported." - Craig Schweikhard, CJPRMA - Claims Administrator

ATTACHMENT(S): 2013 NCCSIF Liability Claims Audit.

Northern California Cities Self Insurance Fund (NCCSIF)

Liability –Property Claims Audit 2013

An audit of 66 open and 20 closed NCCSIF claim files was conducted on November 4th and 5th, 2013.

The audit consisted of a pre-audit interview, with the YORK Unit Manager, who had recently taken over management of the NCCSIF account. She shared with the auditor information related to the claim loads, program limits and general handling of the NCCSIF claims.

We then conducted a remote electronic audit, after the YORK staff set RMS up with a user ID and password to access the York claims database. An RMS Audit Review Form was completed on each open claim reviewed (Confidential Claim Review Document)

Once the audit was completed we conducted an exit interview with the YORK Unit Manager to review the findings of the audit. A second exit interview was conducted with the NCCSIF Program Administrator, after that interview the NCCSIF Program Administrator confirmed the points discussed in the exit interview via email.

Overall the claims handling of the NCCSIF program from all aspects (staffing, caseloads, management and file management) were found to meet or exceed generally accepted claims handling standards as well as compiling with CAJPA accreditation standards.

There were no issues noted in the audit and individual file reviewed that would present any serious impact to NCCSIF, its members or excess carriers. The minor issues noted in this report are housekeeping in nature and once addressed will only serve to tighten up a well run claims handling process.

The following areas of claims handling reviewed in the audit resulted in the following observations:

INVESTIGATION

There was a well documented investigation in the electronic files.

Adjusters work well with the Members, conduct site visits, telephonic interviews and utilize other resources to establish a solid initial and ongoing investigation.

RESERVING

The file reserves, both for loss and expense posted to the files represent reasonable values.

The file notes would reflect that all appropriate factors are evaluated when establishing reserves. The reserves are set on ultimate case value and anticipate future litigation costs. No stair stepping or retroactive reserving was evident.

(NOTE: NCGA06372A1 – Trial pending in this claim, only \$4K remains in the expense reserves – would suggest file review and increase of expense reserves)

LITIGATION MANAGEMENT

The files reflect that communication between the adjusters and defense counsel is proactive and there is coordination in exploring ways to resolve cases and avoid high litigation costs.

Many cases involving employment and civil rights issues are assigned to defense counsel pre-litigation to help with advising the Member and conducting damage control. This is a good practice and results in long term litigation cost savings.

While there are some older cases with problematic issues that have high litigation costs, the general handling of cases have costs related to them that are reasonable and at or below what would be expected for the handling of Northern California public entity litigation.

LIABILITY / DAMAGE EVALUATION

In the claims stage the adjuster, based on the investigation conducted, identifies factors related to liability and damages. This enables the adjuster to value meritorious matters and be proactive in resolving claims timely.

When cases go into litigation both the adjuster and defense counsel coordinate the evaluations to determine risk involved in the claim and appropriate action for resolution.

The NCCSIF quarterly reports are a good tool and outline all liability and damage issues. These are regularly used by the adjusters and documented in the YORK MIS.

FILE MANAGEMENT

The TPA has created a paperless file management system. All claims handling and file documentation are contained in the YORK MIS.

- All appropriate documentation is scanned appropriately and timely into the YORK MIS.
- Statutory notices are completed timely and effectively.
- There is evidence that the Unit Manager is active in file review and providing guidance to the adjusters.
- Use of the YORK MIS is consistent from adjuster to adjuster.
- The YORK MIS reflects documentation of good communication with Members upon receipt of the claim, ongoing status and closures.
- All appropriate claims are reported timely to CJPRMA, ongoing communication with CJPRMA also appears timely, appropriate and well documented.

The claims are well managed from a file and organizational standpoint, which benefits the Pool, Members and Excess.

NEGOTIATION PRACTICES

The files would indicate that a proactive and aggressive approach is appropriately taken in meritorious claims. This results in favorable resolutions and reduced litigation costs.

When a formal settlement conference or mediation is planned, the files reflect that the adjuster and defense counsel discuss and develop an appropriate strategy.

PROPERTY CLAIMS

These claims are handled well and in a timely manner for the Member which avoids extended inconvenience and quickly addresses repairs and/or replacements.

The adjusters use outside appraisers and estimators appropriately to assist in evaluation of the claim.

CLOSED CLAIMS

The following is a list of closed claims reviewed:

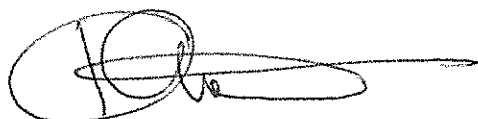
3/7/07	NCGA05992	ADA violation – claimant has 5 claims – all resolved appropriately.
8/1/11	NCGA07203	
5/20/11	NCGA07181	
9/1/11	NCGA07198	
8/2/11	NCGA07205	
11/9/11	NCGA07212	Trip and fall, resolved for \$5K with low expense.
2/1/11	NCGA07106	Trip and fall, resolved in litigation \$7K with \$34K expense.
5/11/10	NCGA06836	Trip and fall, resolved in litigation \$7.5K with \$17K expense.
2/3/12	NCGA07260	Rearend MVA, resolved at \$8.2K with low expense.
6/9/10	NCGA06847	Trip and fall, resolved in litigation \$11.9K with \$39K expense.
8/17/10	NCGA06907	Rearend MVA, resolved in litigation \$12.9K with \$30K expense.
7/16/11	NCGA07233	Dangerous condition, resolved in litigation \$15K with \$14K expense.
4/14/11	NCGA07177	Trip and fall, resolved in litigation \$15K with \$42K expense.
12/25/10	NCGA07112	Trip and fall, resolved in litigation \$20K with \$22K expense.

9/8/10	NCGA06934	Libel, resolved in litigation \$20K with \$185K expense.
7/26/10	NCGA06923	Wrongful termination, resolved in litigation \$25K with \$39K expense.
3/16/10	NCGA06814	Claimant struck by golf cart, resolved in litigation \$33K with \$35K expense.
6/3/11	NCGA07135	Claimants' son shot and killed by police department, resolved in litigation \$95K with \$44K expense.
12/3/11	NCGA07234	Sewer backup, resolved appropriately at \$96K with low expense.
8/30/09	NCGA06628	MVA -- \$150K loss -- \$117K expense.
7/6/10	NCGA07023	Harassment loss -- \$138K expense.

The closed claims reviewed were found to be:

- Closed timely
- Well documented
- Resolved favorably
- Have reasonable legal costs
- Good communication with the Member and Excess
- Overall results benefit NCCSIF and its Members

Respectfully Submitted,



Kenneth R. Maiolini, ARM-P



TERMS OF OFFICERS AND EXECUTIVE COMMITTEE ROTATION SCHEDULE

ACTION ITEM

ISSUE: There is discussion whether the NCCSIF Bylaws should be amended to change the term of office for the President, Vice President and Secretary from one year to two years and should the office of Past President be eliminated; and whether the NCCSIF Executive Committee rotation schedule be amended so that the current member terms are extended for one additional year.

We would need to amend the Bylaws to allow the number of members on the Executive Committee to fluctuate between six and seven depending on the regions, as well as amend the number of regions for Executive Committee service rotation from the current six to seven.

RECOMMENDATION: It is the recommendation of the Program Administrators that the NCCSIF Bylaws be amended so that the office of Past President is eliminated, and that the terms office of President, Vice President and Secretary be changed from one year to two years. The number of the Executive Committee would be amended from 7 to 6-7.

The President, a Member of the “Green” region that would have transitioned to Past-President, will instead serve a second year as President. The Vice President will begin service as President as his Pink region rotates off the Executive Committee. The current Vice President has agreed to this extended term. Finally, the Program Administrators are recommending approval of the revised rotation schedule with 7 regions.

FISCAL IMPACT: None.

BACKGROUND: The past Presidents of NCCSIF have expressed the opinion that NCCSIF would be better served with the Presidents serving two year terms rather than the current one year terms. Most have commented that they just get used to how the organization and programs work and then they are out of office.

In order to accomplish this change NCCSIF would need to approve to change the term of Vice President to two years and then progress to President for an additional two years. This would mean that whoever is selected to serve as Vice President would serve four years rather than the current three; the current Vice President is in the pink territory. Their term as President would begin when all the Members from their region rotate off the Executive Committee.

- Both the current President and Vice President have agreed to serve an additional year.



- Change the term of the Secretary to two years. A new Secretary would be selected from the orange territory.
- In order to accomplish this and enable all Members to have the potential to serve as officers, the rotation schedule needs to be amended from six regions to seven regions. Please see graph attached and new and old rotation schedule maps.

To accomplish these changes both Section 4 and Section 5 of the Bylaws would be amended. Amended language is below.

NCCSIF BYLAWS

SECTION 4

Executive Committee

A. - Membership. The Executive Committee shall be composed of six to eight (6-8) and two (2) *non-voting* members of the Board of Directors or their alternates. The President, Vice President, and Secretary shall serve as *voting* members on the Executive Committee. The remaining *voting* members shall be elected by the Board of Directors on a member rotation basis, as established by the Board of Directors. The two (2) non-voting members shall be comprised of the Treasurer and the CJPRMA Board Representative. The President shall act as Chairman.

B. - Term. The terms of all members of the Executive Board shall be two (2) years, except for those of the President, Vice President, and Secretary, who shall all serve their terms for two (2) years irrespective of the member rotation. A member may be reappointed to serve on the Executive Committee.

C. - Powers, Duties and Responsibilities.

1. The Executive Committee shall conduct, direct and supervise the day-to-day business of the Authority and in doing so shall exercise the powers expressly granted to it by the Agreement, these Bylaws and as otherwise delegated by the Board of Directors.
2. The following duties and responsibilities shall be assumed and carried out by the Executive Committee, which shall have all powers necessary for those purposes:
 - a. Provide general supervision and direction to the Program Director;
 - b. Authorize payment of claims against the Authority; provided, however, that with respect to claims arising under coverage programs operated by the Authority, claim settlement authority shall be in accordance with the policies and procedures governing the particular program;
 - c. Enter into contracts, within budget limits;
 - d. Make payments pursuant to previously authorized contracts, within budget limits; this Authority includes the power to authorize and reimburse expenses incurred for budgeted activities, within budget limits;



**Northern California Cities Self Insurance Fund
Board of Directors Meeting
December 12, 2013**

- e. Review and recommend a budget to the Board no later than seventy-two (72) hours prior to the spring meeting of the Board;
- f. Act as Program Director in the absence of the Program Director;
- g. Recommend policies and procedures to the Board for implementation of the Agreement, the Bylaws and the operation of specific coverage programs; and
- h. Appoint a nominating committee for each election of officers and members of the Executive Committee.
- i. Amend annual budget in an amount not to exceed the contingency account.

