



President
Ms. Liz Ehrenstrom
City of Oroville

Treasurer
Mr. Tim Sailsbery
City of Willows

NCCSIF BOARD OF DIRECTORS MEETING

Vice President
Mr. Andy Heath
City of Auburn

Secretary
Ms. Gina Will
Town of Paradise

Date: Thursday, June 13, 2013
Time: 12:00 p.m.

Location: Lincoln City Hall (Third Floor Conference Room)
600 Sixth Street
Lincoln, CA
(530) 894-6699

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

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

pg. 01 **D. CONSENT CALENDAR**

A 1

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.

- | | |
|--------|---|
| pg. 02 | 1. Draft Minutes of the Board of Directors Meeting April 25, 2013 |
| pg. 12 | 2. Check Register as of May 31, 2013 |
| | 3. Quarterly Investments Reports |
| pg. 13 | a. NCCSIF Investment Reports, March, April and May 2013 – Short/Long Term |
| pg. 37 | b. LAIF Statement as of March 31, 2013 |
| pg. 38 | c. CJPRMA Investment Reports as of April 30, 2012 |
| pg. 43 | d. CSAC EIA Investment Report as of March 31, 2012 |

pg. 47 **E. MINUTES AND REPORTS**

I

Minutes and/or summary reports are provided from the Committees noted below.

- | | | |
|--------|---|---|
| pg. 48 | 1. Draft Minutes – Executive Committee Meeting May 30, 2013 | 1 |
| pg. 54 | 2. Draft Minutes – Claims Committee Meeting May 9, 2013 | 1 |
| pg. 55 | 3. Draft Minutes – Risk Management Committee Meeting – April 25, 2013 | 1 |
| | 4. Risk Management Meeting June 13, 2013 – Verbal Report | 4 |



pg. 58	F. SUMMARY OF THE EXECUTIVE COMMITTEE MEETING HELD ON MAY 30, 2013	I	1
	G. ADMINISTRATION REPORTS	I	4
	1. President's Report <i>Liz Ehrenstrom will address the Board on items pertaining to NCCSIF.</i>		
	2. Program Administrator's Report <i>Alliant will address the Board on items pertaining to NCCSIF.</i>		
	H. JPA BUSINESS		
pg. 59	1. Final 2013/2014 NCCSIF Budget <i>The Board of Directors will be asked to review and approve the Final 2013/2014 NCCSIF Budget.</i>	A	1
pg. 62	2. Liability Shared Risk Layer Retention at \$500,000 <i>The Board of Directors will receive an update from Alliant on the Liability Shared Risk Layer Retention attachment at \$500,000 with CJPRMA.</i>	I	1
	3. 2013/2014 Deposit Calculations <i>The Board of Directors will be asked to review and approve the 2013/2014 Deposit Premium calculations.</i>		
pg. 69	a. Workers' Compensation	A	1
pg. 71	b. Liability	A	1
	4. NCCSIF Memorandums of Coverage <i>The Board of Directors will be asked to review and approve the 2013/2014 Memorandums of Coverage.</i>		
pg. 73	a. Workers' Compensation	A	1
pg. 87	b. Liability	A	1
pg. 96	5. 2013/2014 Crime Coverage Renewal <i>The Board of Directors will be asked to review and approve the 2013/2014 Crime Coverage with National Union Fire Insurance of Pittsburgh, Pa.</i>	A	1
	6. 2013/2014 Property Renewal		
pg. 100	a. NCCSIF Property Renewal Proposal <i>The Board of Directors will be asked to review and approve the renewal of the 2013/2014 Property coverage with Alliant Property Program.</i>	A	1
pg. 111	b. APIP Claims Procedures Acknowledgement <i>The Board of Directors will be provided with an outline and be asked to acknowledge the reporting procedure guidelines that should be followed immediately after a Property, Pollution or Cyber Liability loss or incident.</i>	A	1



I. INFORMATION ITEMS

I 1

- pg. 122 1. NCCSIF Organization Chart
- pg. 124 2. NCCSIF Meeting Calendar 2013
- pg. 125 3. NCCSIF Travel Reimbursement Form
- pg. 126 4. NCCSIF Resource Contact Guide

J CLOSED SESSION TO DISCUSS PENDING CLAIMS

A 3

(Per Governmental Code Section 54956.95) **REQUESTING AUTHORITY

- 1. Haley vs. City of Rocklin

K. ADJOURNMENT

UPCOMING MEETINGS

Police Risk Management Committee Meeting – August, 2013

Executive Committee Meeting – September 12, 2013

Claims Committee Meeting – September 12, 2013

Board of Directors Meeting – October 10, 2013

Risk Management Meeting – October 10, 2013

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 Board of Directors 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 of Directors should review items on the Consent Calendar and, if there is any item requiring clarification or amendment, such item(s) should be removed from the agenda for separate discussion. The Board of Directors should approve the Consent Calendar excluding those items removed for separate discussion. 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 Staff 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 during the meeting. Remaining items would then be approved by action of the Board.

ATTACHMENT(S):

1. Draft of Minutes of the Board of Directors Meeting April 25, 2013
2. Check Register as of May 31, 2013
3. Investment Reports:
 - a. Chandler Asset Management Reports, April and May 2013 – Short/Long Term
 - b. LAIF Statement as of March 31, 2013
 - c. CJPRMA Investment Reports as of April 30, 2012
 - d. CSAC EIA Investment Report as of March 31, 2012



**MINUTES OF THE
NCCSIF BOARD OF DIRECTORS MEETING
LINCOLN CITY HALL, LINCOLN, CA
APRIL 25, 2013**

MEMBERS PRESENT

Jeff Kiser, City of Anderson
Andy Heath, City of Auburn
John Brewer, City of Corning
Steve Johnson, City of Dixon
Bruce Cline, City of Folsom
Paula Islas, City of Galt
Karin Helvey, City of Gridley
Ed Pattison, City of Ione
Michael Daly, City of Jackson
Catrina Olson, City of Nevada City
Liz Ehrenstrom, City of Oroville
Sandy Ryan, City of Red Bluff
Russell Hildebrand, City of Rocklin
Tim Sailsbery, City of Willows
Steve Kroeger, City of Willows
Crystal Peters, Town of Paradise

MEMBERS ABSENT

Shelly Kittle, City of Colusa
John Lee, City of Lincoln
Matt Michaelis, City of Marysville
Dave Warren, City of Placerville
Marni Rittburg, City of Rio Vista

GUESTS & CONSULTANTS

Michael Simmons, Alliant Insurance Services, Inc.
Susan Adams, Alliant Insurance Services, Inc.
Johnny Yang, Alliant Insurance Services, Inc.
James Marta, James Marta & Company
Tom Baber, York Risk Services
Mike Harrington, Bickmore



A. CALL TO ORDER

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

PRESENTATION

Ms. Karen Rueben and Ms. Alison Viebrock gave the Board a presentation on the EAP and Wellness services provided by ACI Specialty.

B. PUBLIC COMMENTS

There were no public comments.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

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

D. CONSENT CALENDAR

1. Draft Minutes of the Board of Directors Meeting January 24, 2013
2. Check Register at March 31, 2013
3. Chandler Asset Management Investment Reports
 - a. January, 2013 – Short/Long Term
 - b. February, 2013 – Short/Long Term
 - c. March, 2013 Short/Long Term

Ms. Sandy Ryan requested the Draft Minutes of the Board of Directors Meeting on January 24, 2013 be pulled from the Consent Calendar for further clarification.

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

MOTION: Russell Hildebrand **SECOND:** Andy Heath **MOTION CARRIED**

D1. Draft Minutes of the Board of Directors Meeting January 24, 2013.

Ms. Sandy Ryan requested the minutes be corrected to show the City of Red Bluff in attendance as it currently shows the City of Red Bluff as absent.

A motion was made to approve the Drat Minutes of the Board of Directors Meeting January 24, 2013 with above correction.

MOTION: Tim Sailsbery **SECOND:** Sandy Ryan **MOTION CARRIED**

E. MINUTES AND REPORTS

1. Summary of Executive Committee Meeting held March 9, 2013
2. Draft Minutes – Executive Committee Meeting March 9, 2013
3. Draft Minutes – Risk Management Committee Meeting – January 24, 2013
4. Draft Minute – Police Risk Management Committee Meeting January 10, 2013
5. Risk Management Meeting April 25, 2013 – Verbal Report

F. ADMINISTRATION REPORTS

F1. President's Report

Ms. Liz Ehrenstrom advised that Bickmore gave the Risk Management Committee an update of the services provided to NCCSIF. Ms. Adams advised that an IIPP video was presented to the Committee which can be utilized by member cities for New Employee Orientation and Annual Reviews.

F2. Program Administrator's Report

Program Administration had no items to discuss.

G. FINANCIAL REPORTS

G1. Quarterly Financial Report for the Period Ending March 31, 2013

Mr. James Marta presented NCCSIF's Quarterly Financial Report for Period Ending March 31, 2013. Mr. Marta explained that the Liability Shared Risk Layer has equity of -\$800,000 which has precipitate over time due to a few factors to consider. One is an increase of SIR to \$1,000,000. Others are the 60% Confidence Level funding and 3% Discounting Rate. Another has been the large loss development in the recent years.

A motion was made to approve the Quarterly Financial Report for Period Ending March 31, 2013.

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

G2. Budget to Actual Report as of March 31, 2013

Ms. Adams advised that members have asked the Budget to Actual Report be discussed as a separate item from the Consent Calendar. The Property Appraisal amount is allocated among members who are part of the PEPPI and will be calculated according to number of buildings appraised.



Ms. Liz Ehrenstrom reminded members that the ACI Wellness Service is available to all members and members should be push the service out to their employee.

G3. Chandler Asset Management – Report from Investment Manager

Mr. Ted Piorkowski provided the Board with a presentation on NCCSIF's investment portfolio and specific economic factors that have had a direct impact on the rate of return.

H. JPA BUSINESS

H1. FY 2013/14 Actuarial Studies – Draft Financial pages only.

Mr. Mike Harrington explained to members that currently NCCSIF's Workers' Compensation program remains healthy while the Liability Program is showing a deficit in its Shared Layer. He also mentioned that with interest rates at a historic low, entities have lowered their discount rate factors to reflect the appropriate rate of interest returns.

H1.a. Workers' Compensation

Mr. Harrington provided members with a presentation on the Draft FY 2013/14 Actuarial Studies for Workers' Compensation at the 60% Confidence Level Funding and a 1.5% discount rate factor.

A motion was made to approve the FY 2013/14 Workers' Compensation Actuarial at the 60% Confidence Level Funding and a 1.5% discount rate factor.

MOTION: Russell Hildebrand **SECOND:** Catrina Olson **MOTION CARRIED**

H1.b. Liability

Mr. Harrington provided members with a presentation on the Draft FY 2013/14 Actuarial Studies for Liability at the 60% Confidence Level Funding and a 1.5% discount rate factor.

A motion was made to approve the FY 2013/14 Liability Actuarial at the 60% Confidence Level Funding and a 1.5% discount rate factor.

MOTION: Tim Sailsbery **SECOND:** Sandy Ryan **MOTION CARRIED**

H2. Approval of the 2012/13 Banking Plan Fund Adjustment Calculations

Ms. Adams explained that the 2012/13 Banking Plan Fund Adjustment Calculations are developed by James Marta and Company and a letter will be sent out to members to request distribution options. Those members who are currently in a deficit in their Banking Layer fund will be assessed 20% of the deficit amount.



Mr. Marta reminded members that these distributions can be used to offset their 13-14 deposits if desired and suggested contemplating a policy to use distributions from a healthy program to offset deficits in a different program.

H2.a. Workers' Compensation

A motion was made to approve the distribution of the 2012/13 Workers' Compensation Banking Layer funds.

MOTION: Steve Kroeger **SECOND:** Russell Hildebrand **MOTION CARRIED**

H2.b. Liability

A motion was made to approve the distribution of the 2012/13 Liability Banking Layer funds.

MOTION: Tim Sailsbery **SECOND:** Russell Hildebrand **MOTION CARRIED**

H3. 2012/13 Shared Risk Layer Plan Fund Adjustment Calculations

H3.a. Workers' Compensation

Ms. Adams explained that based on NCCSIF Shared Risk Layer assets at December 31, 2012, the Workers' Compensation Shared Risk Layer funds meet the 90% confidence level target and the equity to SIR ratio (5 times for WC). This is the fourth time in 13 years that the WC funds have qualified for a refund. The available refund amount is \$2,740,547. Staff recommends that 50% of the allowable refund be approved. This will provide members with a total refund of \$1,370,229.

A motion was made to approve 50% of the 2012/13 Workers' Compensation Shared Risk Layer available distribution totaling \$1,370,229.

MOTION: Russell Hildebrand **SECOND:** Sandy Ryan **MOTION CARRIED**

H3.b. Liability

Ms. Adams advised that since the Liability Shared Risk Layer is currently in a deficit, staff recommends no distribution from the Liability Shared Risk Layer.

A motion was made to approve no distributions from the Liability Shared Risk Layer.

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

H4. 2012/13 Safety Grant Funds Utilization and Consideration of 2013/14 Safety Grant Funds Program Continuation.



Ms. Adams advised staff and the Executive Committee recommends approval of the continuation of the Safety Grant Funds for FY2013/14, including the stipulation that members are allowed to opt out of the grant and receive their full refunds if they so choose.

A motion was made to approve the continuation of the Safety Grant Funds for FY 2013/14, including the stipulation that members are allowed to opt out of the grant and receive their full refunds.

MOTION: Tim Sailsbery

SECOND: Paula Islas

MOTION CARRIED

H5. Liability Shared Risk Layer Assessment

Ms. Adams explained that the Liability Shared Risk Layer is in a deficit position due to unfavorable loss development in the recent program years. This year, based on NCCSIF Shared Risk Layer assets at December 31, 2012 the Liability Shared Risk Layer has a negative equity of around \$800,000.

She then advised that Program Administration and the Accountant recommend an Assessment of approximately \$600,000 - \$800,000, per year for a 5 year period to reach the benchmark funding for losses, assuming no major changes in expected losses. Staff recommends an Assessment of \$647,200 for the Liability Shared Risk Layer for the program year and applying half of the CJPRMA refund (\$414,401) in the amount of \$207,200 to the Assessment leaving \$440,000 to be assessed to members.

A motion was made to approve an Assessment of \$647,200 for the Liability Shared Risk Layer for the program year with half of the CJPRMA Refund in the amount of \$207,200 to be applied to the Assessment leaving \$440,000 to be assessed.

MOTION: Steve Kroeger

SECOND: Paula Islas

MOTION CARRIED

H6. Distribution of CJPRMA Refund

Ms. Adams explained that NCCSIF has been a member of CJPRMA since 1993 and has received dividends in the consistent amount of \$350,000 or so since 2007. This year NCCSIF's Distribution is \$414,201. Historically these dividends have been used to help offset members' Total Liability premiums. This year staff is recommending applying half the refund to the 13-14 liability deposits and half to reduce the Liability Shared Risk Layer Assessment.

Mr. Marta explained members have not seen NCCSIF's true liability deposit rate as the CJPRMA refund has been applied to the deposits for the past 6 years. The recommendation will help fix the Liability Shared Program Equity and help prepare members as the CJPRMA refunds are estimated to diminish in the future.

A motion was made to approve staff's recommendation of applying 50% of the CJPRMA refund to the Liability deposits and 50% to the Liability Shared Risk Assessments.



MOTION: Michael Daly

SECOND: Steve Kroeger

MOTION CARRIED

H7. Liability Shared Risk Layer Retention Analysis - \$500,000 xs \$500,000

Ms. Adams advised that CJPRMA has provided NCCSIF with a 3 year proposal to join their Pool B (\$500,000 xs \$500,000) layer. They have proposed that NCCSIF contribute \$196,469 (\$.127) which is the 2013/14 actuarial rate for this layer for all their members, plus a surcharge of \$116,000 per year due to NCCSIF's adverse loss experience in this layer for a total contribution of \$312,469 (\$.202) for the 2013/2014 program year.

Mr. Adams and Mr. Simmons have sent letters and discussed staff's objections with David Clovis, General Manager of CJPRMA, to this proposal as it would unfairly subject NCCSIF to a greater share of the members in Pool B's losses. Staff has offered a counter proposal that will be brought to their Board on May 15, 2013 for review and approval. Staff has proposed creating a "Corridor Deductible" type program in this layer. NCCSIF would pay the standard contribution at the .127 rate. If NCCSIF incur losses in that layer, NCCSIF would pay the first \$116,000 of NCCSIF's losses [each year] excess of the \$500,000 attachment. Mr. Clovis has agreed with this counter proposal.

Mr. Simmons explained that financially, this proposal is a great financial option for NCCSIF.

A motion was made to approve authority be given to NCCSIF's CJPRMA Representative, Ms. Paula Islas, to join CJPRMA's pool layer B (\$500,000 xs \$500,000) should CJPRMA accept NCCSIF's conditions.

MOTION: Russell Hildebrand

SECOND: Tim Sailsbery

MOTION CARRIED

H8. Preliminary 2013/14 Deposit Calculations

Ms. Adams advised that the Preliminary 2013/14 Deposit Calculations for Workers' Compensation and Liability are provided for information only.

H8.a. Preliminary 2013/14 Deposit Calculations – Workers' Compensation

Ms. Adams explained that staff currently does not have a final Excess Workers' Compensation premium and the calculation is based on a CSAC-EIA estimate.

H8.b. Preliminary 2013/14 Deposit Calculations

Ms. Adams explained that staff currently does not have a final Excess Liability premium and the calculation are based on CJPRMA's preliminary quote which will be addressed at CJPRMA's next Board of Directors meeting in May. CJPRMA will make a decision on accepting NCCSIF in their Pool Layer B at an SIR of \$500,000 xs \$500,000.

H9. 2013/14 Maximum (CAPPED) Deposits

Ms. Adams explained that NCCSIF has policies and procedures in place for NCCSIF members to approve a Maximum or Capped Deposit every year with members sharing the remainder of the deposit amount not collected.

Mr. Marta explained that the amount not collected is taken out of members Banking Layer funds for the program until the claims are paid.

Ms. Adams advised that staff wishes to review new rating plans in the summer to effectively capture the needs of NCCSIF. She then explained that staff recommends a 20% Capped Deposit for Liability and 40% Capped Deposit for Workers' Compensation.

Mr. Tim Sailsbery advised that as preliminary numbers were sent to members prior to the meeting showing at the 20% Capped Deposit amount for Workers' Compensation, members with a larger increase will have difficulty funding the amount of 40% for Workers' Compensation. Members also expressed concern for those who have to share more of the deposit due to a 20% Capped deposit amount.

Upon further discussion, Mr. Simmons suggested approving the 40% Capped Deposit percentage for Workers' Compensation with the option for those that exceed 20% the option of deferring any amount in excess of the 20% prior year increase.

A motion was made to approve the Liability (Capped) Deposit at the 20% and the Workers' Compensation Maximum (Capped) Deposit Percentage at the 40%, but allowing Members that exceed 20% the option of deferring any amount in excess of the 20% prior year increase. The amount deferred will be collected over the following 5 years (like NCCSIF treats other Assessments). Through this interim step, Contributions are not to be re-distributed among the remaining Members in their Banking Layer.

MOTION: Russell Hildebrand **SECOND:** Steve Kroeger **MOTION CARRIED**

H10. Preliminary 2013/14 NCCSIF Budget

Ms. Adams explained that on an annual basis the NCCSIF Board of Directors reviews, discusses and approves the NCCSIF Budget at their June Board of Directors meeting. The administrative costs contributing to the Preliminary 2013/14 NCCSIF are as follows:

- The Claims Audits – Staff is including \$7,000 to have a Workers' Compensation claims audit done this year.
- The Financial Audit reflects an increase of \$800 in accordance with the current contract with Perry Smith to a total of \$26,100.

- Legal Services have increased from \$10,000 to \$12,000 to reflect current year expense.
- Actuarial Services remain the same at \$6,000 for the liability and \$4,000 for the WC which includes the \$2,000 credit we received from CSAC EIA for the actuarial study each year.
- Fidelity Bonds are expected to remain the same at \$3,000. This is the bond for the JPA/Treasurer.
- Miscellaneous Consultants remain the same at \$5,000.
- Risk Control Services has been increased from \$115,000 to \$155,260 to reflect the costs proposed by Bickmore regarding their revised contracted services.
- Lexipol Law Enforcement Policy Manual currently remains the same at \$100,000.
- Property Appraisal Budget in the amount of \$70,000 was included to reflect the Property Appraisals being done by AssetWorks for the 13/14 year.
- Safety Services from OccuMed remains the same at \$23,000.
- Online Risk Management Services which is for TargetSolutions remains the same at \$20,000.
- ACI Wellness remains the same at \$12,100.
- State Funding/Fraud Assessment has been increased from \$120,000 to \$135,000 to reflect actual billing increased received in 2012.
- Program Administration costs remain flat.

H11. Bickmore Revised Agreement for Risk Control Services – effective 7/1/13

Ms. Adams explained that staff has asked Bickmore to draft a revised contract that reflects the amount of work being done by Bickmore with respects Risk Control Services for NCCSIF. An Ad Hoc Committee held a teleconference on March 6th to review and discuss the proposed contract. The Committee was comprised of Bruce Cline, City of Folsom, Liz Ehrenstrom, City of Oroville and Board President and Natalie Walter, City of Yuba City. The Committee requested staff contact Bickmore and request additional information as to how the projected hours were determined especially for the Risk Management Committee and Police RMC meetings. They also discussed if 2 days per member is sufficient for the Assessment Follow up. The Committee also discussed the Fee structure and has requested that a detailed summary of services be provided monthly and requested clarification on how the fee is to be billed.

Ms. Adams advised that staff and the Executive Committee recommend approval of the revised Bickmore Contract effective July 1, 2013 and cancelling the current contract effective June 30, 2013.



A motion was made to recommend to the Board of Directors the cancellation of Bickmore's current Risk Control Services Agreement effective June 30, 2013 and approval of Bickmore's Risk Control Services Revised Agreement effective July 1, 2013.

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

H12. York Claims Administration Services Contract

H12.a. Workers' Compensation Claims Administration

Mr. Tom Baber advised that there was a discrepancy on the Agenda Item and the proposed Workers' Compensation Claims Administration fees were incorrect on the Item Cover but correct on York's Renewal Letter provided with a 1% increase in their fee, \$432,50 per month, from \$43,250 to \$43,682.50.

A motion was made to recommend that approval of a 1-year renewal of York's Workers' Compensation Claims Administration Services Contract with two 1-year renewal options.

H13.b. Liability Claims Administration

Ms. Adams advised that staff and the Executive Committee recommend approval of a 3-year renewal of York's Liability Claims Administration Services Contract.

A motion was made to recommend the approval of a 3-year renewal of York's Liability Claims Administration Services Contract.

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

I. INFORMATION ITEMS

- I1. Annual CAJPA Conference – Sept 10-13, 2013 – South Lake Tahoe**
- I2. NCCSIF Organization Chart**
- I3. NCCSIF Meeting Calendar 2013**
- I4. NCCSIF Travel Reimbursement Form**
- I5. NCCSIF Resource Contact Guide**

J. ADJOURNMENT

Northern California Cities Self Insurance Fund

Check/Voucher Register - '
From 04/01/13 Through 05/31/13

Check Number	Check Description	Vendor Name	Effective Date	Check Amount
7830	System Generated Check/Vo..	Jason Johnson	04/05/13	(50.00)
8077	System Generated Check/Vo..	Chandler Asset Ma..	04/08/13	4,526.00
8078	System Generated Check/Vo..	York	04/08/13	43,250.00
8079	System Generated Check/Vo..	York Risk Services..	04/08/13	38,516.05
8080	System Generated Check/Vo..	James Marta	04/08/13	5,175.00
8081	System Generated Check/Vo..	Alliant Insurance S..	04/08/13	22,500.00
8082	System Generated Check/Vo..	Occu-Med Inc.	04/08/13	1,500.00
8083	System Generated Check/Vo..	Bickmore Risk Ser...	04/08/13	17,256.66
8084	System Generated Check/Vo..	City of Folsom	04/08/13	2,922.35
8085	System Generated Check/Vo..	DKF Solutions Gro..	04/08/13	700.00
8086	System Generated Check/Vo..	AGRIP	04/22/13	1,477.50
8087	System Generated Check/Vo..	Alliant Insurance S..	04/22/13	22,500.00
8088	System Generated Check/Vo..	City of Yuba City	04/22/13	1,472.41
8089	System Generated Check/Vo..	City of Jackson	04/22/13	7,124.00
8090	Board Meeting Lunch	Simple Pleasures	04/25/13	499.21
8091	System Generated Check/Vo..	York Risk Services..	05/03/13	44,968.24
8092	System Generated Check/Vo..	James Marta	05/03/13	5,226.05
8093	System Generated Check/Vo..	Gibbons & Conley	05/03/13	24,236.83
8094	System Generated Check/Vo..	MICHAEL DALY	05/03/13	68.93
8095	System Generated Check/Vo..	AssetWORKS	05/03/13	16,000.00
8096	Board Meeting - Catering	Simple Pleasures	05/07/13	182.30
8097	System Generated Check/Vo..	Chandler Asset Ma..	05/20/13	4,534.00
8098	System Generated Check/Vo..	York	05/20/13	43,250.00
8099	System Generated Check/Vo..	Alliant Insurance S..	05/20/13	22,500.00
8100	System Generated Check/Vo..	Occu-Med Inc.	05/20/13	1,500.00
8101	System Generated Check/Vo..	Bickmore Risk Ser...	05/20/13	8,628.33
8102	System Generated Check/Vo..	City of Folsom	05/20/13	1,073,813.00
8103	System Generated Check/Vo..	City of Anderson	05/20/13	93,935.00
8104	System Generated Check/Vo..	City of Dixon	05/20/13	213,317.00
8105	System Generated Check/Vo..	Town of Paradise	05/20/13	41,119.00
8106	System Generated Check/Vo..	City of Nevada City	05/20/13	37,041.00
8107	System Generated Check/Vo..	PAULA ISLAS	05/20/13	62.15
8108	System Generated Check/Vo..	City of Red Bluff	05/20/13	951.14
8109	System Generated Check/Vo..	Steve Johnson	05/20/13	59.89
8110	System Generated Check/Vo..	PDI	05/20/13	1,000.00
8111	System Generated Check/Vo..	DKF Solutions Gro..	05/20/13	700.00
8112	System Generated Check/Vo..	CALPELRA	05/20/13	620.00
8113	System Generated Check/Vo..	Catrina Olson	05/20/13	79.10
8114	System Generated Check/Vo..	Crystal Peters	05/20/13	80.80
8115	System Generated Check/Vo..	Edwin Pattison	05/20/13	62.15
8116	System Generated Check/Vo..	Karin Helvey	05/20/13	32.77
8117	System Generated Check/Vo..	Liz Ehrenstrom	05/20/13	130.63
8118	System Generated Check/Vo..	Ashley Rico	05/20/13	1,169.73
8119	System Generated Check/Vo..	City of Rocklin	05/20/13	863.58
8120	System Generated Check/Vo..	Russell Hildebrand	05/20/13	51.00
8121	System Generated Check/Vo..	Sandy Ryan	05/20/13	147.47
8122	System Generated Check/Vo..	Training Alternatives	05/20/13	1,000.00
8123	System Generated Check/Vo..	Natalie Walter	05/20/13	1,066.43
8124	Manual Check - EC Catering	Kaffe T Latta	05/30/13	174.30
Report Total				1,807,940.00

Monthly Account Statement

Northern CA Cities Self Ins. Fund Short Term

March 1, 2013 through March 31, 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

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PORTFOLIO CHARACTERISTICS

Average Duration	2.47
Average Coupon	1.74 %
Average Purchase YTM	1.28 %
Average Market YTM	0.53 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.62 yrs
Average Life	2.52 yrs

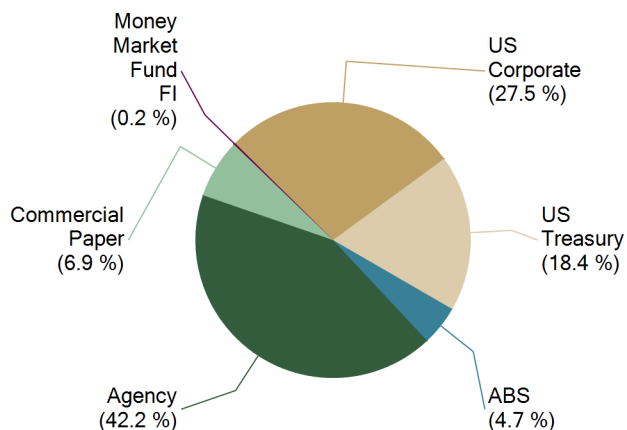
ACCOUNT SUMMARY

	Beg. Values as of 2/28/13	End Values as of 3/31/13
Market Value	21,680,102	21,715,563
Accrued Interest	102,783	80,407
Total Market Value	21,782,885	21,795,971
Income Earned	24,381	22,984
Cont/WD		0
Par	21,164,241	21,213,247
Book Value	21,336,244	21,382,575
Cost Value	21,592,421	21,587,708