3. Subject only to such limitations as are expressly stated in the Agreement, these Bylaws or a resolution of the Board of Directors, the Executive Committee shall have and be entitled to exercise all powers which may be reasonably implied from powers expressly granted and which are reasonably necessary to conduct, direct and supervise the business of the Authority.

D. - Meetings

- 1. Regular Meetings. Regular meetings shall be held at times, as the Executive Committee deems appropriate.
- 2. Special Meetings. Special meetings of the Executive Committee may be called by the Chairman or a majority of Executive Committee members, in accordance with the provisions of California Government Code Section 54956.
- 3. Public Meetings. All meetings of the Executive Committee shall be open to the public, except as provided by law.
- 4. Quorum. Four (4) members of the Executive Committee shall constitute a quorum for the transaction of business. Except as otherwise provided, no action may be taken by the Executive Committee except by affirmative vote of not less than a majority of those Executive Committee members present. A smaller number may adjourn a meeting.
- 5. Removal from Executive Committee. A member may be removed from the Executive Committee in the following ways:
 - a. Death of a Committee member;
 - b. Voluntary resignation;



**Northern California Cities Self Insurance Fund
Board of Directors Meeting
December 12, 2013**

- c. Absence from three (3) consecutive meetings without a valid reason, in which case the Chair may recommend to the Executive Committee that member be terminated from Executive Committee membership. If the Executive Committee recommends to the Board of Directors that an Executive Committee member be terminated, the Board of Directors shall vote on the matter at its next regularly scheduled meeting.
- d. When a vacancy occurs under the above provisions, a replacement shall be made from among the Board of Directors.

SECTION 5

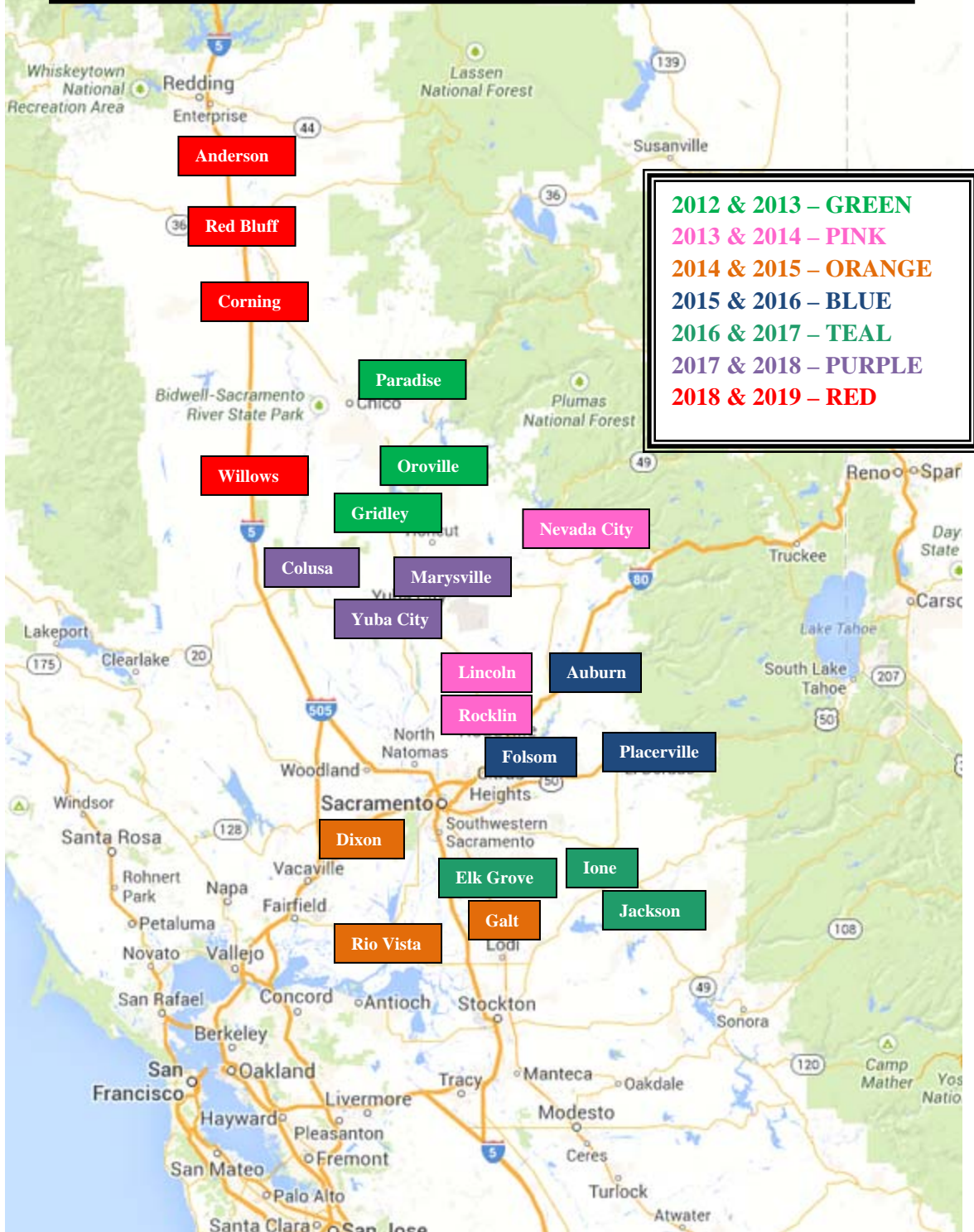
Officers of the Authority

- A. The officers of the Authority shall be a President, Vice President, Secretary, and Treasurer. Officers so appointed shall serve at the pleasure of the Board of Directors. The president shall chair meetings to the Board of Directors and Executive Committee; the vice president shall act in the place of the president in the president's absence. The secretary shall keep and maintain minutes of the Board meetings and Executive Committee meetings, or to direct the keeping and maintaining of such minutes, and to promptly report minutes of meetings to all members as soon as practicable after the meeting has concluded. The treasurer's duties are as described in Sections 11 and 12 of the Bylaws. Other responsibilities may be set forth by the Board of Directors.
- B. The President, Vice President and Secretary shall be elected by the Board of Directors and shall serve two (2) year terms. No officer shall serve for more than two (2) complete consecutive terms in his or her respective office. The terms of each office will ordinarily commence on January 1st of each calendar year, except that if an election has not been conducted by that date, the terms shall commence as soon as the election has been held. The terms of each office shall end on December 31st of the calendar year, except that if the election of the officers to serve the next succeeding term has not been conducted, the incumbent officers shall continue to hold their offices until the election has been conducted.
- C. The Treasurer shall be appointed annually by the Board of Directors and, unless the Board of Directors determines otherwise, the Treasurer shall serve at the Board of Directors' pleasure. The Treasurer shall be an officer or employee of a Member Entity or a Certified Public Accountant.
- D. The Board of Directors may create such other offices and appoint such other officers as it deems necessary and advisable.

ATTACHMENT(S):

- 1. Proposed Executive Committee Rotation Schedule
- 2. Proposed Progression of Officers

Northern California Cities Self Insurance Fund Executive Committee Rotation List



NCCSIF

Progression of Officers with 7 regions.

	2014	15	16	17	18	19	20	21	22	23	24	25	26	27	28
Regions	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Green	Pres														
Pink	VP	Pres	Pres												
Orange															
Blue		VP	VP	Pres	Pres										
Teal															
Purple				VP	VP	Pres	Pres								
Red															
Green						VP	VP	Pres	Pres						
Pink															
Orange								VP	VP	Pres	Pres				
Blue															
Teal									VP	VP	Pres	Pres			
Purple															
Red												VP	VP	Pres	Pres
Green															
Pink														VP	VP
Orange															

Exsecutive Committee Rotation

Red	Green	Pink	Orange	Blue	Teal	Purple
2018-19	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18



Agenda Item I.3.

RESOLUTION 14-02 AMENDMENT TO THE NCCSIF BYLAWS

ACTION ITEM

ISSUE: The Board will be asked to approve Resolution 14-02 Amending the NCCSIF Bylaws.

RECOMMENDATION: It is the recommendation of Program Administrators that the Board of Directors approve Resolution 14-02 Amending the NCCSIF Bylaws as discussed in Agenda Item I.2. Terms of Officers and Executive Committee Rotation Schedule.

FISCAL IMPACT: None.

BACKGROUND: In order to change the Terms of Officers and the Executive Committee Rotation Schedule the NCCSIF Bylaws need to be amended to change the term of office for the President, Vice President and Secretary from one year to two years and should the office of Past President be eliminated; and whether the NCCSIF Executive Committee rotation schedule be amended so that the current member terms are extended for one additional year.

The Bylaws would also need to be amended to allow the number of members on the Executive Committee to fluctuate between six and seven depending on the regions, as well as amend the number of regions for Executive Committee service rotation from the current six to seven.

ATTACHMENT(S): NCCSIF Resolution 14-02 Amendment to NCCSIF Bylaws.



RESOLUTION 14-02

RESOLUTION AMENDING THE BYLAWS OF NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND

WHEREAS, The Northern California Cities Self Insured Fund (NCCSIF) Board of Directors finds and determines as follows:

Section 4 – Executive Committee (A. and B.) and Section 5 – Officers of Authority (B. and C.), will be amended to reflect changes to the notice provisions.

NOW THEREFORE, BE IT RESOLVED, by the NCCSIF Board of Directors, as follows:

Section 4 – Executive Committee

- A. - Membership. The Executive Committee shall be composed of six to eight (6-8) and two (2) *non-voting* members of the Board of Directors or their alternates. The President, Vice President, and Secretary shall serve as *voting* members on the Executive Committee. The remaining *voting* members shall be elected by the Board of Directors on a member rotation basis, as established by the Board of Directors. The two (2) non-voting members shall be comprised of the Treasurer and the CJPRMA Board Representative. The President shall act as Chairman.
- B. - Term. The terms of all members of the Executive Board shall be two (2) years, except for those of the President, Vice President, and Secretary, who shall all serve their terms for two (2) years irrespective of the member rotation. A member may be reappointed to serve on the Executive Committee.

Section 5 – Officers of Authority

- B. The President, Vice President and Secretary shall be elected by the Board of Directors and shall serve two (2) year terms. No officer shall serve for more than two (2) complete consecutive terms in his or her respective office. The terms of each office will ordinarily commence on January 1st of each calendar year, except that if an election has not been conducted by that date, the terms shall commence as soon as the election has been held. The terms of each office shall end on December 31st of the calendar year, except that if the election of the officers to serve the next succeeding term has not been conducted, the incumbent officers shall continue to hold their offices until the election has been conducted.
- C. The Treasurer shall be appointed annually by the Board of Directors and, unless the Board of Directors determines otherwise, the Treasurer shall serve at the Board of Directors' pleasure. The Treasurer shall be an officer or employee of a Member Entity or a Certified Public Accountant.