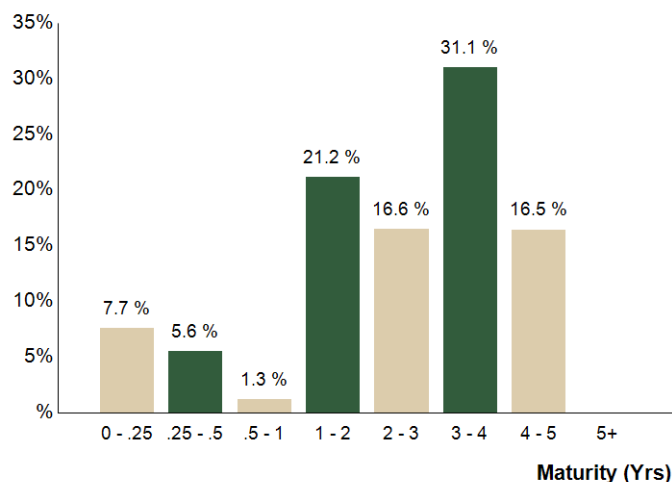
TOP ISSUERS

Issuer	% Portfolio
Government of United States	18.4 %
Federal Farm Credit Bank	11.9 %
Federal Home Loan Mortgage Corp	10.2 %
Federal National Mortgage Assoc	9.5 %
Federal Home Loan Bank	9.3 %
JP Morgan Chase & Co	2.8 %
Toyota Motor Corp	2.2 %
Bank of Nova Scotia	2.2 %
	66.5 %

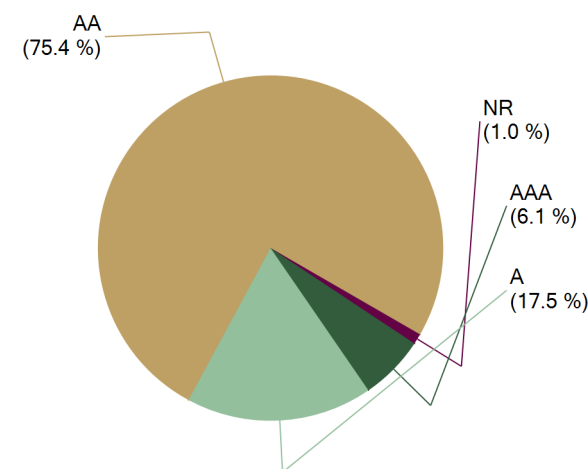
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 3/31/2013	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	0.06 %	0.20 %	0.20 %	1.64 %	2.59 %	3.22 %	3.64 %	4.83 %	105.18 %
1-5 yr Govt	0.04 %	0.15 %	0.15 %	1.25 %	2.29 %	2.68 %	3.30 %	4.47 %	94.89 %
1-5 Year Govt/A Rated or better Corporate	0.05 %	0.24 %	0.24 %	1.79 %	2.67 %	2.99 %	3.43 %	4.65 %	99.91 %



Northern California Cities Self-Insurance Fund - Short Term

March 31, 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; AA	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 3/31/2013

BOOK VALUE RECONCILIATION		
Beginning Book Value		\$21,336,243.63
Acquisition		
+ Security Purchases	\$817,619.10	
+ Money Market Fund Purchases	\$635,994.51	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,453,613.61
Dispositions		
- Security Sales	\$172,517.70	
- Money Market Fund Sales	\$817,988.60	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$409,000.00	
- Calls	\$0.00	
- Principal Paydowns	\$0.00	
Total Dispositions		\$1,399,506.30
Amortization/Accretion		
+/- Net Accretion	(\$8,747.97)	
		(\$8,747.97)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$971.76	
		\$971.76
Ending Book Value		\$21,382,574.73

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$225,241.47
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$172,517.70	
Accrued Interest Received	\$1,188.55	
Interest Received	\$53,288.26	
Dividend Received	\$0.00	
Principal on Maturities	\$409,000.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$0.00	
Total Acquisitions	\$635,994.51	
Disposition		
Withdrawals	\$0.00	
Security Purchase	\$817,619.10	
Accrued Interest Paid	\$369.50	
Total Dispositions	\$817,988.60	
Ending Book Value		\$43,247.38

Monthly Account Statement

Northern Cal. Cities Self Ins. Fund Long Term

March 1, 2013 through March 31, 2013

Chandler Team

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Custodian

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Gaby Rodriguez
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PORTFOLIO CHARACTERISTICS

Average Duration	3.60
Average Coupon	2.88 %
Average Purchase YTM	2.16 %
Average Market YTM	0.82 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	3.95 yrs
Average Life	3.89 yrs

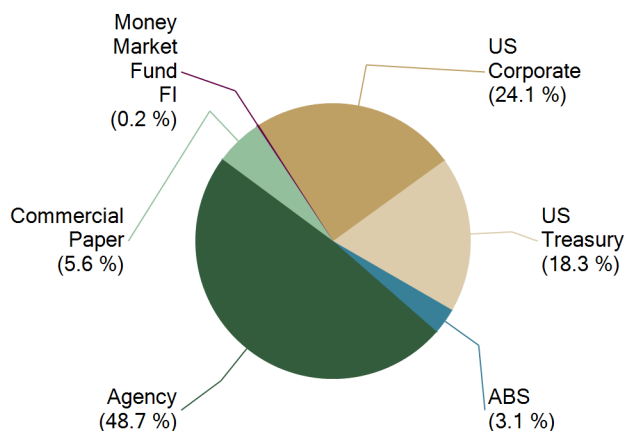
ACCOUNT SUMMARY

	Beg. Values as of 2/28/13	End Values as of 3/31/13
Market Value	22,364,668	22,381,793
Accrued Interest	136,215	152,753
Total Market Value	22,500,883	22,534,545
Income Earned	40,259	39,210
Cont/WD		0
Par	20,917,018	20,990,296
Book Value	21,375,693	21,436,265
Cost Value	21,759,553	21,807,566

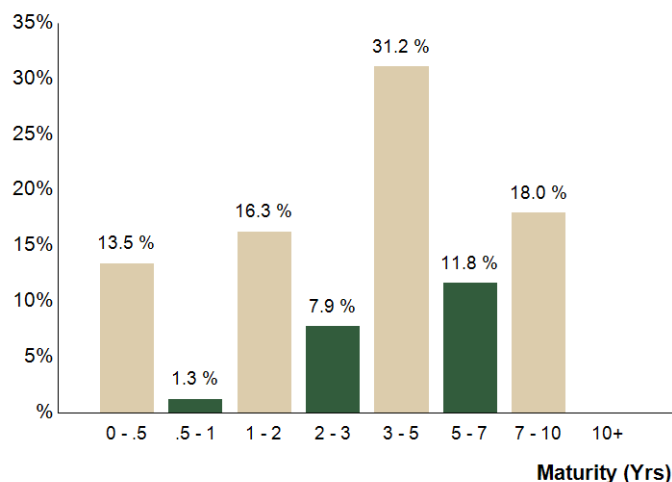
TOP ISSUERS

Issuer	% Portfolio
Government of United States	18.3 %
Tennessee Valley Authority	11.0 %
Federal Farm Credit Bank	10.0 %
Federal Home Loan Bank	9.8 %
Federal National Mortgage Assoc	9.5 %
Federal Home Loan Mortgage Corp	8.4 %
JP Morgan Chase & Co	2.7 %
Bank of Nova Scotia	2.4 %
	72.2 %

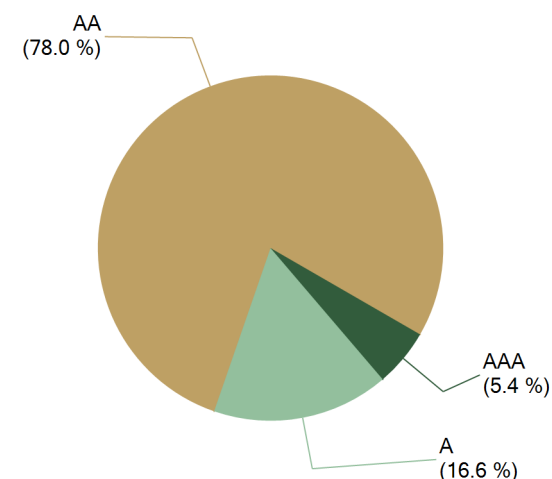
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 3/31/2013	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	0.15 %	0.21 %	0.21 %	2.88 %	4.40 %	4.38 %	N/A	5.60 %	45.10 %
1-10 yr Govt	0.13 %	0.14 %	0.14 %	2.44 %	4.04 %	3.77 %	N/A	5.19 %	41.30 %
1-10 Year Govt/A Rated or better Corporate	0.13 %	0.20 %	0.20 %	3.20 %	4.46 %	4.08 %	N/A	5.23 %	41.64 %



Northern California Cities Self-Insurance Fund - Long Term

March 31, 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; AA	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 3/31/2013

BOOK VALUE RECONCILIATION		
Beginning Book Value		\$21,375,692.93
Acquisition		
+ Security Purchases	\$1,029,151.00	
+ Money Market Fund Purchases	\$631,925.11	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,661,076.11
Dispositions		
- Security Sales	\$937,544.25	
- Money Market Fund Sales	\$688,646.63	
- 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		\$1,626,190.88
Amortization/Accretion		
+/- Net Accretion	(\$12,212.17)	
		(\$12,212.17)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$37,899.27	
		\$37,899.27
Ending Book Value		\$21,436,265.26

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$107,017.87
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$937,544.25	
Accrued Interest Received	\$12,663.75	
Interest Received	\$25,859.26	
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	\$976,067.26	
Disposition		
Withdrawals	\$0.00	
Security Purchase	\$1,029,151.00	
Accrued Interest Paid	\$3,637.78	
Total Dispositions	\$1,032,788.78	
Ending Book Value		\$50,296.35

Monthly Account Statement

Northern CA Cities Self Ins. Fund Short Term

April 1, 2013 through April 30, 2013

Chandler Team

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Email operations@chandlerasset.com

Custodian

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

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PORTFOLIO CHARACTERISTICS

Average Duration	2.50
Average Coupon	1.68 %
Average Purchase YTM	1.26 %
Average Market YTM	0.47 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.65 yrs
Average Life	2.54 yrs

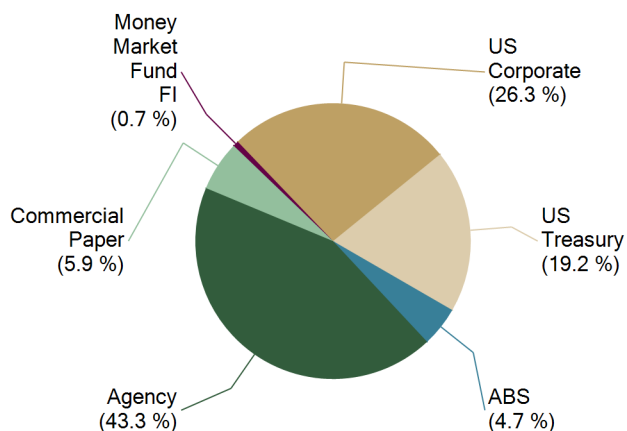
ACCOUNT SUMMARY

	Beg. Values as of 3/31/13	End Values as of 4/30/13
Market Value	21,715,563	21,750,513
Accrued Interest	80,407	96,247
Total Market Value	21,795,971	21,846,761
Income Earned	22,984	22,750
Cont/WD		0
Par	21,213,247	21,225,059
Book Value	21,382,575	21,389,485
Cost Value	21,587,708	21,572,893

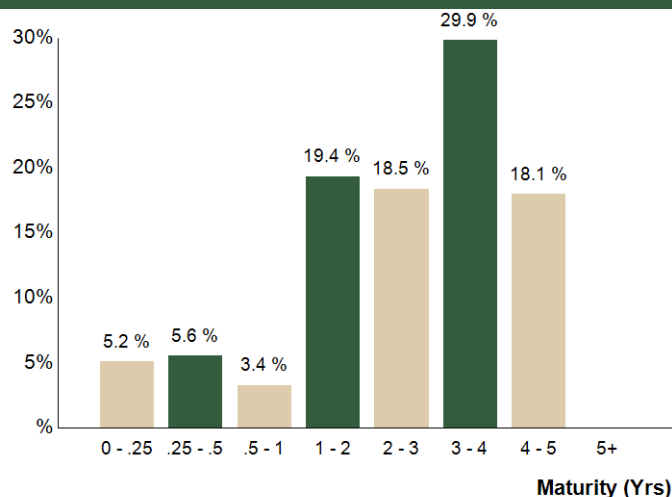
TOP ISSUERS

Issuer	% Portfolio
Government of United States	19.2 %
Federal Farm Credit Bank	11.9 %
Federal National Mortgage Assoc	10.5 %
Federal Home Loan Mortgage Corp	10.2 %
Federal Home Loan Bank	9.3 %
JP Morgan Chase & Co	2.8 %
Toyota Motor Corp	2.2 %
Bank of Nova Scotia	2.2 %
	68.3 %

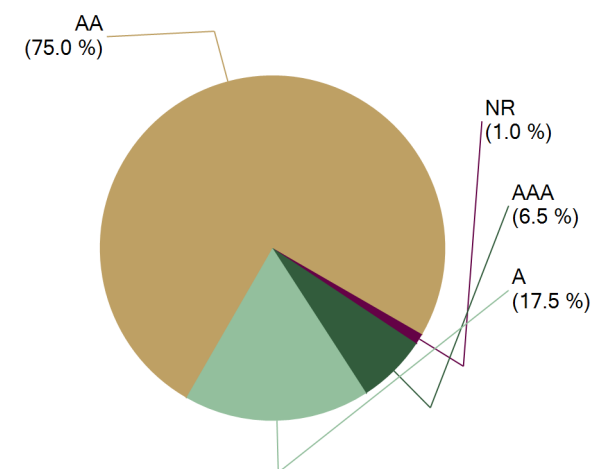
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 4/30/2013	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	0.23 %	0.51 %	0.43 %	1.42 %	2.50 %	3.44 %	3.63 %	4.81 %	105.65 %
1-5 yr Govt	0.23 %	0.51 %	0.38 %	1.02 %	2.22 %	2.94 %	3.30 %	4.46 %	95.34 %
1-5 Year Govt/A Rated or better Corporate	0.26 %	0.58 %	0.50 %	1.62 %	2.59 %	3.22 %	3.43 %	4.64 %	100.44 %