I hereby certify that the foregoing is a full, true and correct copy of Resolution No. 14-02 duly and regularly adopted and passed at a regular meeting of the Board of Directors of the Northern California Cities Self Insurance Fund held on the 12th day of December 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

NCCSIF President

NCCSIF Secretary



Agenda Item I.4.

2014 SLATE OF OFFICERS

ACTION ITEM

ISSUE: Membership on the NCCSIF Executive Committee rotates annually with each member serving a two-year term. The Cities of Oroville, Gridley and Paradise are scheduled to rotate off the Executive Committee on December 31, 2013. The January 1, 2014 to December 31, 2014 term for the Executive Committee and Nominated Officers will include the following members:

2014 NCCSIF Executive Committee

City of Lincoln	John Lee
City of Rocklin	Russell Hildebrand (Vice President)
City of Nevada City	Catrina Olson
City of Oroville	Liz Ehrenstrom (President)
Town of Paradise	Gina Will (Secretary)
City of Dixon	Steve Johnson
City of Galt	Paula Islas
City of Rio Vista	Joe Tanner

Non-Voting Members

City of Willows	Tim Sailsbery (Treasurer)
City of Galt	Paula Islas (CJPRMA Representative)

RECOMMENDATION: Program Administrators recommends that the Board of Directors approves the 2014 Slate of Officers and recommended above by the Executive Committee.

FISCAL IMPACT: None.

BACKGROUND: The Executive Committee is a standing committee of the Board of Directors and is comprised of seven to nine voting members and two non-voting members. The President of the Board of Directors serves as the Chair of the Executive Committee. The President, Vice-President, Secretary, Past President and three-five other Board of Directors members act as the seven-nine voting members. The two non-voting members are the Treasurer and the Representative to the CJPRMA Board of Directors.

Section 5 of the NCCSIF Bylaws describes the duties and responsibilities of the Officers of the Authority.

ATTACHMENT(S): Section 5 of the NCCSIF Bylaws

shall be made from among the Board of Directors.

SECTION 5

Officers of the Authority

A. The officers of the Authority shall be a President, Vice President, Secretary, and Treasurer Officers so appointed shall serve at the pleasure of the Board of Directors. The president shall chair meetings to the Board of Directors and Executive Committee; the vice president shall act in the place of the president in the president's absence. The secretary shall keep and maintain minutes of the Board meetings and Executive Committee meetings, or to direct the keeping and maintaining of such minutes, and to promptly report minutes of meetings to all members as soon as practicable after the meeting has concluded. The treasurer's duties are as described in Sections 11 and 12 of the Bylaws. Other responsibilities may be set forth by the Board of Directors.

B. The President, Vice President and Secretary shall be elected by the Board of Directors and shall serve one (1) year terms. No officer shall serve for more than two (2) complete consecutive terms in his or her respective office. The terms of each office will ordinarily commence on January 1st of each calendar year, except that if an election has not been conducted by that date, the terms shall commence as soon as the election has been held. The terms of each office shall end on December 31st of the calendar year, except that if the election of the officers to serve the next succeeding term has not been conducted, the incumbent officers shall continue to hold their offices until the election has been conducted.

C. The Treasurer shall be appointed by the Board of Directors and, unless the Board of Directors determines otherwise, the Treasurer shall serve at the Board of Directors' pleasure. The Treasurer shall be an officer or employee of a Member Entity or a Certified Public Accountant.

D. The Board of Directors may create such other offices and appoint such other officers as it deems necessary and advisable.

SECTION 6

Committees

Committees may be formed as necessary by either the Board of Directors or the Executive Committee for the purposes of overseeing any functions that the Board or Executive Committee has authority to control, such as, but not limited to, administration and policy direction, claims administration, investments, safety/loss control, etc.

SECTION 7

Program Director and Other Staff

A. The Board of Directors shall appoint a Program Director who shall be responsible for the general administration of the business and activities of the Authority as directed by the Executive Committee.



RESOLUTION 14-01 AUTHORIZING INVESTMENT OF MONIES IN LAIF

ACTION ITEM

ISSUE: The Board will be asked to review and approve Resolution 14-01 authorizing the President, Vice President and Treasurer to order the deposits or withdrawal of monies in LAIF.

FISCAL IMPACT: No new fiscal impact is anticipated.

RECOMMENDATION: It is the recommendation of the Program Administrator that the Board of Directors approves Resolution 14-01, authorizing the newly elected President, Vice President and Treasurer, authority to order the deposits or withdrawal of monies in LAIF.

BACKGROUND: On an annual basis, records are updated with the Local Agency Investment Fund (LAIF) to reflect the newly elected officers of NCCSIF.

ATTACHMENT(S): Proposed NCCSIF Resolution 14-01



RESOLUTION 14-01

RESOLUTION AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND

WHEREAS, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer, and

WHEREAS, The Northern California Cities Self Insured Fund (NCCSIF) Board of Directors does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purposes of investment stated therein is in the best interest of Northern California Cities Self Insurance Fund.

NOW THEREFORE, BE IT RESOLVED, that the NCCSIF Board of Directors does hereby authorize the deposit and withdrawal of Northern California Cities Self Insurance Fund monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16428.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

BE IT FURTHER RESOLVED, that the following Northern California Cities Self Insurance Fund officers or their successors in office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund effective immediately:

- NCCSIF President - _____
- NCCSIF Vice President – _____
- NCCSIF Treasurer – _____
- NCCSIF Financial Consultant – _____

I hereby certify that the foregoing is a full, true and correct copy of Resolution No. 14-01 duly and regularly adopted and passed at a regular meeting of the Board of Directors of the Northern California Cities Self Insurance Fund held on the 12th day of December 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

NCCSIF President

NCCSIF Secretary



NCCSIF ADMINISTRATIVE SURPLUS

ACTION ITEM

ISSUE: The Fiscal Year 2012-2013 year-end report advises that the year-end administrative equity for the Liability program is: \$223,959 and for the Workers' Compensation program is: \$564,121. \$310,555 of the WC administrative equity is allocated to Safety Grants. This leaves a total of \$477,525. What, if anything should NCCSIF do with this surplus?

FISCAL IMPACT: A potential credit of up to \$238,763 could be applied to next year's budget to offset some of the administrative budget costs. The administrative surplus would be reduced by 50% leaving \$238,763 of unrestricted equity.

RECOMMENDATION: Historically, NCCSIF has a tendency to build up an administrative surplus. Usually, when this has occurred, a portion of the administrative surplus is used to offset some of the next year's administrative fiscal costs. It is the recommendation of Program Administrators that 50% of the administrative surplus, not including funds for 2013-2014 and not otherwise allocated, be utilized for the 2014-2015 Fiscal Year to offset the administrative costs proposed for that year.

Program Administrators would be directed to verify that the declared equity does not have outstanding potential costs associated with it and if so to verify the unrestricted equity funds.

BACKGROUND: Pages #10 and #14 of the 6/30/13 Financial Report are provided showing the year ending equity in both funds. The ADA and Safety Grant funds are also provided.

ATTACHMENT(S):

1. NCCSIF Combining Statement of Revenues as of June 30, 2013

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Members' Equity - Liability
For the Twelve Months Ended June 30, 2013

	L Shar	L Admin	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Folsom	City of Galt	City of Gridley	City of Ione
Operating Income											
Administration Deposit	\$ -	\$ 497,225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	-	-	54,049	61,207	21,079	16,591	50,400	416,317	90,475	26,030	11,424
Shared Risk Layer	1,237,225	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	800,000	-	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Income	776,581	-	-	-	-	-	-	-	-	-	-
Banking Layer Assessment	-	-	-	-	5,552	10,822	-	-	-	-	2,565
Shared Risk Refund	(414,401)	-	-	-	-	-	-	-	-	-	-
Shared Risk Layer Assessment	647,199	-	-	-	-	-	-	-	-	-	-
Banking Layer Refund	-	-	(34,854)	(12,726)	-	-	(41,090)	(203,715)	(23,778)	(29,901)	-
Dividend Income	414,401	-	-	-	-	-	-	-	-	-	-
Total Operating Income	3,461,005	497,225	19,195	48,481	26,631	27,413	9,310	212,602	66,697	(3,871)	13,989
Operating Expenses											
Claims Paid	3,397,803	-	3,364	144,659	19,243	19,348	23,107	313,281	94,273	2,536	5,097
O/S Liability adj.	(1,860,327)	-	(6,326)	(55,849)	6,757	(14,242)	(11,124)	240,324	(25,200)	42,151	16,965
Consultants	-	101,954	-	-	-	-	-	-	-	-	-
Administration-Other	-	146	-	-	-	-	-	-	-	-	-
Safety Service	-	179,258	-	-	-	-	-	-	-	-	-
Claims Administration	-	20,900	-	-	-	-	-	-	-	-	-
Program Administration	-	178,608	-	-	-	-	-	-	-	-	-
Board Expenses	-	5,234	-	-	-	-	-	-	-	-	-
Excess Insurance	642,003	-	-	-	-	-	-	-	-	-	-
Property/Crime Insurance Expense	777,750	-	-	-	-	-	-	-	-	-	-
Total Operating Expense	2,957,229	486,100	(2,962)	88,810	26,000	5,106	11,983	553,605	69,073	44,687	22,062
Operating Income (Loss)	503,776	11,125	22,157	(40,329)	631	22,307	(2,673)	(341,003)	(2,376)	(48,558)	(8,073)
Non-Operating Income											
Change in Fair Market Value	(52,598)	(4,421)	(5,828)	(8,836)	(2,594)	(2,361)	(11,763)	(76,314)	(13,135)	(7,515)	(1,038)
Interest Income	60,540	4,836	5,880	9,338	2,637	2,333	11,599	76,059	12,856	7,311	934
Total Non-Operating Income	7,942	415	52	502	43	(28)	(164)	(255)	(279)	(204)	(104)
Change in Members' Equity	511,718	11,540	22,209	(39,827)	674	22,279	(2,837)	(341,258)	(2,655)	(48,762)	(8,177)
Beginning Members' Equity	(865,191)	212,419	84,301	81,861	(7,594)	(28,935)	130,672	1,039,976	25,150	136,050	(1,802)
Ending Members' Equity	\$ (353,473)	\$ 223,959	\$ 106,510	\$ 42,034	\$ (6,920)	\$ (6,656)	\$ 127,835	\$ 698,718	\$ 22,495	\$ 87,288	\$ (9,979)