Northern California Cities Self-Insurance Fund - Short Term

April 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; AA	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 4/30/2013

BOOK VALUE RECONCILIATION		
Beginning Book Value		\$21,382,574.73
Acquisition		
+ Security Purchases	\$547,300.95	
+ Money Market Fund Purchases	\$649,540.51	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,196,841.46
Dispositions		
- Security Sales	\$0.00	
- Money Market Fund Sales	\$547,728.46	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$634,827.75	
- Calls	\$0.00	
- Principal Paydowns	\$0.00	
Total Dispositions		\$1,182,556.21
Amortization/Accretion		
+/- Net Accretion	(\$7,375.46)	
		(\$7,375.46)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$0.00	
		\$0.00
Ending Book Value		\$21,389,484.52

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$43,247.38
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$0.00	
Accrued Interest Received	\$0.00	
Interest Received	\$14,540.51	
Dividend Received	\$0.00	
Principal on Maturities	\$634,827.75	
Interest on Maturities	\$172.25	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$0.00	
Total Acquisitions	\$649,540.51	
Disposition		
Withdrawals	\$0.00	
Security Purchase	\$547,300.95	
Accrued Interest Paid	\$427.51	
Total Dispositions	\$547,728.46	
Ending Book Value		\$145,059.43

Monthly Account Statement

Northern Cal. Cities Self Ins. Fund Long Term

April 1, 2013 through April 30, 2013

Chandler Team

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Custodian

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PORTFOLIO CHARACTERISTICS

Average Duration	3.63
Average Coupon	2.89 %
Average Purchase YTM	2.17 %
Average Market YTM	0.76 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	3.98 yrs
Average Life	3.89 yrs

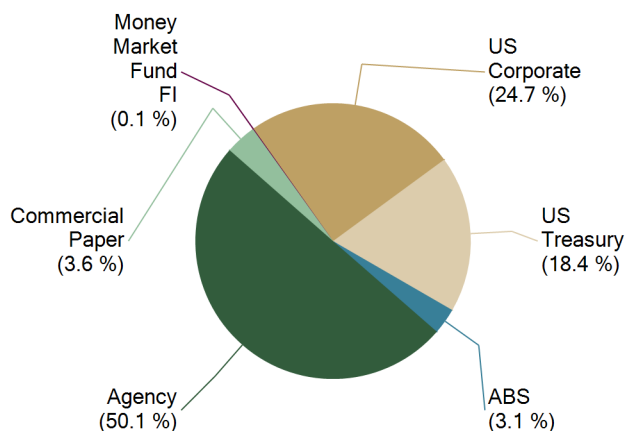
ACCOUNT SUMMARY

	Beg. Values as of 3/31/13	End Values as of 4/30/13
Market Value	22,381,793	22,459,349
Accrued Interest	152,753	175,062
Total Market Value	22,534,545	22,634,411
Income Earned	39,210	38,741
Cont/WD		0
Par	20,990,296	21,015,204
Book Value	21,436,265	21,452,697
Cost Value	21,807,566	21,835,659

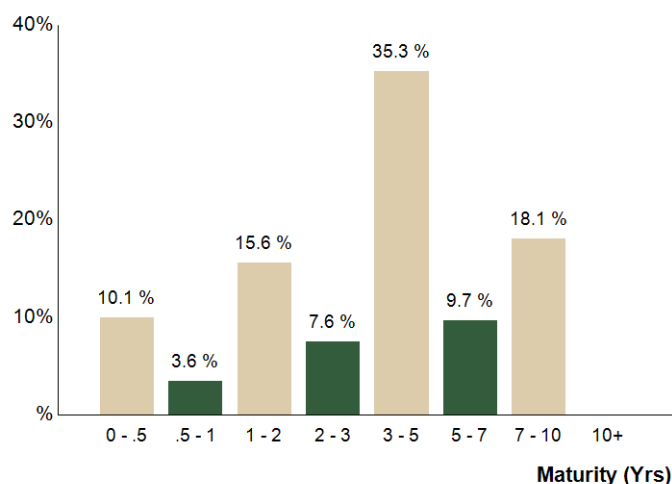
TOP ISSUERS

Issuer	% Portfolio
Government of United States	18.4 %
Tennessee Valley Authority	11.0 %
Federal National Mortgage Assoc	10.9 %
Federal Farm Credit Bank	10.0 %
Federal Home Loan Bank	9.8 %
Federal Home Loan Mortgage Corp	8.4 %
JP Morgan Chase & Co	2.7 %
Wal-Mart Stores	2.3 %
	73.5 %

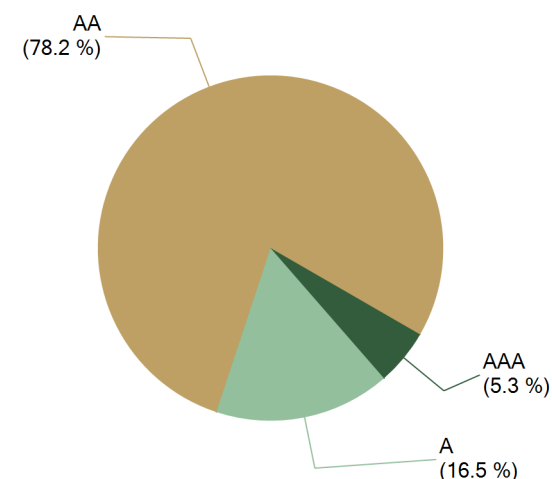
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 4/30/2013	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	0.44 %	1.03 %	0.66 %	2.48 %	4.28 %	4.66 %	N/A	5.60 %	45.75 %
1-10 yr Govt	0.50 %	1.10 %	0.64 %	1.95 %	3.96 %	4.15 %	N/A	5.20 %	42.01 %
1-10 Year Govt/A Rated or better Corporate	0.58 %	1.21 %	0.79 %	2.84 %	4.38 %	4.40 %	N/A	5.25 %	42.47 %



Northern California Cities Self-Insurance Fund - Long Term

April 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; AA	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 4/30/2013

BOOK VALUE RECONCILIATION		
Beginning Book Value		\$21,436,265.26
Acquisition		
+ Security Purchases	\$786,197.40	
+ Money Market Fund Purchases	\$756,461.71	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,542,659.11
Dispositions		
- Security Sales	\$0.00	
- Money Market Fund Sales	\$786,553.65	
- MMF Withdrawals	\$0.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$728,012.64	
- Calls	\$0.00	
- Principal Paydowns	\$0.00	
Total Dispositions		\$1,514,566.29
Amortization/Accretion		
+/- Net Accretion	(\$11,661.40)	
		(\$11,661.40)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$0.00	
		\$0.00
Ending Book Value		\$21,452,696.68

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$50,296.35
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$0.00	
Accrued Interest Received	\$0.00	
Interest Received	\$26,461.71	
Dividend Received	\$0.00	
Principal on Maturities	\$728,012.64	
Interest on Maturities	\$1,987.36	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$0.00	
Total Acquisitions	\$756,461.71	
Disposition		
Withdrawals	\$0.00	
Security Purchase	\$786,197.40	
Accrued Interest Paid	\$356.25	
Total Dispositions	\$786,553.65	
Ending Book Value		\$20,204.41

Monthly Account Statement

Northern CA Cities Self Ins. Fund Short Term

May 1, 2013 through May 31, 2013

Chandler Team

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PORTFOLIO CHARACTERISTICS

Average Duration	2.55
Average Coupon	1.70 %
Average Purchase YTM	1.29 %
Average Market YTM	0.66 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.71 yrs
Average Life	2.59 yrs

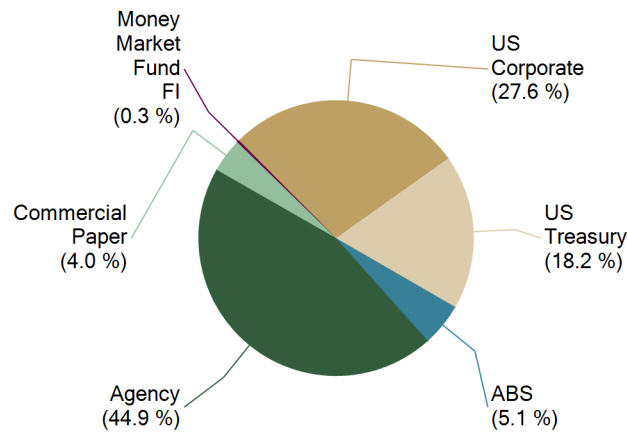
ACCOUNT SUMMARY

	Beg. Values as of 4/30/13	End Values as of 5/31/13
Market Value	21,750,513	20,162,757
Accrued Interest	96,247	77,617
Total Market Value	21,846,761	20,240,374
Income Earned	22,750	22,309
Cont/WD		-1,500,863
Par	21,225,059	19,811,142
Book Value	21,389,485	19,951,795
Cost Value	21,572,893	20,129,330

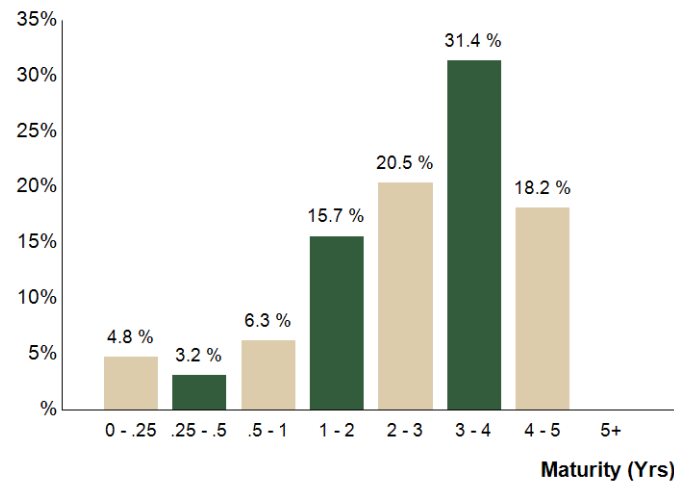
TOP ISSUERS

Issuer	% Portfolio
Government of United States	18.2 %
Federal Farm Credit Bank	11.3 %
Federal National Mortgage Assoc	11.3 %
Federal Home Loan Mortgage Corp	10.9 %
Federal Home Loan Bank	10.0 %
JP Morgan Chase & Co	2.5 %
Bank of Nova Scotia	2.3 %
General Electric Co	2.2 %
	68.7 %

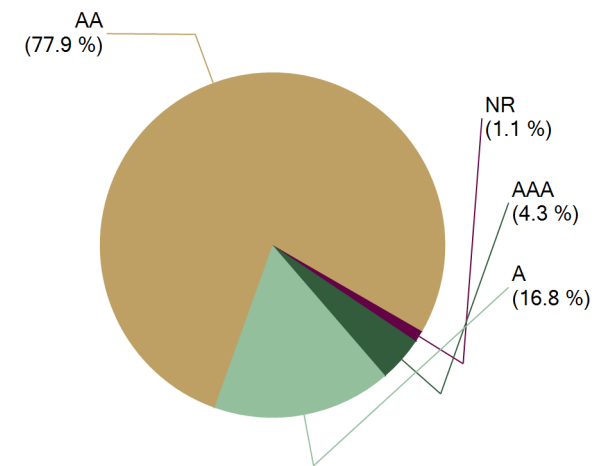
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 5/31/2013	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	-0.49 %	-0.19 %	-0.06 %	0.85 %	2.16 %	3.40 %	3.49 %	4.75 %	104.66 %
1-5 yr Govt	-0.51 %	-0.24 %	-0.13 %	0.33 %	1.81 %	2.96 %	3.16 %	4.40 %	94.34 %
1-5 Year Govt/A Rated or better Corporate	-0.51 %	-0.20 %	-0.01 %	0.99 %	2.25 %	3.22 %	3.27 %	4.58 %	99.41 %



Northern California Cities Self-Insurance Fund - Short Term

May 31, 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 5/31/2013

BOOK VALUE RECONCILIATION		
Beginning Book Value		\$21,389,484.52
Acquisition		
+ Security Purchases	\$447,201.57	
+ Money Market Fund Purchases	\$1,859,299.28	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$2,306,500.85
Dispositions		
- Security Sales	\$1,161,948.54	
- Money Market Fund Sales	\$447,354.35	
- MMF Withdrawals	\$1,500,862.50	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$649,113.45	
- Calls	\$0.00	
- Principal Paydowns	\$0.00	
Total Dispositions		\$3,759,278.84
Amortization/Accretion		
+/- Net Accretion	(\$7,145.27)	
		(\$7,145.27)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$22,233.92	
		\$22,233.92
Ending Book Value		\$19,951,795.18

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$145,059.43
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$1,161,948.54	
Accrued Interest Received	\$4,956.76	
Interest Received	\$42,393.98	
Dividend Received	\$0.00	
Principal on Maturities	\$649,113.45	
Interest on Maturities	\$886.55	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$0.00	
Total Acquisitions	\$1,859,299.28	
Disposition		
Withdrawals	\$1,500,862.50	
Security Purchase	\$447,201.57	
Accrued Interest Paid	\$152.78	
Total Dispositions	\$1,948,216.85	
Ending Book Value		\$56,141.86

Monthly Account Statement

Northern Cal. Cities Self Ins. Fund Long Term

May 1, 2013 through May 31, 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	3.67
Average Coupon	2.84 %
Average Purchase YTM	2.17 %
Average Market YTM	1.02 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	4.04 yrs
Average Life	3.94 yrs