See Accompanying Accountant's Report

Northern California Cities Self Insurance Fund
(Governmental Enterprise Fund)
Combining Statement of Revenues, Expenses and Changes in Members' Equity - Workers' Compensation
For the Twelve Months Ended June 30, 2013

	WC Shar	WC Admin	City of Anderson	City of Auburn	City of Colusa	City of Corning	City of Dixon	City of Folsom	City of Galt	City of Gridley	City of Ione	City of Jackson
Operating Income												
Administration Deposit	\$ -	\$ 534,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Layer Deposit	-	-	109,635	89,708	35,387	72,177	264,646	955,744	211,828	54,342	29,228	73,811
Shared Risk Layer	1,958,283	-	-	-	-	-	-	-	-	-	-	-
Excess Deposit/Premium	602,733	-	-	-	-	-	-	-	-	-	-	-
Banking Layer Assessment	-	-	-	13,413	-	3,460	-	-	-	-	-	-
Shared Risk Refund	(1,370,228)	-	-	-	-	-	-	-	-	-	-	-
Shared Risk Layer Assessment	22,635	-	610	(916)	47	(1,304)	371	(8,279)	3,455	(2,137)	(368)	(1,382)
Banking Layer Refund	-	-	(25,697)	-	(11,844)	-	(125,720)	(594,228)	(29,121)	(95,465)	(18,417)	(34,074)
Risk Management Grants	-	174,207	-	-	-	-	-	-	-	-	-	-
Other Income	350	-	-	-	-	-	-	46	24	-	-	-
Total Operating Income	1,213,773	709,132	84,548	102,205	23,590	74,333	139,297	353,283	186,186	(43,260)	10,443	38,355
Operating Expenses												
Claims Paid	792,412	-	120,680	133,431	55,180	67,606	96,157	508,760	155,270	26,543	304	106,683
O/S Liability adj.	1,475,023	-	172,205	303,234	22,812	41,416	32,454	433,227	295,912	135,858	(3,103)	17,550
ULAE	170,277	-	14,214	24,523	2,251	3,921	4,917	45,094	25,417	10,513	(203)	1,990
Consultants	-	31,434	-	-	-	-	-	-	-	-	-	-
Administration-Other	-	11,008	-	-	-	-	-	-	-	-	-	-
Safety Service	-	243,111	-	-	-	-	-	-	-	-	-	-
Claims Administration	-	163,590	14,152	14,248	8,677	10,816	24,432	126,152	30,650	7,670	148	8,064
Program Administration	-	153,606	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	5,324	-	-	-	-	-	-	-	-	-	-
Excess Insurance	623,053	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	3,060,765	608,073	321,251	475,436	88,920	123,759	157,960	1,113,233	507,249	180,584	(2,854)	134,287
Operating Income (Loss)	(1,846,992)	101,059	(236,703)	(373,231)	(65,330)	(49,426)	(18,663)	(759,950)	(321,063)	(223,844)	13,297	(95,932)
Non-Operating Income												
Change in Fair Market Value	(456,003)	(17,068)	(13,725)	(21,079)	(6,171)	(5,444)	(27,695)	(180,338)	(31,035)	(17,964)	(2,431)	(9,980)
Interest Income	416,981	16,026	12,995	20,856	5,876	5,069	25,640	168,650	28,510	16,356	2,056	9,813
Total Non-Operating Income	(39,022)	(1,042)	(730)	(223)	(295)	(375)	(2,055)	(11,688)	(2,525)	(1,608)	(375)	(167)
Change in Members' Equity	(1,886,014)	100,017	(237,433)	(373,454)	(65,625)	(49,801)	(20,718)	(771,638)	(323,588)	(225,452)	12,922	(96,099)
Beginning Members' Equity	4,125,549	464,104	90,435	215,091	67,802	(18,012)	256,729	2,212,176	235,469	411,974	47,156	152,755
Ending Members' Equity	\$ 2,239,535	\$ 564,121	\$ (146,998)	\$ (158,363)	\$ 2,177	\$ (67,813)	\$ 236,011	\$ 1,440,538	\$ (88,119)	\$ 186,522	\$ 60,078	\$ 56,656

See Accompanying Accountant's Report



2014 NCCSIF MEETING CALENDAR

ACTION ITEM

ISSUE: The Board will be asked to review and approve the proposed 2014 Meeting Calendar. The Meeting Calendar was presented to the Board of Directors on October 10, 2013 for their approval. Program Administrators has not received any requests to change the dates due to conflicts.

FISCAL IMPACT: None.

RECOMMENDATION: It is the recommendation of the Program Administrator that the Board of Directors review and approve the proposed 2014 NCCSIF Meeting Calendar.

BACKGROUND: Annually, the Board of Directors reviews and approves the meeting calendar for NCCSIF Board, Executive, Risk Management, Claims, Police Risk Management and Finance Committee meeting.

The NCCSIF Bylaws do not specify when the meetings are to take place. They do specify that the Board hold at least one (1) regular meeting during the year. The Executive Committee meetings shall be held at times as the Executive Committee deems appropriate.

ATTACHMENT(S): 2014 NCCSIF Board and Committee Meeting Calendar

2014 MEETING CALENDAR

BOARD OF DIRECTORS 12:00 p.m.	EXECUTIVE COMMITTEE 10:30 a.m.	CLAIMS COMMITTEE 12:30 p.m.
April 24	March 13	March 13
June 12	May 29	May 29
October 9	September 18	September 18
December 11	November 13	November 13*

RISK MANAGEMENT COMMITTEE 9:30 a.m.	POLICE RISK MANAGEMENT COMMITTEE 10:30 a.m.	FINANCE COMMITTEE 10:30 a.m.
January 9	February 20	As Needed
April 24	May	
June 12	September	
October 9	December	
December 11		

ALL MEETINGS ARE SCHEDULED ON THURSDAYS

Risk Management Committee meetings are scheduled for 9:30 a.m.

Board of Director Meetings will start at 12:00 p.m.

**This meeting will follow the EC meeting, as the Claims Committee members will be selected at that meeting.*

CJPRMA 2014 MEETING DATES –

EXECUTIVE COMMITTEE	BOARD OF DIRECTORS
January 16	March 20
April 17	May 13, 14 & 15
July 17	October 23
September 19	December 18
November 20	



2014 NCCSIF SERVICE CALENDAR

ACTION ITEM

ISSUE: On an annual basis, a *Service Calendar* is provided to the Board of Directors showing a timeline of the annual activities to be completed on behalf of the organization.

FISCAL IMPACT: No fiscal impact is anticipated.

RECOMMENDATION: It is the recommendation of the Program Administrator that the Board of Directors review then receives and files the 2014 NCCSIF Service Calendar.

BACKGROUND: None.

ATTACHMENT(S): 2014 NCCSIF Service Calendar.



2014 NCCSIF SERVICE CALENDAR

AS = Alliant Insurance Services Staff
 CA = Claims Auditor
 FA = Financial Auditor
 JM = Jim Marta, CPA Staff
 York = York Insurance Services Group Staff
 BM = Bickmore

EC = Executive Committee
 BD = Board of Directors
 RM = Risk Management
 PRM = Police Risk Management
 FC = Finance Committee
 PA = Property Appraiser

Date	Activity	Completed by
JANUARY 2014		
TBD	PRMC Agenda – mailed for January Meeting	AS/BM
TBD	PRMC Meeting	AS/BM
01/05/14	Statement of Facts – Roster of Public Agencies - file with State & County	AS
01/02/14	RMC Agenda – mail for 01/09/14 meeting	AS
01/09/14	RMC Meeting	RM/BD
01/10/14	Form 700 – mail to BD and Committee members – deadline 03/21/13	AS
01/10/14	4 th quarter (as of 12/31) DE-6 – request from Members	AS
01/10/14	Request Loss data (as of 12/31) from York	AS
01/14/14	Property Program – prepare specifications	AS
01/14/14	Liability/WC – renewal loss information – deadline for receipt from York	AS
01/24/14	Loss and Renewal Instructions - send to actuary	AS
01/31/14	4 th quarter DE-6 Reports (as of 12/31) - send to CJPRMA	AS
FEBRUARY 2014		
02/9-12/14	PARMA Annual Risk Management Conference – San Jose CA	
02/14/14	Crime Program – prepare and send applications to Members	AS
02/21/14	Reminder – Form 700s to Board and Alternate Members	AS
02/26/14	Actuarial Study – Receive draft &s to James Marta	AS
MARCH 2014		
03/01/14-3/14/14	Banking and Shared Risk Layer Program Deposits - prepare preliminary worksheets, and Shared Risk layer adjustments for FY 2014/2015	AS
03/07/14	Request Banking Layer adjustments from Jim Marta	AS
03/06/14	Claims & EC Agendas - mail for 03/13/14 meetings	AS/York
03/13/14	Claims & Executive Committee Meetings	EC
	4 th quarter Investment Reports (as of 12/31) - submit for review	EC
	4 th quarter Financials (as of 12/31) - submit for review	EC
	Review and approve actuarial studies	EC
	Preliminary FY 2014/15 Budget - submit for review	EC
	Liability & WC Banking & Shared Layer – preliminary deposit calculation for review	EC
	Claims Committee - select members	EC
	Service Provider Performance Evaluations - submit responses for review	EC
03/21/14	Form 700s - receive from Board Members and Alternates	AS
03/31/14	Renewal Certificates List to members	AS



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 PRM = Police Risk Management
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Date	Activity	Completed by
APRIL 2014		
04/01/14	Form 700s - file with FPPC	AS
04/07/14	Request Crime Renewal Quotations	AS
04/11/14	Alliant begins contact with various contractors regarding renewal terms	AS
04/11/14	1 st Quarter DE-6 (as of 03/31) - request to members	AS
April 2014	PRMC Agenda – mail for April meeting	AS/BM
April 2014	PRMC Meeting	AS/BM
04/17/14	RMC & BOD Agenda - mail for 04/25/14 meetings	AS
04/15/14	Send annual renewal certificate spreadsheets to members – 2 nd Request	AS
04/18/14	1 st quarter Losses - receive from York (as of 03/31)	JM
04/24/14	RMC & BOD Meeting	BD
	4 th quarter Investment Reports - submit for approval	BD
	4 th quarter Financials (as of 12/31) - submit for approval	BD
	Preliminary FY 2014/15 Budget - submit for review	BD
	Liability WC Banking & Shared Risk Layers-deposit calculations for review (excess WC & Liability & Admin costs pending)	BD
	Banking Plan Fund Adjustments - submit for approval	BD
	Shared Risk Layer Plan Fund Adjustments - submit for approval	BD
	Actuarial Study - submit for approval	BD
04/29/14	1 st quarter DE-6 reports (as of 03/31) to CJPRMA	AS
04/30/14	Crime Renewal App to Market	AS
MAY 2014		
05/02/14	Banking and Shared Risk Layer Adjustments/Assessments - mail to JM for distribution to members	AS
05/02/14	WC Renewal Quotations - receive preliminary (if any)	AS
05/15/14	Annual certificate renewal reminder to members – Final Request	AS
05/19/14	Property Program - receive preliminary renewal quotation & submit to members	AS
05/22/14	Claims & EC Agendas - mail for 05/29/14 meetings	AS/York
05/29/14	Claims & Executive Committee Meetings	EC
	1 st quarter Financials (as of 03/31) - submit for approval	EC
	1 st quarter Investment Reports (as of 03/31) - submit for approval	EC
	Liability and WC Program Deposits - review 2014 revisions	EC
	FY 2014/15 Budget - submit for review	EC
	Claims Auditor - evaluate and consider RFP (Liability odd years/WC even years)	EC



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Date	Activity	Completed by
	Program Administration Contract - submit for approval (as needed)	EC
	Safety & Risk Control Services Contract - submit for approval (as needed)	EC
	Liability Claims Administration Contract - submit for approval (as needed)	EC
	WC Claims Administration Contract - submit for approval (as needed)	EC
	Accounting Services Contract - submit for approval (as needed)	EC
	Legal Services Contract - submit for approval (as needed)	EC
	Conflict of Interest Code-submit for approval (every even-numbered year)	EC
	Property renewal status review & Preliminary Allocations	EC
	Crime renewal quotations review	EC
	Liability Memorandum of Coverage FY 2014/15 – submit for approval	EC
	WC Memorandum of Coverage FY 2014/15 – submit for approval	EC
05/25/14	Obtain necessary signatures to finalize contracts with consultants	AS
JUNE 2014		
06/13/14	Renewal certificate spreadsheet to CSAC and CJPRMA	AS
06/05/14	RMC & BOD Agenda - mail for 06/12/14 meeting	AS
06/12/14	RMC & BOD Meeting	RM & BD
	Approve Risk Management Budget	RM
	Claims analysis (as of 12/31)	RM
	1 st quarter Investment Reports (as of 03/31) - submit for approval	BD
	1 st quarter Financials (as of 03/31) - submit for approval	BD
	FY 2014/15 Budget - submit final for approval	BD
	Liability and WC FY 2014/15 Banking & Shared Risk Layer Program Deposits - submit final for approval	BD
	Liability Memorandum of Coverage FY 2014/15 - submit for approval	BD
	WC Memorandum of Coverage FY 2014/15 - submit for approval	BD
	Conflict of Interest Code - submit for approval (every even year)	BD
	Property Program - provide report and allocations on renewal quotes	BD
	Crime Program – provide report and allocations on renewal quotes	AS
Mid-June	Preparation of Accreditation (2014 and every 3 years thereafter)	AS
06/27/14	Send certificates to Certificate Holders and Members	AS
06/27/14	Send Auto ID Cards to Members	AS
JULY 2014		
07/01/14	NCCSIF Joint Powers Authority - 34 th Anniversary	ALL
07/01/14	Send renewal binders to Members	AS
07/10/14	Request Certificate of Insurance from Contractors	

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Date	Activity	Completed by
07/10/14	Request loss data as of 06/30 from York for Claims Audit	AS
07/15/14	Liability MOC, Declarations and Summary – send to Members	AS
07/15/14	WC MOC, Declaration and Summary – send to Members	AS
07/15/14	Property Summary – send to Members	AS
07/15/14	Crime Summary – send to Members	AS
07/15/14	Final FY 2014/15 WC Payroll – request from members	AS
07/21/14	Upon receipt of loss data begin semi annual loss charts for RM meeting in October and to be sent to Members	AS
07/29/14	Send 2 nd quarter DE-6 (as of 06/30) to CJPRMA	AS
AUGUST 2014		
08/01/14	NCCSIF Financial Audit – begin preparation of documents	AS/JM/FA
Aug 2014	PRMC Agenda – mail for Aug meeting	AS/BM
Aug 2014	PRMC Meeting	AS/BM
08/04-08/14	Send Claims Audit RFP's, if needed (Deadline 08/26)	AS
08/25/14	Send CSAC-EIA renewal applications to Members – deadline one month	AS
08/29/14	Finance Committee Agenda - mail for 09/04/14 meeting	AS
SEPTEMBER 2014		
09/04/14	Finance Committee Meeting	FC/JM/FA
	Review audit or DRAFT	FC/JM/FA
	Investment portfolio – review	FC/JM/FA
	Investment policy – review	FC/JM/FA
09/12/14	1 st Installment of Assessments - begin collecting	JM
09/11/14	Claims & EC Agendas - mail for 09/12/14 meetings	AS/York
09/18/14 – 09/21/14	2013 CAJPA Fall Conference and Training Seminar – South Lake Tahoe	
09/18/14	Claims & Executive Committee Meetings	EC
	Status of CAJPA Accreditation (2011 and every 3 years thereafter)	EC
	2 nd quarter Investment Reports (as of 06/30) - submit for approval	EC
	2 nd quarter Financials (as of 06/30) - submit for approval	EC
	Financial Audit - review status	EC
	Review audit or DRAFT	EC
	Investment portfolio – review report from Finance Committee	EC
	Investment policy – review report from Finance Committee	EC
	Review of Claims Audit Proposals and/or selection of claims auditor	EC
TBD	PRMC Agenda - mail for 09/29/13 meeting	AS



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 RM = Risk Management
 PRM = Police Risk Management
 FC = Finance Committee
 PA = Property Appraiser

Date	Activity	Completed by
TBD	Police Risk Management Committee Meeting	PRM
OCTOBER 2014		
10/03/14	CSAC-EIA WC Renewal Applications to members (2 week deadline)	AS
10/03/14	Annual Report of Financial Transactions - file	JM
10/03/14	Public Self Insurer's Annual Report for JPA & Members - file	AS/York
10/10/14	3 rd quarter DE-6 (as of 09/30) – request from Members	AS
10/02/14	RMC & BOD Agenda - mail for 10/09/14 meeting	AS
10/09/14	RMC/BOD Meeting	BD
	Investment Policy – submit for approval	BD
	2 nd quarter Investment Reports - submit for approval	BD
	2 nd quarter Financials (as of 6/30) - submit for approval	BD
	FY 2013/14 Financial Audit - submit for approval	BD
	Loss Analysis charts (as of 06/30)	RM
	Select outside training for 2014/15	RM
10/15/14	CSAC-EIA WC Renewal Applications from members	AS
10/17/14	Claims Audit - perform GL (<i>odd numbered years</i>) or WC (<i>even numbered years</i>) audit	CA
10/27/14	CSAC-EIA WC Renewal Applications to CSAC EIA	AS
10/31/14	3 rd quarter DE-6 Reports – send to CJPRMA (as of 09/30)	AS
NOVEMBER 2014		
Nov 2014	PRMC Agenda – mail for November meeting	AS/BM
Nov 2014	PRMC Meeting	AS/BM
11/07/14	Claims & EC Agendas - mail for 11/13/14 meetings	AS/York
11/14/14	Property (location schedules), Liability & WC Programs (estimated payroll) - request renewal specifications for the next fiscal year, if needed	AS
11/14/14	Property Schedules to Members for review – deadline 30 days	AS
11/13/14	Claims & EC Committee Meetings	EC
	3 rd Quarter Financials (as of 09/30) – submit for approval	EC
	2014 Meeting Calendar - submit for approval	EC
	2014 Service Calendar – submit for approval	EC
	2014 EC Rotation Schedule - submit for approval	EC
	2014 Nominating Committee – select & nominate	EC
	Officers for 2015 – select & recommend to Board of Directors	EC
	Claims Audit (<i>GL odd years, WC even years</i>) - review and provide recommendations to BD	EC

2014 NCCSIF SERVICE CALENDAR

AS = Alliant Insurance Services Staff
CA = Claims Auditor
FA = Financial Auditor
JM = Jim Marta, CPA Staff
York = York Insurance Services Group Staff
BM = Bickmore

EC = Executive Committee
BD = Board of Directors
RM = Risk Management
PRM = Police Risk Management
FC = Finance Committee
PA = Property Appraiser

Date	Activity	Completed by
	Investment Policy - review & recommend to BD	EC
	FY 2014/15 Marketing Plan & Renewal Timeline – submit for approval	EC
	Select outside training for 2014	
DECEMBER 2014		
Dec	Strategic Planning Session (2012 and every 3 years thereafter)	BD
12/05/14	RMC/BOD Agenda - mail for 12/11/14 meeting	AS
12/11/14	Board of Directors Meeting	BD
	3 rd quarter Investment Reports (as of 09/30) – submit for approval	BD
	3 rd quarter Financials (as of 09/30) – submit for approval	BD
	2015 Meeting Calendar – submit for approval	BD
	2015 Service Calendar – submit for approval	BD
	2015 EC Rotation Schedule - submit for approval	BD
	2015 Calendar Year Officers - submit for election, Treasurer (every year), President and Vice President (every even year)	BD
	Target Equity Presentation	AS
	Loss Analysis Charts (06/30/14)	AS
	CAJPA Final Accreditation report (2014 and every 3 years thereafter)	BD
	Marketing Plan & Renewal Timeline - submit for approval	BD
	Claims Administration Audit (<i>GL odd years, WC even years</i>) - submit for approval – Auditor makes presentation	BD
	Program Manual to Members	AS
	Annual Report to Members	AS
12/15/14	Receive Property Schedules from members	AS
12/15/14	2 nd Installment of Assessments – begin collecting	JM
12/30/14	Financial Audit - mail to State and Counties of members	JM



2014/15 INSURANCE MARKET UPDATE AND RENEWAL MARKETING PLAN

INFORMATION ITEM

ISSUE: The Board of Directors annually reviews the insurance market update and approves or amends the renewal marketing plan for the coming fiscal year. Following is a two page Summary of the NCCSIF anticipated renewal costs as of this date, followed by a Powerpoint regarding the general State of the Marketplace 2014 (ending with specifics regarding NCCSIF).

FISCAL IMPACT: Potential fiscal impact is unknown at this time.