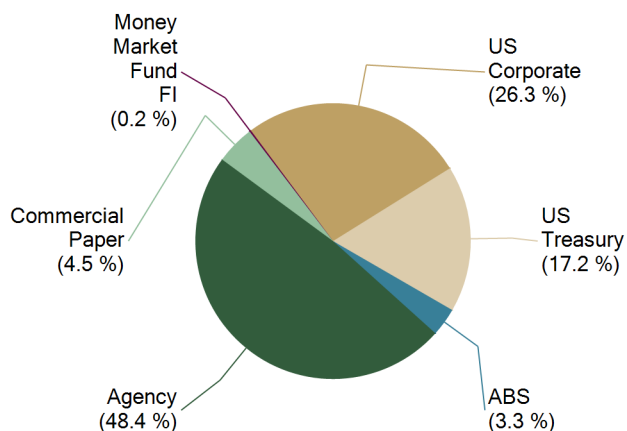
ACCOUNT SUMMARY

	Beg. Values as of 4/30/13	End Values as of 5/31/13
Market Value	22,459,349	20,729,026
Accrued Interest	175,062	157,662
Total Market Value	22,634,411	20,886,688
Income Earned	38,741	37,715
Cont/WD		-1,500,000
Par	21,015,204	19,660,028
Book Value	21,452,697	20,051,941
Cost Value	21,835,659	20,392,570

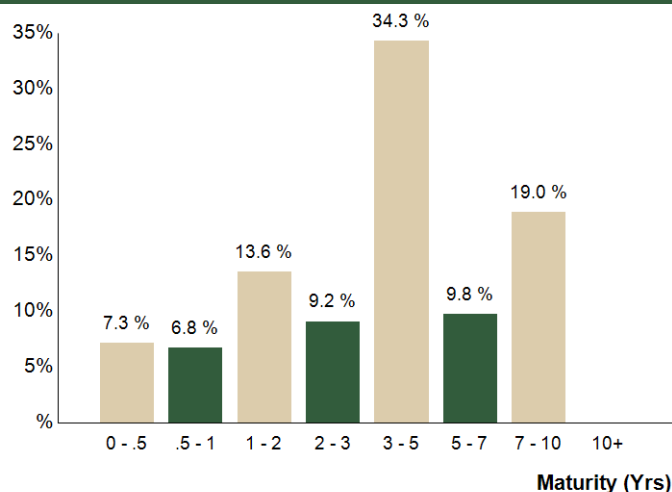
TOP ISSUERS

Issuer	% Portfolio
Government of United States	17.2 %
Tennessee Valley Authority	11.7 %
Federal Farm Credit Bank	10.0 %
Federal National Mortgage Assoc	9.5 %
Federal Home Loan Bank	9.2 %
Federal Home Loan Mortgage Corp	8.1 %
JP Morgan Chase & Co	2.9 %
Wal-Mart Stores	2.5 %
	71.0 %

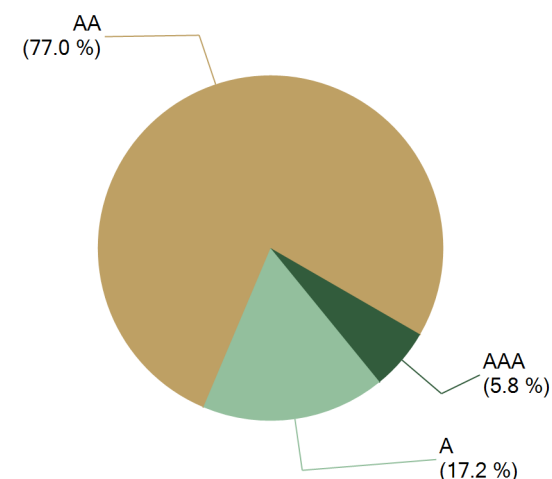
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 5/31/2013	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	-1.10 %	-0.51 %	-0.45 %	0.75 %	3.54 %	4.62 %	N/A	5.36 %	44.14 %
1-10 yr Govt	-1.17 %	-0.54 %	-0.54 %	-0.02 %	3.14 %	4.10 %	N/A	4.96 %	40.35 %
1-10 Year Govt/A Rated or better Corporate	-1.20 %	-0.50 %	-0.42 %	1.00 %	3.68 %	4.32 %	N/A	5.01 %	40.76 %



Northern California Cities Self-Insurance Fund - Long Term

May 31, 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 5/31/2013

BOOK VALUE RECONCILIATION		
Beginning Book Value		\$21,452,696.68
Acquisition		
+ Security Purchases	\$402,066.56	
+ Money Market Fund Purchases	\$1,921,998.84	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$2,324,065.40
Dispositions		
- Security Sales	\$1,170,428.50	
- Money Market Fund Sales	\$402,175.45	
- MMF Withdrawals	\$1,500,000.00	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$685,000.00	
- Calls	\$0.00	
- Principal Paydowns	\$0.00	
Total Dispositions		\$3,757,603.95
Amortization/Accretion		
+/- Net Accretion	(\$11,346.81)	
		(\$11,346.81)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$44,129.45	
		\$44,129.45
Ending Book Value		\$20,051,940.77

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$20,204.41
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$1,170,428.50	
Accrued Interest Received	\$11,415.49	
Interest Received	\$55,154.85	
Dividend Received	\$0.00	
Principal on Maturities	\$685,000.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$0.00	
Total Acquisitions	\$1,921,998.84	
Disposition		
Withdrawals	\$1,500,000.00	
Security Purchase	\$402,066.56	
Accrued Interest Paid	\$108.89	
Total Dispositions	\$1,902,175.45	
Ending Book Value		\$40,027.80



JOHN CHIANG

California State Controller

**LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE**

Agency Name	NO CAL CITIES SELF INSUR FUND
Account Number	35-11-001

As of 04/15/2013, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 03/31/2013.

Earnings Ratio		.00000773831888202
Interest Rate		0.28%
Dollar Day Total	\$	229,973,450.46
Quarter End Principal Balance	\$	2,227,619.25
Quarterly Interest Earned	\$	1,779.61

California Joint Powers Risk Management Authority

Period Ending
April 30, 2013



SECTION 2

ACCOUNT PROFILE



COMPLIANCE WITH INVESTMENT POLICY

The portfolio complies with State law and with the Authority's investment policy, except as noted below.

Category	Standard	Comment
General Parameters		
Asset-Backed Securities	20% Maximum, 5% per issue, AAA-rated	Complies
Banker's Acceptances	A1/P1; 40% max; <180 days	Complies
Commercial Paper	A1/P1	Complies
Max. maturity <270 days	15% maximum	Complies
LAIF	\$50 million	Complies
Medium Term Notes	30% max; A	Complies
Money Market Acct	15%; AAA	Complies
Mutual Funds	15%; AAA	Complies
Negotiable CDs	30%; 3-year maximum	Complies
Repurchase Agreements	1-year maximum	Complies
Time CDs	3 years	Complies
Treasury issues	No limit	Complies
US Agencies	No limit	Complies
Futures and Options	Prohibited	Complies
Reverse Repos	Prohibited	Complies
Derivative Securities	5% per issue; 30% max.; 5-year maximum	Complies
Inverse floaters	Prohibited	Complies
Range notes	Prohibited	Complies
MBS IO Strips	Prohibited	Complies
Zero interest accrual	Prohibited	Complies



California Joint Powers Risk Management Authority

April 30, 2013

COMPLIANCE WITH INVESTMENT POLICY

Account Specifics Parameter		
Loss Payment Account		
Modified Duration	Approx. equal to duration of liabilities	Complies
Maximum Maturity	5 years	Complies
% invested <1 year	Enough for cashflow	Complies
Long Term Growth Account		
Modified Duration	4.50 to 6.80	Complies
Maximum Maturity	10 years	Complies



ACCOUNT PROFILE

PORTFOLIO CHARACTERISTICS

CJPRMA - The Loss Payment Account

	04/30/2013		01/31/2013
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	0.89	0.42	0.56
Modified Duration	0.87	0.41	0.55
Average Purchase Yield	n/a	0.46 %	0.58 %
Average Market Yield	0.11 %	0.23 %	0.44 %
Average Quality**	AAA	AA/Aa2	AA/Aa2
Total Market Value		5,803,410	5,799,088

* 0-3 yr Treasury

** Benchmark is a blended rating of S&P, Moody, and Fitch. Portfolio is S&P and Moody's respectively.

Three securities matured during the most recent quarter, one Corporate note and two positions in Commercial Paper. One Corporate note was called as well.



April 30, 2013

To: Members, Board of Directors
 Members, Finance and Executive Committees

From: Michael D. Fleming, Treasurer

Re: Investment Report for the Quarter Ending March 31, 2013

The quarterly investment report required by Government Code § 53646 is respectfully presented. All investments conform to the requirements of § 53601 of the Government Code and the more restrictive investment policy with one exception: \$5 million par California State bonds at 1.05% yield, with a maturity date of 2/1/16 were mistakenly purchased during the quarter. The bonds are of high quality, but do not meet the Investment policy's minimum credit rating requirement for the purchase of California State's long-term issues (maturities greater than one year). The Finance Committee has recommended that the bonds be held in the portfolio as an exception to the policy. The Committee has also recommended that the minimum credit rating be changed to "A" from the current "AA" to be the equivalent of the credit rating required for the purchase of corporate bonds and closer to the equivalent of California State short-term issues (maturities one year or less). The Executive Committee will address the recommendations at the May 2, 2013 meeting and the Board of Directors will address them at the June 6, 2013 meeting.

All anticipated cash needs for at least 12 months can be comfortably met. As of March 31, 2013, there were \$121 million in cash equivalents and securities that will mature in less than one year. All securities in the portfolio are marketable and can be immediately converted into cash.

The EIA investment portfolio is of high quality and is well-diversified and secure. As of March 31, 2013 the portfolio had a book value of \$481.6 million, LAIF and money market fund deposits of \$60 million and an unrealized market gain of \$1.6 million. The average maturity of the portfolio, excluding LAIF and money market funds was 735 days.

Annualized yield (accrued interest minus amortization of premiums) for the quarter was 0.81%. Yield for the first nine months of the fiscal year was 0.98%. LAIF returned 0.28% for the quarter and 0.32% year to date. Modest market losses during the quarter reduced the rate of return (yield minus changes in market value) to 0.68%. Year to date the rate of return was 0.72%. The Merrill Lynch 1-3 year treasury index had an annualized return of 0.48% for the quarter and 0.46% year to date. GASB 31 requires EIA to report total rate of return earnings.

75 Iron Point Circle, Suite 200 • Folsom, CA 95630 • 916.850.7300 • FAX 916.850.7800 • www.csac-eia.org

EXECUTIVE COMMITTEE:

Barbara Lubben President Alameda County	Larry Moss Vice President East Bay Regional Park District	Teri Enos-Guerrero City of Chula Vista	Peggy Scroggins Colusa County	Scott Schimke Golden State Risk Mgmt. Authority	Kristin McMenomey Mendocino County	James Brown Merced County	Maryellen Peters Placer County	Jim Sessions Riverside County	Lance Spósito Santa Clara County	Peter W. Huebner Sierra County
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Chief Executive Officer: Michael Fleming

Legal Counsel: Stephen Underwood

Chief Operating Officer: Gina Dean

The performance evaluation for the quarter and year to date prepared by the EIA's Chief Investment Officer is attached. It reviews the economic environment affecting the fixed-income market and provides portfolio performance for the quarter and year to date compared to EIA selected benchmarks.

This completes the Treasury report required by Government Code § 53646. In accordance with Government Code § 53607, schedules of monthly transactions are also included.

A comprehensive treasury report is presented at each meeting of the Board of Directors. We encourage each Board Member to attend these meetings and review these matters. We also encourage you to share this report with other appropriate officials.

**CSAC EIA
Performance
March 31, 2013**

(All returns annualized)

Yields (1)

	<u>Jan-Mar</u>	<u>Year to Date</u>
Account (2)	0.81%	0.98%
LAIF	0.28%	0.32%

Total Returns (3)

	<u>Jan-Mar</u>	<u>Year to Date</u>
Account	0.68%	0.72%
ML 1-3 Yr Treasury Index	0.48%	0.46%

(1) Accrued interest - amortization of premiums + plus accretion of discounts + plus capital gains – capital losses

(2) Includes deposits in LAIF and MMF

(3) Includes changes in market values

CSAC-EIA
Portfolio Management
Portfolio Summary
March 31, 2013

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Treasury Coupon Securities	98,525,000.00	99,619,308.39	99,423,220.60	20.65	1,122	674	0.488	0.494
Municipal Bonds	24,750,000.00	24,849,130.00	24,846,305.70	5.16	442	265	0.487	0.493
Federal Agency Coupon Securities	192,450,000.00	194,275,800.60	193,630,825.02	40.21	1,335	967	0.822	0.834
Corporate Bonds	160,075,000.00	164,428,050.18	163,667,042.27	33.99	956	571	1.147	1.163
Investments	475,800,000.00	483,172,289.17	481,567,393.59	100.00%	1,116	735	0.846	0.858

Cash

Passbook/Checking (not included in yield calculations)	60,037,369.13	60,037,369.13	60,037,369.13		1	1	0.283	0.287
Total Cash and Investments	535,837,369.13	543,209,658.30	541,604,762.72		1,116	735	0.846	0.858

Total Earnings	March 31	Month Ending	Fiscal Year To Date
Current Year		341,381.60	3,601,957.82
Average Daily Balance		540,691,332.92	490,324,680.45
Effective Rate of Return		0.74%	0.98%

Dan Calabrese-d, Investment Advisor

Reporting period 03/01/2013-03/31/2013

Run Date: 04/25/2013 - 08:59

Portfolio E
AP
PM (PRF_PM1) 7.3.0
Report Ver. 7.3.3b



MINUTES AND REPORTS

INFORMATION ITEM

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



**MINUTES OF THE
NCCSIF EXECUTIVE COMMITTEE MEETING
LINCOLN CITY HALL, LINCOLN, CA
MAY 30, 2013**

MEMBERS PRESENT

Andy Heath, City of Auburn
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

Paula Islas, City of Galt
Karin Helvey, City of Gridley
Catrina Olson, City of Nevada City

GUESTS & CONSULTANTS

Michael Simmons, Alliant Insurance Services
Susan Adams, Alliant Insurance Services
Johnny Yang, Alliant Insurance Services
Tom Baber, York Risk Services
Jennifer Negosek, York Risk Services
Craig Schweikhard, CJPRMA
Dwight Moore, Town of Paradise

A. CALL TO ORDER

The meeting was called to order at 10:37 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: Russell Hildebrand **SECOND:** Andy Heath **MOTION CARRIED**

D. CONSENT CALENDAR

1. Draft Minutes of the Executive Committee Meeting – March 14, 2013

A motion was made to approve the Consent Calendar.

MOTION: Russell Hildebrand **SECOND:** Tim Sailsbery **MOTION CARRIED**

E. COMMITTEE REPORTS

1. Draft Minutes – Board of Directors Meeting – April 25, 2013
2. Draft Minutes – Risk Management Committee Meeting – April 25, 2013
3. Draft Minutes – Claims Committee Meeting – May 9, 2013

There were no discussions on these items as they are provided as information only.

F. ADMINISTRATIVE REPORTS

F1. President's Report

Ms. Liz Ehrenstrom advised that she did not have any items to report on.

F2. Program Administrator's Report

Ms. Adams advised that at the recent CJPRMA meeting she received a training regarding the ISO changes effective April, 2013 which has made Additional Insured Endorsements more restrictive to contracts. A presentation will be provided at the June Board of Directors meeting to go over the changes and how this affects NCCSIF members. Ms. Adams noted that since NCCSIF will be joining CJPRMA at a \$500,000 attachment, NCCSIF is required to provide contracts for all additional insured requests. Ms. Adams also advised that staff plans to review a New Rating Plans in the summer of 2013.

G. JPA BUSINESS

G1. 2013/2014 NCCSIF Budget

Ms. Adams advised that the 2013/2014 NCCSIF Budget is reviewed by the Executive Committee prior to approval by the Board of Directors. She explained that the largest increase is for Risk Control Services and noted \$70,000 was included for Property Appraisals in 2013/2014. The total increase over last year is \$13,600.

Mr. Russell Hildebrand noted a discrepancy between the budget and the Agenda Item write up which showed legal fees at \$12,000 rather than \$15,000. Staff advised the correct amount should be \$15,000 as shown on the budget.

Mr. Tim Sailsbery inquired about the increase in Police Risk Management Committee Training Budget which led to the discussion of increased involvement by the Police Risk Management Committee and the trainings provided at these meetings.

A motion was made to recommend to the Board of Directors approval of the 2013/2014 NCCSIF Budget.

MOTION: Russell Hildebrand

SECOND: Andy Heath

MOTION CARRIED

G2. Liability Shared Risk Layer Retention at \$500,000

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

G3. 2013/2014 Deposit Calculations

G3.a. 2013/2014 Deposit Calculations – Workers' Compensation

Ms. Adams explained that staff is waiting on the final premium from CSAC-EIA for excess workers' compensation coverage which will be approved at their June Board of Directors meeting. Staff does not expect to see a significant change if any from their preliminary quotes.

G3.b. 2013/2014 Deposit Calculations – Liability

Ms. Adams explained that staff is waiting on the final premium from CJPRMA for excess liability coverage which will be approved at their June Board of Directors meeting. Staff does not expect to see a significant change if any from their preliminary quotes to join at the \$500,000 attachment.

G4. NCCSIF Memorandums of Coverage

G4.a. NCCSIF Workers' Compensation Memorandum of Coverage

Ms. Adams advised that staff reviews the Memorandums of Coverage on an annual basis and updates as necessary. This year, staff recommends no changes to the NCCSIF Workers' Compensation Memorandum of Coverage.

G4.b. NCCSIF Liability Memorandum of Coverage

Ms. Adams advised that staff reviews the Memorandums of Coverage on an annual basis and updates as necessary. This year, staff recommends no changes to the NCCSIF Liability Memorandum of Coverage.

G5. 2013/2014 Property Renewal Update

Mr. Johnny Yang explained that this year the Property Program premium increased 11.85% over last year with a Total Insurable Values increase of 2.53% due to various changes throughout the year. The main factors of the premium increase are due to the increased rate of 9.08% along with increased values.

Ms. Adams noted that the PEPIC Claims Reporting Procedures will need to be acknowledged once again this year which Mr. Simmons spoke about last year. Mr. Simmons explained that the problem with having the Board of Directors acknowledge the Claims Reporting Procedures is that the wastewater treatment department is unaware of the procedures. Since the wastewater treatment department is the most likely to have pollution claims, NCCSIF members should provide the department with the Claims Reporting Procedures as well. Mr. Simmons stressed the importance of reporting pollution claims according to the procedures.

Mr. Craig Schweikhard noted that he has been seeing pollution claims increase in the past couple of years which has incurred losses due to the nature of a pollution claim.

Ms. Ehrenstrom suggested that NCCSIF create awareness of the pollution and cyber coverage provided to members. Ms. Adams then suggested that staff puts together a notice to provide to members with the reporting procedures and a “who to contact” when a pollution claim occurs. This notice then could be provided to members’ wastewater facilities and appropriate departments.

There was further discussion on cyber coverage for which Mr. Simmons provided an example of what is covered under the cyber coverage and how a loss can quickly

G6. 2013/2014 Crime Coverage Renewal Update

Ms. Adams explained that in attempting to market this coverage with Alliant’s Crime Insurance Program (ACIP), a quote was denied due to loss history. Staff is currently waiting for a quote from the current carrier expected next week, due to a recent loss, and will be presented to the Board of Directors for approval.

G7. James Marta and Company Accounting Contract Renewal

Ms. Adams explained that the current contract for financial accounting services with James Marta & Company expires June 30, 2013. Mr. James Marta proposed a renewal contract with a term of July 1, 2013 to June 30, 2014 with a rate increase of \$25 per month. This would be a monthly fee of \$5,175 per month for a total of \$62,100 annually.

A motion was made to approve the proposed contract with a term of July 1, 2013 to June 30, 2014 with a rate increase of \$25 per month totally \$62,100 annually.

MOTION: Gina Will

SECOND: Andy Heath

MOTION CARRIED

G8. Defense Counsel Selection – P&P A-9

G8.a. Approval of Revised NCCSIF Defense Attorney List

Ms. Adams explained that at the May 9, 2013 Claims Committee meeting, the Committee approved a revised NCCSIF Defense Attorney List which included removing Mr. Douglas Thorne from the panel at the request of York Insurance Services. Staff received a call from Mr. Dwight Moore, Town of Paradise's City Attorney, who was upset with the decision made by NCCSIF and wishes to address the Executive Committee.

Mr. Dwight Moore, City Attorney for the Town of Paradise, addressed the Committee giving positive feedback regarding Defense Attorney Douglas Thorne. Mr. Moore mentioned that Mr. Thorne has always looked out for the best interest of his clients and provides great service in every case he represents.

Mr. Tom Baber, York Risk Services, advised over the course to the relationship with Mr. Thorne York has had numerous issues with timely reporting and invoicing. Mr. Baber noted timely reporting affects the proper reserves placed on a claim and allows for an ideal strategy to be developed. Mr. Baber then provided the Committee with a list of four claims for which there has been issues. One of which work was completed in 2010 but invoices were received in 2012 and 2013 which also affects NCCSIF's financials. Ideally claims reports are given every 90 days with updates every 60 days. Mr. Thorne has received numerous correspondences regarding the claims reporting procedures.

Mr. Schweikhard, CJPRMA, advised that he also had issues with timely claims reporting from Mr. Thorne. Once received, Mr. Thorne's reports were meeting reporting requirements. Mr. Schweikhard expressed no objection should Mr. Thorne continue on the Defense Attorney List should Mr. Thorne adhere to reporting procedures.

Mr. Moore advised that he is willing to work with Mr. Moore and assist in improving Mr. Moore's compliance of reporting procedures.

Mr. Simmons explained that late invoicing affects the actuarial numbers which in turn affected members' rate for the policy year.

Upon further discussion staff was directed to provide a letter to Mr. Thorne explaining the reporting and invoicing concerns and what Mr. Thorne must adhere to in order to remain on the Liability Defense Attorney List.

York was directed by the Committee to provide Mr. Thorne with no new assignments for 45 days to ensure Mr. Thorne's compliance and the current assignments. York will issue a letter on each assignment regarding the reporting and invoicing requirements.

A motion was made to approve the continuation of Mr. Douglas Thorne on the Liability Defense Attorney List subject to Mr. Thorne's compliance with the reporting and invoicing procedures. Should Mr. Thorne fail to adhere to the reporting and invoicing guidelines at any time, he will be removed from NCCSIF's Liability Defense Attorney List.

MOTION: Russell Hildebrand **SECOND:** Andy Heath **MOTION CARRIED**

G8.b. Defense Attorney Angelo, Kilday & Kilduff Rate Increase

Ms. Adams explained that the NCCSIF Liability Defense Attorney Law Firm of Angelo, Kilday & Kilduff has requested a rate increase in keeping with the average defense cost paid in the Northern California area. The Proposed Rates are as follows:

Proposed Rates

- Partners - \$195/hr
- Senior Associates - \$185/hr
- Associates - \$175/hr
- Paralegals - \$95/hr

Current Rates

- Partners - \$185/hr
- Senior Associates - \$175/hr
- Associates - \$160/hr
- Paralegals - \$90/hr

A motion was made to approve Defense Attorney Angelo, Kilday & Kilduff Rate Increase.

MOTION: Russell Hildebrand **SECOND:** Andy Heath **MOTION CARRIED**

H. INFORMATION ITEMS

- H1. NCCSIF Organizational Chart**
- H2. NCCSIF 2013 Meeting Calendar**
- H3. NCCSIF Travel Reimbursement Form**
- H4. NCCSIF Resource Contact Guide**

There was no discussion these items as they are provided as information only.

I. ADJOURNMENT

The meeting was adjourned at 1:25 p.m.

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
MINUTES OF NCCSIF CLAIMS COMMITTEE MEETING
THURSDAY, MAY 9, 2013

MEMBERS PRESENT: John Lee, City of Lincoln
Andy Heath, City of Auburn
Catrina Olson, City of Nevada City
Liz Ehrenstrom, City of Oroville
Russell Hildebrand, City of Rocklin

MEMBERS ABSENT: Andy Heath, City of Auburn

CONSULTANTS: Susan Adams, Alliant Insurance Services
Johnny Yang, Alliant Insurance Services
Ben Burg, York Risk Services Group, Inc.
Craig Wheaton, York Risk Services Group, Inc.

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

A. Public Comments

There were no public comments made.

B. Approval of Minutes of the Claims Committee Meetings on March 14, 2013.

A motion was made to approve the Minutes of the Claims Committee Meeting on March 14, 2013.

MOTION: Liz Ehrenstrom **SECOND:** John Lee **MOTION CARRIED**

C. Approval of the Revised NCCSIF Defense Attorney List

Mr. Craig Wheaton explained that York has made recommendations to Revised the NCCSIF Defense Attorney List as provided.

A motion was made to approve the Revised NCCSIF Defense Attorney List.

MOTION: Liz Ehrenstrom **SECOND:** John Lee **MOTION CARRIED**

D. Closed Session – The Claims Committee went into closed session in accordance with Government Code Section 54956.95 at 11:25 a.m. and discussed the following claims:

Liability

1. Douglas Lederer vs. City of Willows
2. Christopher Woolever vs. City of Placerville

The Committee came out of closed session at 2:18 p.m.

E. Adjournment – The meeting was adjourned at 2:18 p.m.



**MINUTES OF THE
NCCSIF RISK MANAGEMENT COMMITTEE MEETING
LINCOLN CITY HALL, LINCOLN, CA
APRIL 25, 2013**

MEMBERS PRESENT

Jeff Kiser, City of Anderson
Shari Conley, City of Auburn
Tom Watson, City of Corning
Steve Johnson, City of Dixon
Bruce Cline, City of Folsom
Paula Islas, City of Galt
Karin Helvey, City of Gridley
Ed Pattison, City of Ione
Catrina Olson, City of Nevada City
Liz Ehrenstrom, City of Oroville
Sandy Ryan, City of Red Bluff
Russell Hildebrand, City of Rocklin
Crystal Peters, Town of Paradise

MEMBERS ABSENT

City of Colusa
City of Jackson
City of Lincoln
City of Marysville
City of Placerville
City of Rio Vista
City of Willows
City of Yuba City

GUESTS & CONSULTANTS

Michael Simmons, Alliant Insurance Services
Susan Adams, Alliant Insurance Services
Johnny Yang, Alliant Insurance Services
Henri Castro, Bickmore

A. CALL TO ORDER

The meeting was called to order at 10:32 a.m.

B. PUBLIC COMMENTS

Ms. Adams advised that copies of the Draft Risk Management Committee budget are made available to members for their review and input.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

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

D. CONSENT CALENDAR

1. Minutes of the Risk Management Committee Meeting – January 24, 2013
2. ADA Safety Grant Funds Utilization

A motion was made to approve the consent calendar.

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

F. RISK MANAGEMENT BUSINESS

F1. Risk Control Services Summary as of March 31, 2013

Ms. Henri Castro explained that the summary provided starting January 1, 2013. Ms. Castro advised that the last quarter remains very active. Still working on Assessments and Rio Vista and Placerville are only outstanding but has been scheduled. Action plans have been completed currently Bickmore is working on active projects that will be completed by July 1, 2013.

Ms. Castro asked for feedback regarding their Services Summary Report. Bickmore is required to list all items performed and the summary is currently sorted by City and by activity. Ms. Castro asked if the Committee has a preference in which they would like to receive the report. The Committee asked that the summary is provided by activity chronologically. The Committee also asked that a summary be provided for the past 18 months starting new effective 7/1/13.

F2. Upcoming Risk Control Services

Ms. Castro advised that Bickmore has received feedback from members expressing interests in Certified Pool Operators Training. Ms. Castro has been working with Program Administration to provide CPO Training in May and June. She advised that starting July 1, 2013 Bickmore will be taking on coordination of the Regional Training and would like to decide on how many Regional workshops to coordinate. Bickmore will send out a survey to members to determine the types of regional workshops members are interested in. Topics will be collected and brought back to the June Risk Management Committee meeting.

Ms. Castro also advised that an IIPP video has been completed for the City of Dixon and members were provided with a preview on the video. These videos are tailored for each city and



are personalized using the City personnel as the narrator. Members' discussed having a video template made so members can insert their City logo, photos and personnel as necessary.

G. INFORMATION ITEMS

G1. CAJPA 2013 Fall Conference September 10 – 13, 2013

Ms. Adams reminded members of the upcoming 2013 CAJPA Fall Conference on September 10 – 13, 2013. She also reminded members of the PARMA Conference on February 9 – 12, 2014.

G2. NCCSIF Travel Reimbursement Form

The Information Items are provided as an update only.

G. ADJOURNMENT

The meeting was adjourned at 11:27 a.m.