RECOMMENDATION: At the present time, the Program Administrators believe the following should occur with NCCSIF Programs

- **Workers' Compensation:** Renew coverage with CSAC EIA. Traditional Excess WC Insurance carriers in California are still not competitive with our program through CSAC EIA.
- **Liability:** Continue participation in CJPRMA; this has been a strong partner and valuable alternative to traditional excess insurance.
- **Property:** The PEPiP program re-evaluates carriers annually, with carriers being added or deleted depending on market conditions. The program renews in July for all members. Two years ago Alliant marketed the Property program and found that the current program provided members with the broadest coverage's and the lowest cost; this continues in today's environment.
- **Crime:** We have remained with AIG, in part, because the Alliant Crime program (ACIP), would not provide an alternative. We are going to approach at similar program through CSAC EIA this year for competitive pricing and higher limits.

BACKGROUND: The NCCSIF Market Update and Renewal Marketing Plan is reviewed annually at the November Executive Committee meeting then finalized for review at the December Board of Directors meeting in an attempt to keep members apprised of the current market situations with each group purchase program as well as commercial insurance options.

ATTACHMENT(S): Market Update and Renewal Marketing Plan.

NCCSIF Market Update and Renewal Marketing Plan

WORKERS' COMPENSATION: As a result of the CSAC EIA program, which purchases excess insurance over their limit of \$5 million, market conditions continue to have minimal impact on our rates. Excess coverage is written on a year to year basis, but with the high attachment level those rates are not expected to fluctuate significantly. More important for NCCSIF is the fact that CSAC EIA rates members on an experience modification basis and so the results of NCCSIF when compared to the results of other members of the program are significant. The formula for calculating the CSAC EIA experience modification was amended in 2011 to use higher level losses and use losses over a seven year period compared to five years previously used. The new formula is almost complete in its phase in this year.

NCCSIF's Workers Compensation excess coverage remains with CSAC EIA for its 8th year. While workers' compensation reforms do not stabilize the excess layer costs as significantly as those of the lower coverage layers, there is still a decrease among all public agencies in claims frequency that has resulted in some stabilization of excess rates. For NCCSIF's layer medical costs are increasing annually at a rate of about 10%. The Program Administrators do not expect a decrease in JPA rates, and are optimistic that the rates will remain below 10% of the current rates.

There is still no commercial coverage available under \$1 million for municipalities with police and fire exposures. Additionally, those that are participating at \$1 million are still charging rates substantially higher than those available through CSAC EIA at \$500,000.

- We should anticipate the CSAC EIA limit remaining at Statutory and being shared with other CSAC EIA members whose total payroll is now over \$47 billion.
- We anticipate retaining our SIR at \$500,000.
- Renewal rates increased last year from \$0.397 to \$0.454. At this time CSAC EIA tells us to expect an increase around 10%. Usually, increases are less than the initial indications.

LIABILITY: In 2010 CJPRMA decreased Members' program costs using a revised rating methodology. They did this to meet competition from other excess pools. The long-term impact is the reduction of annual Liability excess costs. Another result is that dividends from CJPRMA, currently used to reduce NCCSIF Liability Program costs, will be reduced over time. CJPRMA will be proposing their FY2014/15 rates and dividends at an upcoming Board meeting to be held December 19, 2013. Their proposed rates will be consistent with the 2013/14 rates. In the chart below, please note that NCCSIF's premium increased last year due to our change of SIR to \$500,000. The 2013/14 dividend will be used to offset the 2014/15 premium from CJPRMA.

	Premiums	Dividends
2010/2011	\$846,221	\$502,233
2011/2012	\$848,701	\$304,007
2012/2013	\$330,996	\$414,401
2013/2014	\$579,467	TBD

PROPERTY: Superstorm Sandy generated insured losses in excess of \$25 Billion (and an equal number of un-insured property related losses. This is on top of another \$50 Billion in other global natural disasters. That being said, California property losses remained relatively low until the recent RIM Fire near Yosemite.

Alliant is holding meetings with underwriters from the major carriers and from London participants in the PEPiP program to work on the expectations for next year's property renewal. We will hope to be able to report to the Board the forecast from those meetings.

Appraisals are being reviewed and Property schedules will be sent to Members Mid-November; please watch for them. It will be extremely important for property schedules to be returned to NCCSIF by the deadlines established, and clearly no later than Mid-January.



2013 NCCSIF Annual Report

INFORMATION ITEM

ISSUE: On an annual basis, NCCSIF Members are provided with an Annual Report on NCCSIF's financial stability of the programs ending June 30, 2013. This year hard copies of the 2013 NCCSIF Annual Report are made available to members as well as via electronic copies on compact discs.

FISCAL IMPACT: None.

RECOMMENDATION: None.

BACKGROUND: NCCSIF Annual Reports are provided to members annually.

ATTACHMENT(S): NCCSIF 2013 Annual Report (Handout)



CAPPING EXPERIENCE MODIFICATION FACTORS OR CONTRIBUTIONS

ACTION ITEM

ISSUE: The Board of Directors was given a presentation on Rating Plan Options and will be asked to discuss and approve, if necessary, the option of capping the experience modification factors or contributions and give direction to staff.

FISCAL IMPACT: Cannot be specifically determined at this time.

RECOMMENDATION: The Program Administrators recommend that you formally take action to stay status quo with continuing to use:

1. Five Years of Losses *rather than switching to the use of Three Years*
2. Total Incurred losses *rather than Paid losses only*

And that the EC and Board continue to examine things like:

- Capping the Experience Modification rather than the final deposit;

BACKGROUND: Staff has reviewed the NCCSIF rating plans to determine if there are any parameters within the plans that should be amended. For review staff contacted several other JPA's to discuss the elements of their rating plans. Other options being used were:

- Three years of losses (NCCSIF uses five);
- Capping the Experience Modification rather than the final deposit;
- Using Paid losses rather than Total Incurred losses;

In presenting the results to the NCCSIF Board of Directors Mr. Michael Simmons and Mr. James Marta requested additional review of the option to cap the Experience Modification factors rather than the final deposit. A presentation will be given at the Training Day regarding Rating Plan Options to assist in a decision regarding this item.

ATTACHMENT(S): NCCSIF Rating Plan Option Presentation

RATING PLAN OPTIONS

Presented by:
Mike Simmons,
Alliant Insurance Services, Inc.

Summary of Prior Meeting(s)

At Both the EC and Board Meetings the NCCSIF Rating Plans were discussed. There were three Key Rating Plan Items examined; below are the conclusions of each:

- ❖ Three Years of Losses vs. NCCSIF Current Use of Five Years
✓ STAY WITH 5 YEARS.
- ❖ Using Paid Losses Rather than Total Incurred Losses
✓ STAY WITH TOTAL INCURRED.
- ❖ Capping the Experience Modification Factor Rather than the Final Deposit
✓ CONTINUE TO EXAMINE

THE FIRST STEP

**To CAP or Not to CAP,
That is the Question!**

To CAP or Not to CAP, That is the Question!

❖ What We Originally Examined and Concluded

❖ What is the Origin of this Discussion

- ✓ When Did NCCSIF Start CAPPING and Why

❖ Capping vs. Collaring

- ✓ Why One without the Other and When this makes Sense

❖ NEXT STEPS!

- ✓ If it Ain't Broke . . .
- ✓ Examining Other Options
- ✓ Is There One Right Way

But First, Let's Examine Capping

CAPPING is used as a Safeguard for Budgetary Protection, this is its Key Benefit.

Contributions, X-Mods. or any other element creates the following Concerns:

- ✓ CAPPING creates an artificial 'ceiling'.
- ✓ CAPPING Contributions is also **inappropriate if a Member City is significantly growing** – a key argument in favor of capping X-Mods. Instead.
- ✓ Especially if CAPPING is limited to a low percentage increase each year, the amount of money over the CAP flows back against other Members not at the CAP - - there Contributions, in-turn, increase.

The Effect of Capping Contributions within NCCSIF

CAPPING Contributions within NCCSIF creates one potential **serious negative impact to the Member** being CAPPED. As we saw in the last slide, CAPPING creates an artificial limit.

And within NCCSIF, if a Members share of Administrative Costs, Excess Costs, and the Shared Risk Layer are all calculated based on set Rating Plan elements, then the only place for the REDUCTION to occur is in the Member's Individual Banking Layer - - they simply stop funding enough for their own claims.

NOTE: This is by no means an insurmountable problem; it's resolved by the Member paying additional, unexpected surcharges down the road.

NCCSIF FY 13/14

Contribution CAPPING

LIABILITY.

CAPPED PERCENTAGE	SHARED AMOUNT
20%	\$4,881

TOTAL DEPOSIT	LAST YEAR'S DEPOSIT	CAPPED DEPOSIT	CHANGE FROM LAST YEAR	CAPPED DEPOSIT	CHANGE FROM LAST YEAR
\$101,108	\$113,698	\$101,395	-11%	\$101,395	-11%
\$164,013	\$150,208	\$164,300	9%	\$164,300	9%

WORKER'S COMP

CAPPED PERCENTAGE	SHARED AMOUNT
40%	\$78,182

TOTAL DEPOSIT	LAST YEAR'S DEPOSIT	CAPPED DEPOSIT	CHANGE FROM FROM LAST	CAPPED DEPOSIT	CHANGE FROM LAST YEAR
\$179,793	\$190,396	\$183,795	-3%	\$183,914	-3%
\$270,342	\$191,450	\$268,030	40%	\$268,030	40%

Effect of on-going Contribution CAPPING

	CAP:	20%	20%	20%	20%
<i>Increases</i>	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
50.0% Admin Costs	20,000	30,000	45,000	67,500	101,250
10.0% Excess Premium	30,000	33,000	36,300	39,930	43,923
25.0% Shared Risk Layer	85,000	106,250	132,813	166,016	207,520
25.0% Banking Layer	135,000	168,750	210,938	263,672	329,590
TOTAL CONTRIBUTION	\$ 270,000	\$ 338,000	\$ 425,050	\$ 537,118	\$ 682,282
Excess:		14,000	19,450	27,058	37,741
MODIFIED Banking Layer		154,750	191,488	236,614	291,848
MODIFIED CONTRIBUTION		\$ 324,000	\$ 405,600	\$ 510,060	\$ 644,541

Assumptions:

Shared Risk and Banking layer are going up 10% due to Payroll, and 15% due to adverse

Claims experience

What We Originally Examined & Concluded

Option #4: Capping the Experience Modification: This example caps the experience modification, but lets the premium increase due to exposures. Because the Banking Layer does not use an experience modification, the differences were minimal.



Conclusion: Not worth pursuing as the differences are minimal.