DRAFT



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

ACTIONS TAKEN:

- 1. Approval of James Marta and Company Accounting Contract Renewal** – *The Committee approved James Marta and Company's Contract Renewal for the 2013/2014 policy year.*
- 2. Approval of Revised NCCSIF Defense Attorney List** – *The Committee approved Defense Attorney Douglas Thorn to remain on the NCCSIF Defense Attorney List subject to Claims Reporting and Billing Procedure Conditions.*
- 3. Defense Attorney Angelo, Kilday & Kilduff Rate Increase** – *The Committee approved Defense Attorney Angelo, Kilday & Kilduff's rate increase as requested.*

RECOMMENDATIONS TO THE BOARD OF DIRECTORS:

- 1. Approval of the 2013/2014 NCCSIF Budget** - *The Committee is recommending approval of the 2013/2014 NCCISF Budget.*
- 2. Approval of the 2013/2014 Workers' Compensation Memorandum of Coverage** – *The Committee is recommending approval of the 2013/2014 Workers' Compensation Memorandum of Coverage.*
- 3. Approval of the 2013/2014 Liability Memorandum of Coverage** – *The Committee is recommending approval of the 2013/2014 Liability Memorandum of Coverage.*
- 4. Approval of the 2013/2014 Property Renewal** - *The Committee is recommending approval of Property Renewal with Alliant Property Insurance Program and the 2013/2014 Property Deposit Calculations.*



FINAL 2013/2014 NCCSIF BUDGET

ACTION ITEM

ISSUE: The Preliminary Budget that was presented at the April Board of Directors meeting has been updated to reflect ACI Wellness' renewal premium which has **increased from \$12,100 to \$13,839**. The Administrative Costs are discussed in more detail below. Staff reviewed the budget to actual revenues provided by the accountant in creating the FY 2013/2014 Budget.

ADMINISTRATIVE EXPENSES

1. The **Claims Audits** – We are including \$7,000 to have a Workers' Compensation claims audit done this year. The last audit was done during the 10/11 year. We have received claims audits from North Bay Associates as part of our membership in CSAC EIA however they review a limited amount of files.
2. The **Financial Audit** reflects an increase of \$800 in accordance with the current contract with Crowe Horwath to a total of \$26,100.
3. **Legal Services** have increased from \$10,000 to \$12,000 to reflect current year expense as relates services on claims.
4. **Actuarial Services** remain the same at \$6,000 for the liability and \$4,000 for the WC which includes the \$2,000 credit we received from CSAC-EIA for the actuarial study each year.
5. **Fidelity Bonds** are expected to remain the same at \$3,000. This is the bond for the JPA Treasurer.
6. Miscellaneous Consultants expenses remain the same at \$5,000.
7. **Risk Control Services** has been increased from \$115,000 to \$155,260 to reflect the costs proposed by Bickmore regarding their revised contracted services.



8. **Lexipol** Law Enforcement Policy Manual currently remains the same at \$100,000.
9. A **Property Appraisal** budget entry in the amount of \$70,000 was included to reflect the Property Appraisals being done by AssetWorks for the 13/14 year.
10. Safety Services from **OccuMed** remains the same at \$23,000.
11. **Online Risk Management** Services for TargetSolutions remain the same at \$20,000.
12. ACI Wellness increased to \$13,840.
13. State Funding/**Fraud Assessment** has been increased from \$120,000 to \$135,000 to reflect actual billing increase we received in 2012.
14. **Program Administration** costs remain flat.

FISCAL IMPACT: The Total Administration Expense is \$1,045,750 which is an increase of \$13,600 over the 12/13 budget.

RECOMMENDATION: Staff and the Executive Committee recommend the approval of the 2013/2014 NCCSIF Budget.

BACKGROUND: Annually NCCSIF sets a budget for revenues and expenses to be incurred during the fiscal year.

ATTACHMENT(S): Final FY2013/14 NCCSIF Budget

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND

BUDGET

July 1, 2013 to June 30, 2014

	CATEGORY	PRIOR YEAR	TOTAL	WORKERS' COMP.	LIABILITY	PROPERTY	CRIME
Chart of Acc't							
REVENUES:							
41010	Program Administration	\$ 332,100	\$ 332,100	\$ 153,525	\$ 178,575		
	Claims Administration	\$ 181,250	\$ 196,250	\$ 175,350	\$ 20,900		
	Other Expenses	\$ 558,800	\$ 517,400	\$ 206,220	\$ 311,180		
	Banking Layer Deposit	\$ 5,349,790	\$ 5,551,540	\$ 4,020,072	\$ 1,531,468		
	CJPRMA Refund Distribution	\$ (304,007)	\$ (414,401)	\$ -	\$ (414,401)		
	Shared Risk Layer Deposit	\$ 3,195,509	\$ 3,179,888	\$ 2,074,828	\$ 1,105,060		
	Excess Coverage Deposit (CSAC and CJPRMA)	\$ 1,402,733	\$ 1,789,713	\$ 677,244	\$ 1,112,469		
	Group Purchase Coverage	\$ 776,581	\$ 925,163			\$ 901,440	\$23,723
	TOTAL REVENUES	\$ 11,492,756	\$ 12,077,652	\$ 7,307,239	\$ 3,845,251	\$ 901,440	\$23,723
Administrative Expenses:							
52101	Claims Audit	\$ -	\$ 7,000	\$ 7,000			
52102	Financial Audit	\$ 25,500	\$ 26,100	\$ 13,050	\$ 13,050		
52103	Legal Services	\$ 10,000	\$ 15,000	\$ 7,500	\$ 7,500		
52104	Actuarial Review	\$ 10,000	\$ 10,000	\$ 4,000	\$ 6,000		
52105	Computer Services	\$ -	\$ -	\$ -	\$ -		
52106	CAJPA Accreditation	\$ -	\$ -	\$ -	\$ -		
52107	Employee Dishonesty Bonds	\$ 2,000	\$ 2,000	\$ 1,000	\$ 1,000		
52109	Misc. Consulting	\$ 5,000	\$ 5,000	\$ 2,500	\$ 2,500		
	Total Administration Expenses	\$ 52,500	\$ 65,100	\$ 35,050	\$ 30,050		
Safety Services:							
52200	Injury and Prevention Training	\$ 40,000	\$ 25,000		\$ 25,000		
52201	Risk Mgmt Services & Trainings	\$ 30,000	\$ 25,000	\$ 12,500	\$ 12,500		
52202	Risk Mgmt Comm Mtg Expense	\$ 1,000	\$ 1,000	\$ 500	\$ 500		
52203	Police Risk Mgmt Comm Training Budget	\$ 5,000	\$ 12,000	\$ 6,000	\$ 6,000		
52204	Bickmore Risk Control Services	\$ 115,000	\$ 155,260	\$ 77,630	\$ 77,630		
52205	Hotline	\$ -	\$ -	\$ -	\$ -		
52206	Safety Library	\$ -	\$ -	\$ -	\$ -		
52207	Seminars and PARMA	\$ 63,200	\$ 63,200	\$ 23,200	\$ 40,000		
52208	Lexipol Law Enforcement Policy Manual Updates D	\$ 100,000	\$ 100,000	\$ -	\$ 100,000		
52209	Safety Contingency	\$ -	\$ -	\$ -	\$ -		
52210	Process Safety Mgmt Program	\$ -	\$ -	\$ -	\$ -		
52212	Safety Service - Other	\$ -	\$ -	\$ -	\$ -		
	OCCUMED Occupational Health Consulting	\$ 23,000	\$ 18,000	\$ 18,000	\$ -		
52215	Online Risk Management Services - TargetSolutions	\$ 20,000	\$ 20,000	\$ 10,000	\$ 10,000		
52217	ACI - Wellness Optional	\$ 12,100	\$ 13,840	\$ 13,840	\$ -		
	Total Safety Services Expense	\$ 409,300	\$ 433,300	\$ 161,670	\$ 271,630		
Claims Administration							
52302	Claims Administration Fee	\$ 49,250	\$ 49,250	\$ 28,350	\$ 20,900		
52303	Fraud Hotline	\$ -	\$ -	\$ -	\$ -		
52305	MPN Services	\$ 12,000	\$ 12,000	\$ 12,000	\$ -		
52304	State Funding/Fraud Assessment	\$ 120,000	\$ 135,000	\$ 135,000	\$ -		
	Total Claims Admin Expenses	\$ 181,250	\$ 196,250	\$ 175,350	\$ 20,900		
Program Administration							
52401	Program Administration Fee	\$ 270,000	\$ 270,000	\$ 122,475	\$ 147,525		
52403	Accounting Services	\$ 62,100	\$ 62,100	\$ 31,050	\$ 31,050		
	Total Program Admin Expenses	\$ 332,100	\$ 332,100	\$ 153,525	\$ 178,575		
Board Expenses							
52501	Executive Committee	\$ 2,000	\$ 2,000	\$ 1,000	\$ 1,000		
52502	Executive Committee Member Travel	\$ 5,000	\$ 5,000	\$ 2,500	\$ 2,500		
52503	Board of Directors Meetings (includes Travel)	\$ 6,000	\$ 6,000	\$ 3,000	\$ 3,000		
XXXXX	Board of Directors Long Range Planning Session (every 3 years, 2012)	\$ -	\$ -	\$ -	\$ -		
52504	Association Memberships (PARMA, CAJPA, AGRIP	\$ 6,000	\$ 6,000	\$ 3,000	\$ 3,000		
	Total Board Expenses	\$ 19,000	\$19,000	\$9,500	\$9,500		
Other Administration Expenses - Not identified with above budget line items							
52000	Administrative Expense	\$ -	\$ -	\$ 0	\$ 0		
52001	Administration Expense - Other	\$ -	\$ -	\$ 0	\$ 0		
	Total Other Admin	\$ -	\$ 0	\$ 0	\$ 0		
	Total Admin Expenses	\$ 994,150	\$1,045,750	\$535,095	\$510,655		
	Program Admin Fee	\$ 664,075	\$672,904	\$358,514	\$314,390		
	General Admin Fee	\$ 368,075	\$372,846	\$176,581	\$196,265		
		\$ 1,032,150	\$1,045,750	\$535,095	\$510,655		



LIABILITY SHARED RISK LAYER RETENTION AT \$500,000

INFORMATION ITEM

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

RECOMMENDATION: None.

FISCAL IMPACT: \$312,505 for the \$500 x \$500 layer. The additional cost to transfer the risk for this layer is \$116,000 for year one over what NCCSIF would have self funded the layer for.

BACKGROUND: The Board of Directors approved reducing the Liability Self Insured Retention from \$1,000,000 to \$500,000 at the December 2012 Long Range Planning meeting. Due to several losses that exceeded the \$500,000, the equity in the Shared Risk layer has been depleted and is now in a deficit position.

ATTACHMENT(S):

1. April 8, 2013 NCCSIF letter to CJPRMA requesting Corridor Deductible Plan
2. CJPRMA 05-14-13 Board of Directors Meeting Agenda Item



April 8, 2013

Mr. David Clovis
General Manager
California Joint Powers Risk Management Authority
3201 Doolan Rd., Suite 285
Livermore, CA 94551

NCCSIF Pool “B” Surcharge (for \$500,000 SIR)

Dear David:

We have reviewed the 12/13/12 Agenda Packet item #6 – Change in SIR for NCCSIF. **First**, thank you (and the CJPRMA Board) for considering this request and taking timely action to allow NCCSIF the opportunity to evaluate this change in attachment. **Second**, we’d like to report that one of our largest claims (with a reserve of \$829,750 has just recently settled for \$30,000). This provides us some relief from what has been an unusual trend in our historical experience. And **Third**, we obviously have a few questions we’d like to discuss with you which will assist in our decision regarding the reduction in our SIR from \$1,000,000 to \$500,000 as a Member in CJPRMA.

The 2013/14 rate for Pool B is \$.127. The Board action approved an additional contribution of \$116,000 in this layer for a total contribution of \$312,505 that could be seen as created an increase in our rate to \$.202. ***This would represent a 59% rate increase.*** This is approximately \$350,000 in additional Contributions over the three years that it is imposed.¹

This is an increase of 5.48% of all Members Shared Losses in the Pool “B” layer. While this may seem appropriate for this initial 3 Year ‘surcharge period’, it has been analyzed based on CJPRMA Historical and Expected Losses in this Pool “B” layer - - around \$1,500,000 each year. Our concern is when losses may be higher than this projection; that NCCSIF’s Share of (other Members) Losses becomes significantly higher due to the formula. If NCCSIF has no losses at all it could still pay this large percentage of other Members’ losses.

We need to find a way to participate fairly for all involved. We have no issue paying more for our participation in this layer due to our larger than average losses during the past few years.

¹ Based on total CJPRMA payroll of \$1,504,848,603 participating in Pool B, NCCSIF would represent 11.11% of the total payroll; and Losses are Shared based on Percentage of Contribution (*equivalent to this calculated amount*). With the proposed surcharge of \$116,000 NCCSIF would then be responsible for 16.59% of the Shared Losses.



What we don't want to find ourselves faced with, is paying a significantly greater share of all other Members' losses at a time when we are at the high end of the curve, and hopefully recovering. We are sure that this concern will be understood.

Thank you for your clarifications and for suggesting some alternatives for consideration. We have reviewed these with the NCCSIF EC at their recent meeting. As we understand the concept, the additional \$116,000 per year for three years would only contribute to increasing our Share of Losses in years where we had a loss in excess of the \$500,000 SIR. (If years with no NCCSIF Claims, our percentage Share of Losses would be based on the standard Contribution). You have also suggested that the extra Contribution could be held, and accounted for separately, returned to us when no years are impacted.

Although we see this as workable, it will require clear definitions; since we imagine claims reserves would not penetrate the \$500,000 for years. It is also likely that a claim could settle for something like \$501,000 (since claims in this layer are so unpredictable) and trigger an additional payment of both our loss and every other Members' losses, that we would then share at the increase percentage. *(We are also concerned that our additional contribution will be held for a long time before resolution can be achieved, when already, CJPRMA has significant Dividend funds on account that can readily handle this payment as needed).*

We have refined an option for consideration by staff, and the CJPRMA Board:

1. We suggest that we treat the proposed 'surcharge' as a 'Corridor Deductible'; **NCCSIF would pay the first \$116,000 of all of NCCSIF losses** that are incurred in each of the three years. (CJPRMA has explored this concept in years past for their pool we believe). It's an excellent tool for making individuals more accountable for their losses.
2. We would like to propose that we initially DEPOSIT the additional \$116,000 the First year only, **to be held on account by CJPRMA 'as needed'** (but obviously ultimately returned to us if not used for the intended purpose). This 'fund' would be replenished each year is NCCSIF Claims are reserved and develop during for this Three Year 'surcharge period'. (If not needed, it rolls over for subsequent years, but is always the available to cover the 'Corridor Deductible').
3. In addition to paying this 'Corridor Deductible' we also pay the standard Share of Losses of all Members - the rate currently set at 11.11%.