What We Originally Examined & Concluded

LIABILITY PROGRAM IMPACT

Original 13-14 Rating

“COLLARING” the Ex. Mod. (.80-1.20)

MEMBER	13-14	12-13	% Diff.	13-14	12-13	% Diff.
Anderson	101,108	113,698	0.89	100,916	113,698	0.89
Auburn	164,013	150,208	1.09	165,642	150,208	1.10
Colusa	84,395	66,881	1.26	83,378	66,881	1.25
Corning	73,453	65,497	1.12	74,247	65,497	1.13
Dixon	157,486	162,085	0.97	159,220	162,085	0.98
Folsom	938,097	830,382	1.13	920,061	830,382	1.11
Galt	260,583	237,620	1.10	252,932	237,620	1.06
Gridley	111,123	94,727	1.17	112,271	94,727	1.19
Ione	42,280	44,239	0.96	42,615	44,239	0.96
Jackson	62,916	51,811	1.21	63,576	51,811	1.23
Lincoln	315,487	301,740	1.05	318,813	301,740	1.06
Marysville	125,128	107,051	1.17	123,896	107,051	1.16
Oroville	222,407	221,111	1.01	217,541	221,111	0.98
Paradise	178,861	159,818	1.12	176,089	159,818	1.10
Red Bluff	204,323	172,214	1.19	192,965	172,214	1.12
Rio Vista	68,940	64,662	1.07	69,583	64,662	1.08
Rocklin	430,160	414,529	1.04	434,953	414,529	1.05
Willows	48,562	55,978	0.87	49,091	55,978	0.88
Yuba City	463,130	423,963	1.09	468,010	423,963	1.10
Total:	4,052,451	3,738,214	1.08	4,025,799	3,738,214	1.08

What We Originally Examined & Concluded

WC PROGRAM IMPACT

Member	Original 13-14 Rating			“COLLARING” the Ex. Mod. (.80-1.20)		
	13-14	12-13	% Diff.	13-14	12-13	% Diff
Anderson	\$ 179,793	\$190,396	0.94	\$178,994	\$190,396	0.94
Auburn	\$270,342	\$191,450	1.41	\$272,703	\$191,450	1.42
Colusa	\$104,622	\$85,175	1.23	\$105,539	\$85,175	1.24
Corning	\$139,871	\$132,340	1.06	\$139,547	\$132,340	1.05
Dixon	\$390,942	\$440,911	0.89	\$390,255	\$440,911	0.89
Folsom	\$1,715,576	\$1,675,878	1.02	\$1,729,069	\$1,675,878	1.03
Galt	\$85,484	\$385,056	1.00	\$388,718	\$385,056	1.01
Gridley	\$128,625	\$133,212	0.97	\$129,997	\$133,212	0.98
Ione	\$66,897	\$68,453	0.98	\$66,367	\$68,453	0.97
Jackson	\$136,485	\$126,501	1.08	\$134,908	\$126,501	1.07
Lincoln	\$429,041	\$335,218	1.28	\$433,272	\$335,218	1.29
Marysville	\$212,584	\$221,149	0.96	\$205,897	\$221,149	0.93
Nevada City	\$107,000	\$138,907	0.77	\$107,675	\$138,907	0.78
Oroville	\$319,473	\$327,311	0.98	\$322,305	\$327,311	0.98
Paradise	\$297,814	\$384,718	0.77	\$289,103	\$384,718	0.75
Placerville	\$327,458	\$317,506	1.03	\$318,486	\$317,506	1.00
Red Bluff	\$373,114	\$311,896	1.20	\$362,121	\$311,896	1.16
Rio Vista	\$96,214	\$97,036	0.99	\$97,179	\$97,036	1.00
Rocklin	\$629,321	\$705,544	0.89	\$634,696	\$705,544	0.90
Willows	\$142,034	\$102,773	1.38	\$138,902	\$102,773	1.35
Yuba City	\$854,547	\$557,736	1.53	\$861,508	\$557,736	1.54
TOTALS	\$7,307,239	\$6,929,166	1.05	\$7,307,239	\$6,929,166	1.05

What is the Origin of this Discussion

NCCSIF's Capping of Contributions started in the early 1990's when WC claims costs (and therefore, Rates, were skyrocketing).

NCCSIF was just beginning to conduct bi-annual actuarial studies, and our rate 'inadequacy' was apparent.

Members could not afford the high cost of the proposed increases, so limited them to 33% a year for Three Years.

Capping vs. Collaring

- ❖ Currently NCCSIF just CAPS Contributions; 20% for Liability and 40% for WC this Current year. The decision regarding the amount is made annually.
- ❖ The Experience Modification Factor analysis involved “COLLARING”, and used a 20% swing each way. Again, the amount of this swing needs to be weighted heavily, and not locked in.
- ❖ Although we now normally recommend COLLARING over CAPPING whenever used, it’s especially important with Experience Mod manipulation.

Capping vs. Collaring *(continued #2)*

A few slides back, we discussed problems that can be generated over time when CAPPING is used. This slide discusses the subtle differences between CAPPING and COLLARING since, with a Pool, you need to collect a specific actuarially determined amount.

CAPPING Contributions or Experience Mods vs. COLLARING creates the following Concerns:

- ✓ Especially if CAPPING is limited to a low percentage increase each year, the amount of money over the CAP flows back against other Members not at the CAP - - there Contributions, in-turn, increase.

Capping vs. Collaring *(continued #3)*

CAPPING Contributions or Experience Mods vs. COLLARING creates the following Concerns:

- ✓ If 'COLLARING' you first impact Members that were to receive greater than average reductions in Contributions, thereby creating a middle ground.

Likely this is more important with Experience Mod. CAPPING than with CAPPING Contributions.

It's important to *Profile* the Members to correctly determine the impact, and then Monitor this each year.

This is because if COLLARS are left on too long, they create inequities in the Program between Members

Who Else CAPS or COLLARS?

Many Pools use these elements in their Rating Plans; if nothing else they have a *MINIMUM* element so that smaller Members at least pay a proper share of Administration Costs.

A key time for utilization of this element is when modifying a Rating Plan so that no one Member is negatively impacted by the changes made to the Plan. CAPS and COLLARS need to be monitored.

NEXT STEPS!

- ❖ If it Ain't Broke . . .
- ❖ Examining Other Options – What are We Really Trying to Fix
 - ✓ What are the Pool's Philosophical Goals
 - ✓ If the Issue is Growth Changes, should we look at better ways - - ***a policy of manually manipulating CAPPED Contributions if for a portion a Member is excess of the Average Growth, for instance.***
- ❖ Is There One Right Way
 - ✓ Does one change impact another Element
 - ✓ At What Point do we just have to be 'reasonable' and not create a 'formula' to solve the problem!



We Recommend Continued Discussion regarding CAPS During the next 12 months.

Thank You For Your Time and attention on this Important element of the NCCSIF Program





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PARMA 2014 CONFERENCE REGISTRATION IS NOW OPEN

New at PARMA

PARMA SCHOLARSHIPS FOR THE ANNUAL CONFERENCE

If you would like to attend the PARMA Conference, February 9-12, 2014 in San Jose, CA, but your entity does not have the funding to allow it, consider applying for a PARMA Scholarship. Information on how to apply can be found in the PARMA Community. Just log in with your email address and passcode, go to the Resource Pages and download an application. Don't miss out on a fabulous educational opportunity - let us help you get there!

To find the Resource pages simple look on the left side of the PARMA Community pages for Resources. Click on that link and then scroll down to find the PARMA Conference Scholarship Application. Click on that link and then download the application by clicking on the green Download Resource Button on the right side of the page. Open the document, print it out and fill in the application. Instructions on where to send it are on the form.

REGISTER FOR THE PARMA GOLF TOURNAMENT

You can register for the annual PARMA Golf Tournament to be held at the Coyote Creek Golf Course in Morgan Hill, CA on Sunday, February 9, 2014. Just go to www.parma.com and click on Events. Then close the 2014 PARMA Golf Tournament, log in and follow the prompts. No need to be a good golfer - you just need to want to have fun!

If you want to sponsor a tee box you can click on the PARMA Store and choose the event you would like to sponsor by clicking on it and adding it to your shopping cart. A receipt will be sent to you once you have paid for it.

NEW FOR THE 2014 CONFERENCE

PARMA is offering **Continuing Education Certificates** and **MCLE Credits** for Attorneys and Paralegals for attending selected sessions. These sessions are noted with a comment in the title field, so be sure to look for these when you register. This is part of PARMA's Strategic Plan to address requests from and meet the needs of its members.

EVENTS WORTH NOTING

Attendees at the 2014 PARMA Conference are in for a real treat this year. They will be hosted for a networking opportunity at the San Jose Tech Museum on Monday evening from 6-10 pm thanks to the sponsorship from **Alliant Insurance Services** and **Carl Warren & Company**. For those without plans for later in the evening the IMAX Theater at the Museum will have an 8 pm showing of the movie "Everest". All attendees are welcome to attend this event.

A 40th Anniversary deserves a special celebration and PARMA's banquet intends to be just that. This is that event where you can dress up -

bring along the cocktail dress and guys, wear a jacket. Of course you can come in business attire if you prefer but be a part of this Ruby Celebration. With a menu of Surf & Turf, dancing with your favorite band from last year and prizes generously sponsored by **Mullen & Filippi**, you can be guaranteed an evening to remember.

PARMA EXHIBIT BOOTH INFORMATION

Exhibit booths are available for sale for the PARMA Conference. The exposition will be at the San Jose Convention Center with set up on Sunday, February 9 from 1-6pm. The show is Monday, February 10 from 7:30 - 4:00 pm and Tuesday, February 11 from 7:30 - 1:30pm. Tear down can begin at 1:45 following lunch which will be served both days in the exhibit hall. For a booth contract please click [HERE](#). For a diagram of the expo hall, please click [HERE](#). Please note that there are a large number of booths already sold for this show. For an updated list of booth availability please email exhibit@parma.com and request a listing so you do not choose booths that are already sold.

PARMA COMMUNITY

The Community is a place to find not only chapter information for PARMA, updates about the conference and resources to make your life easier, but also a place to allow other PARMA members to post their meetings and white papers. Speakers can promote the sessions they will be presenting at both Chapter Meetings and the Annual Conference, AND it will be easier than before to actually reach out and make connections with other PARMA members. It also provides a forum for group discussions, news feeds and messaging.

PARMA Members have full access to everything in the Community. You can post meetings, make contacts, participate in group discussions, send/receive messages, take surveys and access/download/post resources. **Non Members** can view posted meetings, group discussions, resources and surveys. Non Members can view posted meetings, group discussions, resources and surveys.

What to do First?

Click on the Community link, log in and create a profile for yourself. Then explore. Look up other members with the search box and invite them to link to you. Set your permissions so that you have set up when you want to get notifications. **This is the NEW LOOK of PARMA!**

Membership: PARMA's membership runs from January 1 - December 31 each year. For public agency employees the cost is \$100 for an entity and for associates/non-public agency employees the cost is \$275. Your employer/agency becomes the member and covers as many people from your location as would like to be a PARMA member. (If you have additional branches each must become their own member but will also have the ability to have multiple employees under the umbrella of the membership.)

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PARMA 2014 Annual Conference

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San Jose, CA Convention Center



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NCCSIF Organizational Chart

BOARD OF DIRECTORS			
Jeff	Kiser		City of Anderson
Shari	Conley	VP	City of Auburn
Shelly	Kittle		City of Colusa
John	Brewer		City of Corning
Steve	Johnson		City of Dixon
Brad	Koehn		City of Elk Grove
Bruce	Cline		City of Folsom
Paula	Islas		City of Galt
Karin	Helvey	EC	City of Gridley
Ed	Pattison		City of Ione
Michael	Daly		City of Jackson
John	Lee	EC	City of Lincoln
Matt	Michaelis		City of Marysville
Catrina	Olson	EC	City of Nevada City
Harold	Duffey		City of Oroville
Gina	Will	S	Town of Paradise
Dave	Warren		City of Placerville
Sandy	Ryan		City of Red Bluff
Joe	Tanner		City of Rio Vista
Russell	Hildebrand	EC	City of Rocklin
Tim	Sailsbery	T	City of Willows
Steve	Kroeger		City of Yuba City

ALTERNATES		
TBD		City of Anderson
Joanna	Belanger	City of Auburn
TBD		City of Colusa
Tom	Watson	City of Corning
Kim	Stalie	City of Dixon
Jonathan	Hobbs	City of Elk Grove
Kristine	Wilfong	City of Folsom
Jason	Behrmann	City of Galt
Elisa	Arteaga	City of Gridley
Jane	Wright	City of Ione
TBD		City of Jackson
Sheila	Vanzandt	City of Lincoln
Walter	Munchheimer	City of Marysville
TBD		City of Nevada City
Liz	Ehrenstrom	P City of Oroville
Crystal	Peters	Town of Paradise
John	Driscoll	City of Placerville
Cheryl	Smith	City of Red Bluff
Marni	Rittburg	City of Rio Vista
Michael	Green	City of Rocklin
Steve	Holsinger	City of Willows
Robin	Bertagna	City of Yuba City

EXECUTIVE COMMITTEE			
Liz	Ehrenstrom	P	City of Oroville
Shari	Conley	VP	City of Auburn
Gina	Will	S	Town of Paradise
Tim	Sailsbery	T	City of Willows
Karin	Helvey	EC	City of Gridley
John	Lee	EC	City of Lincoln
Catrina	Olson	EC	City of Nevada City
Russell	Hildebrand	EC	City of Rocklin

RISK MANAGEMENT COMMITTEE		
Juanita	Barnett	City of Anderson
Robert	Richardson	City of Auburn
Shelly	Kittle	City of Colusa
Tom	Watson	City of Corning
Kim	Stalie	City of Dixon
Brad	Koehn	City of Elk Grove
Bruce	Cline	City of Folsom
Paula	Islas	City of Galt
Karin	Helvey	City of Gridley
Ed	Pattison	City of Ione
Carla	Soracco	City of Jackson
John	Lee	City of Lincoln
Matt	Michaelis	City of Marysville
Catrina	Olson	City of Nevada City
Liz	Ehrenstrom	City of Oroville
Crystal	Peters	Town of Paradise
Dave	Warren	City of Placerville
Sandy	Ryan	City of Red Bluff
Marni	Rittburg	City of Rio Vista
Russell	Hildebrand	City of Rocklin
Wayne	Peabody	City of Willows
Natalie	Walter	City of Yuba City

PROGRAM ADMINISTRATORS		
Susan	Adams	Alliant Insurance Services
Michael	Simmons	Alliant Insurance Services
Joan	Crossley	Alliant Insurance Services
Johnny	Yang	Alliant Insurance Services
Laurence	Voiculescu	Alliant Insurance Services

ADVISORS		
Byrne	Conley	Byrne and Conleys
James	Marta	James Marta & Company

RISK CONTROL CONSULTANTS		
Henri	Castro	Bickmore
Jeff	Johnston	Bickmore
Tom	Kline	Bickmore

P = President	VP = Vice President
S = Secretary	T = Treasurer

2014 MEETING CALENDAR

BOARD OF DIRECTORS 12:00 p.m.	EXECUTIVE COMMITTEE 10:30 a.m.	CLAIMS COMMITTEE 12:30 p.m.
April 24	March 13	March 13
June 12	May 29	May 29
October 9	September 18	September 18
December 11	November 13	November 13*

RISK MANAGEMENT COMMITTEE 9:30 a.m.	POLICE RISK MANAGEMENT COMMITTEE 10:30 a.m.	FINANCE COMMITTEE 10:30 a.m.
January 9	February 20	As Needed
April 24	May	
June 12	September	
October 9	December	
December 11		

ALL MEETINGS ARE SCHEDULED ON THURSDAYS

Risk Management Committee meetings are scheduled for 9:30 a.m.

Board of Director Meetings will start at 12:00 p.m.

**This meeting will follow the EC meeting, as the Claims Committee members will be selected at that meeting.*

CJPRMA 2014 MEETING DATES –

EXECUTIVE COMMITTEE	BOARD OF DIRECTORS
January 16	March 20
April 17	May 13, 14 & 15
July 17	October 23
September 19	December 18
November 20	

Northern California Cities State Self Insurance Fund

Travel Reimbursement Expense Form

Member Representative: _____
Entity: _____
Payee Address: _____

Meeting or Committee: _____
Date of Meeting: _____
Location of Meeting: _____
Total Mileage: _____

Payment Made to:

Signature _____ Date _____

2013 NCCSIF RESOURCE CONTACT GUIDE

PROGRAM ADMINISTRATION Alliant Insurance Services, Inc. www.alliantinsurance.com Main: (916) 643-2700 Fax: (916) 643-2750		
SUBJECT	MAIN CONTACT	
COVERAGE / RISK MANAGEMENT ISSUES – <ul style="list-style-type: none"> ➤ Certificates of coverage, additions/deletions of coverages, special events liability coverage, automobile identification cards, auto/mobile equipment physical damage programs ➤ Coverage questions, quotations, new members, development of shared risk program coverage agreements, RFPs for actuarial services, actuary liaison, excess insurance/additional coverage marketing (Crime coverage, etc.), program development ➤ Insurance Requirements in Contracts (IRIC), hold harmless agreements, indemnification clauses, safety program planning, RFPs for JPA services & audits, third party contract review 	Michael Simmons Marylin Kelley Johnny Yang Joan Crossley	
JPA MANAGEMENT ISSUES – program budget/funding, financial analysis, coordination w/financial auditor/JPA accountant	Michael Simmons Marylin Kelley Johnny Yang Joan Crossley	
JPA ADMINISTRATIVE ISSUES – meeting agendas; minutes; development/maintenance of governing documents, development/interpretation of policies & procedures, JPA state compliance, Form 700, changes in Board members.	Johnny Yang Michael Simmons Marylin Kelley Joan Crossley	
COVERAGE ISSUES - coverage questions, quotations, new members, development of shared risk program coverage agreements, RFPs for actuarial services, actuary liaison, excess insurance/additional coverage marketing (Crime coverage, etc.), program development	Michael Simmons Marylin Kelley Johnny Yang Joan Crossley	
Mike Simmons Johnny Yang Joan Crossley Marylin Kelley	(415) 403-1425 / (925) 708-3374 (cell) (916) 643-2712 (916) 643-2708 (415) 403-1448	msimmons@alliantinsurance.com jyang@alliantinsurance.com jcrossley@alliantinsurance.com mkelley@alliantinsurance.com

2013 NCCSIF RESOURCE CONTACT GUIDE

<p><u>ACCOUNTING SERVICES</u> James Marta & Company CPAs 701 Howe Avenue, Suite E3 Sacramento, California 95825 Main: (916) 993-9494 • Fax: (916) 993-9489 www.jpmpca.com Jim Marta - jmarta@jpmpca.com</p>	<p><u>EMPLOYEE ASSISTANCE PROGRAM</u> ACI Specialty Benefits Corporation 5414 Oberlin Drive, Suite 240 San Diego, California 92121 Main: (858) 452-1254 • Fax: (858) 452-7819 www.acieap.com Tori Barr - tbarr@acieap.com</p>
<p><u>CLAIMS ADMINISTRATION / LOSS CONTROL</u> York Risk Services Group, Inc. www.yorkrsg.com P.O. Box 619058 Roseville, CA 95661-9058 (800) 922-5020 • Fax (800) 921-7683</p>	
LIABILITY CONTACTS	WORKERS' COMPENSATION
<p>Jennifer Nogosek Unit Manager (916) 960-0997 jennifer.nogosek@yorkrsg.com Cameron Dewey Senior Adjuster - Redding (530) 243-3249 cameron.dewey@yorkrsg.com Shawn Millar Senior Adjuster - Chico (530) 345-5998 shawn.millar@yorkrsg.com Olivia Doney Adjuster - Chico (530) 345-5883 olivia.doney@yorkrsg.com Dan Lamb Senior Adjuster - Foothills (209) 795-0742 dan.lamb@yorkrsg.com</p>	<p>Lela Casey Senior Claims Examiner lela.casey@yorkrsg.com Federica Simpson Future Medical Examiner (916) 960-1021 federica.simpson@yorkrsg.com MO's and FM's for Kelly's cities Michelle Bridges Senior Claims Examiner michelle.bridges@yorkrsg.com Christine Stillwell Future Medical Examiner (916) 960-0950 christine.stillwell@yorkrsg.com MO's and FM's for Carol and Teresa's cities Ben Burg Unit Manager (916) 960-0946 ben.burg@yorkrsg.com</p>
<p><u>RESOURCES</u> Tom Baber Vice President Liability (916) 746-8834 tom.baber@yorkrsg.com Marcus Beverly Client Relations Director (916) 746-8828 marcus.beverly@yorkrsg.com</p>	<p><u>RESOURCES</u> Debra Yokota Regional Vice President Workers' Compensation (916) 960-0965 debra.yokota@yorkrsg.com Marcus Beverly Client Relations Director (916) 746-8828 marcus.beverly@yorkrsg.com Kelli Vitale Carson Assistant Vice President Workers' Compensation (916) 960-0998 kelli.vitalecarson@yorkrsg.com</p>
<p><u>RESOURCES</u> Craig Wheaton, J.D. Assistant Vice President Liability - Roseville (916) 960-0988 craig.wheaton@yorkrsg.com Mike Berndt Assistant Vice President (916) 746-8828 mike.berndt@yorkrsg.com</p>	