The following chart(s) project NCCSIF's Share of Losses at various loss levels that may result during the Three Year 'Surcharge Period'. You see how the CJPRMA proposed plan could very negatively impact NCCSIF if losses within the layer are higher than expected in any one year. You can see our concern; imagine if we only had one claim in three years. Note, the analysis assumes that NCCSIF has at least one claims above \$500,000 each years that triggers the higher percentage of payments in the CJPRMA Proposed Share of Loss.

NCCSIF PROPOSAL

Original Percent	Original SHARE of LOSS	% Share	CJPRMA <u>Proposed</u> SHARE of LOSS	"MIN" <i>with No NCCSIF claims</i>	"MAX" <i>with NCCSIF claim(s) each year</i>
Scenario #1: ONE Million Dollars in claim each of 3 Years equals:					\$3,000,000
11.11%	\$333,300	16.59%	\$497,700	11.11%	\$333,300
				22.71%	\$681,300
					-
					-
Scenario #2: TWO Million Dollars in claim each of 3 Years equals:					\$6,000,000
11.11%	\$666,600	16.59%	\$995,400	11.11%	\$666,600
				16.91%	\$1,014,600
					-
					-
Scenario #3: THREE Million Dollars in claim each of 3 Years equals:					\$9,000,000
11.11%	\$999,900	16.59%	\$1,493,100	11.11%	\$999,900
				14.98%	\$1,347,900
					-

With the CJPRMA proposal, if NCCSIF were to have a payment of just something like \$555,555 each year, then in the **Worst Case (Scenario #3)**, NCCSIF could end up paying significantly more during the Three Year 'Surcharge Period'. (And as an example, with our 'MAX' Proposal they *pay an amount close to the CJPRMA Proposal* in **Scenario #2** if they have a penetrating claim each year - - and less if they do not have any losses).

A Public Entity Joint Powers Authority



Our proposal is that this Three Year 'Surcharge Period' ***Corridor Deductible*** of \$116,000 each year would be documented by Resolution as a continuing obligation, on immediate demand, as any amount is paid by CJPRMA on our behalf for claims that were incurred during these years. *(Obviously, CJPRMA holds significant NCCSIF Dividend Funds, so there should never be an issue of NCCIF's ability to pay).*

David, we now have our 2013/2014 actuarial study completed which provides us with the estimated funding for the \$500,000 xs \$500,000 layer. We will send this to you under separate cover once we review it. There is considerable improvement in our funding are rates as a result of the change in losses. In conjunction with the above, we will address the Board of Directors at the April 25th meeting for direction for this layer of coverage.

Although your proposal may be less costly if we have absolutely no claim excess of \$500,000, we believe our proposal may have greater clarity that warrants considerations. Thank you; Mike and I look forward to going over these figures with you in the near future.

Sincerely,

Susan Adams
NCCSIF Program Administrator
sadams@alliant.com

Cc: Mike Simmons, Alliant Insurance Services, Inc.
msimmons@alliant.com
C: (925) 708-3374

**CALIFORNIA JOINT POWERS
RISK MANAGEMENT AUTHORITY**

AGENDA BILL

ITEM: 5	TITLE: CHANGE IN S.I.R FOR NCCSIF
MEETING: 05/14-05/16/2013	
GENERAL MANAGER:	

Recommended Actions:

Approval of the NCCSIF request to change their S.I.R. from \$1 million to \$500,000.

Item Explanation:

At the December 20, 2012 meeting, the Board of Directors approved a request by NCCSIF to change their SIR from \$1 million to \$500,000. At that time, the general manager had reviewed the loss history of NCCSIF and based on this, recommended an additional contribution of \$116,000 for fiscal years 2013-2014 thru 2015-2016; the minimum agreed upon duration for NCCSIF to participate in Pool B.

Since then, the NCCSIF Board of Directors has evaluated the CJPRMA proposed rate, approved the change, and has made a request for consideration of a modified proposal. NCCSIF accepts the intent of the additional annual \$116,000 contribution but has requested an alternative method of funding it. NCCSIF provided staff with new loss information evidencing improvement in their expected losses and has proposed that the additional \$116,000 remain as a deposit to be eroded only in the event of losses sustained by NCCSIF.

After meeting with Susan Adams and Michael Simmons of Alliant Insurance Services, the administrator for NCCSIF, staff has developed the following proposal for the consideration by the Board.

1. The additional contribution (\$116,000) will be created as a corridor deductible and will be made for PY 2013-2014.
2. Any NCCSIF loss penetrating Pool B layer will be paid first by the corridor deductible until eroded.
3. In PY 2014-2015 funds will be deposited by NCCSIF to replenish any losses paid from the corridor deductible during the previous year. The same contribution will be required for PY 2015-2016.
4. Should no losses occur in Pool Layer B for NCCSIF for the three program years, the \$116,000 corridor deductible will be returned to NCCSIF following the close of program year 2019-2020.

A second issue of concern for NCCSIF was the additional exposure to their contributions for other member losses in the three program years. If the \$116,000 were included in their total premium paid, their proportional share of losses would be greater than the rest of members in Pool B. As a result staff recommends that NCCSIF proportional share of losses be based upon the standard adopted contribution for Pool B and not include the additional \$116,000. Only in the event that NCCSIF accrues an amount greater than \$250,000 of incurred losses in Pool Layer B, with their percentage of contribution reflect the inclusion of the required corridor deductible.

The general manager supports and recommends that the Board adopt the modified deposit contribution (corridor deductible), as this provides additional funding in the event of adverse losses by NCCSIF. Also, the proposal meets the funding requirements of a long-standing member of CJPRMA.

Staff recommends the Board of Directors approve a corridor deductible of \$116,000 for program years 2013-2014 thru 2015-2016 for NCCSIF.

Fiscal Impact:

1. Additional deposit contribution in Pool B of approximately \$116,000 per year for the three program years.

Exhibits:

None.



2013/2014 WORKERS' COMPENSATION DEPOSIT CALCULATIONS

ACTION ITEM

ISSUE: The FY 2013/2014 Deposit Calculations for Workers' Compensation are provided to the Board of Directors for their review and discussion and approval. This year the Board of Directors approved the Workers' Compensation Maximum (Capped) Deposit Percentage at the 40% level, but allowing Members that exceed 20% the option of deferring any amount in excess of a 20% increase. The amount deferred will be collected over the following five years (*like NCCSIF treats other Assessments*). Through this interim step, contributions are not to be re-distributed among the remaining Members in their Banking Layer. The Board also decreased NCCSIF's discount rate factor used to fund for losses from 2% to 1.5% to more accurately reflect actual investment income rate earned.

RECOMMENDATION: Staff recommends approval of the 2013/2014 Workers' Compensation Deposit Calculations.

FISCAL IMPACT: \$7,307,239 of which \$210,512 will be deferred for Assessments over the five years.

BACKGROUND: On an annual basis, NCCSIF develops costs per Member based upon rating formulas adopted by NCCSIF. The annual cost for all Members combined is based on Actuarial projections, excess workers' compensation quotation and administrative costs. Member's individual costs are based on payroll and the most recent six years of loss history.

ATTACHMENT(S): 2013/2014 Workers' Compensation Deposit Calculations

**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
WORKERS' COMPENSATION PROGRAM
July 1, 2013 to June 30, 2014**

RECOMMENDED	
CAPPED	SHARED
PERCENTAGE	AMOUNT
40%	\$77,885

A

B

CONTRIBUTIONS DUE FOR 2013/2014

C
(A*1.2)

D
(A-C)

MEMBER ENTITY	BANKING LAYER	SHARED RISK	CSAC PREMIUM	ADMIN EXPENSE	TOTAL DEPOSIT	LAST YEAR'S DEPOSIT
Anderson	101,507	\$45,478	15,783	17,025	\$179,793	\$190,396
Auburn	135,664	\$84,238	28,862	21,578	\$270,342	\$191,450
Colusa	47,912	\$32,733	10,730	13,246	\$104,622	\$85,175
Corning	73,197	\$39,444	12,212	15,018	\$139,871	\$132,340
Dixon	219,275	\$106,655	37,370	27,642	\$390,942	\$440,911
Folsom	968,399	\$481,495	171,441	94,241	\$1,715,576	\$1,675,878
Galt	206,756	\$115,393	35,967	27,367	\$385,484	\$385,056
Gridley	50,742	\$48,953	14,478	14,453	\$128,625	\$133,212
Ione	34,224	\$15,937	5,387	11,349	\$66,897	\$68,453
Jackson	79,529	\$29,981	12,127	14,848	\$136,485	\$126,501
Lincoln	225,493	\$150,974	23,017	29,557	\$429,041	\$335,218
Marysville	131,980	\$47,889	14,040	18,674	\$212,584	\$221,149
Nevada City	56,369	\$27,471	9,794	13,366	\$107,000	\$138,907
Oroville	165,627	\$101,039	28,759	24,048	\$319,473	\$327,311
Town of Paradise	188,620	\$65,031	21,204	22,959	\$297,814	\$384,718
Placerville	194,226	\$83,056	25,727	24,450	\$327,458	\$317,506
Red Bluff	225,139	\$91,816	29,415	26,745	\$373,114	\$311,896
Rio Vista	38,536	\$34,424	10,431	12,823	\$96,214	\$97,036
Rocklin	330,109	\$191,810	67,775	39,627	\$629,321	\$705,544
Willows	81,985	\$32,597	12,325	15,127	\$142,034	\$102,773
Yuba City	464,783	\$248,414	90,399	50,951	\$854,547	\$557,736
Total	4,020,072	\$2,074,828	677,244	535,095	\$7,307,239	\$6,929,166

CAPPED DEPOSIT	CHANGE FROM LAST YEAR
\$183,914	-3%
\$268,030	40%
\$108,743	28%
\$143,992	9%
\$395,064	-10%
\$1,719,697	3%
\$389,606	1%
\$132,747	0%
\$71,018	4%
\$140,606	11%
\$433,162	29%
\$216,705	-2%
\$111,121	-20%
\$323,594	-1%
\$301,935	-22%
\$331,579	4%
\$377,235	21%
\$100,335	3%
\$633,442	-10%
\$143,882	40%
\$780,830	40%
\$7,307,239	5%

MIN DEPOSIT DUE 2013/2014	DEFERRED AMOUNT
\$183,914	\$0
\$229,740	\$38,290
\$102,210	\$6,533
\$143,992	\$0
\$395,064	\$0
\$1,719,697	\$0
\$389,606	\$0
\$132,747	\$0
\$71,018	\$0
\$140,606	\$0
\$402,262	\$30,901
\$216,705	\$0
\$111,121	\$0
\$323,594	\$0
\$301,935	\$0
\$331,579	\$0
\$374,275	\$2,960
\$100,335	\$0
\$633,442	\$0
\$123,328	\$20,555
\$669,283	\$111,547
\$7,096,454	\$210,786



2013/2014 LIABILITY DEPOSIT CALCULATIONS

ACTION ITEM

ISSUE: The FY 2013/2014 Deposit Calculations for Liability are provided to the Board of Directors for their review and discussion and approval. This year the Board of Directors approved reducing NCCSIF's Self Insured Retention from \$1,000,000 to \$500,000 per occurrence. The Board also decreased NCCSIF's Actuarial discount rate factor from 2% to 1.5% to more accurately reflect actual investment income rate earned.

RECOMMENDATION: Staff and the Executive Committee recommend approval of the 2013/2014 Liability Deposit Calculations.

FISCAL IMPACT: \$4,052,451 which represents an 8% dollar increase.

BACKGROUND: On an annual basis, NCCSIF approves the allocation of program costs to the Members. Allocated costs are based on payroll and historical losses. The Banking layer is 75% loss sensitive and the Shared risk layer uses an experience modification formula to spread costs. CJPRMA or excess liability costs are based on the Banking layer calculation, but are only 25% loss sensitive and finally the Administrative costs are allocated 65% based on a percentage of the Banking, Shared and Excess costs and 35% allocated evenly.

ATTACHMENT(S): 2013/2014 Liability Deposit Calculations

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND

LIABILITY PROGRAM

July 1, 2013 to June 30, 2014

Funding Confidence Level:	60%	Discounting Rate	1.50%	CAPPED	SHARED
Banking Layer Funding	\$1,531,468	CJPRMA Premium:	\$1,112,469	PERCENTAGE	AMOUNT
Shared Risk Layer Funding	\$1,105,060	Administrative Expenses:	\$510,655	20%	\$4,881

MEMBER ENTITY	BANKING LAYER	SHARED RISK	CJPRMA PREMIUM	ADMIN EXPENSE	CJPRMA REFUND	TOTAL DEPOSIT	LAST YEAR'S DEPOSIT	CAPPED DEPOSIT	CHANGE FROM LAST YEAR
Anderson	\$37,296	\$28,912	\$22,317	\$16,740	(\$4,157)	\$101,108	\$113,698	\$101,395	-11%
Auburn	\$64,416	\$46,148	\$39,506	\$21,300	(\$7,358)	\$164,013	\$150,208	\$164,300	9%
Colusa	\$34,299	\$21,531	\$16,781	\$14,909	(\$3,126)	\$84,395	\$66,881	\$80,257	20%
Corning	\$18,723	\$22,492	\$19,976	\$15,983	(\$3,721)	\$73,453	\$65,497	\$73,740	13%
Dixon	\$39,687	\$49,102	\$54,110	\$24,666	(\$10,078)	\$157,486	\$162,085	\$157,774	-3%
Folsom	\$435,829	\$175,210	\$286,978	\$93,531	(\$53,450)	\$938,097	\$830,382	\$938,384	13%
Galt	\$99,361	\$83,539	\$61,953	\$27,269	(\$11,539)	\$260,583	\$237,620	\$260,870	10%
Gridley	\$35,589	\$32,526	\$29,453	\$19,040	(\$5,486)	\$111,123	\$94,727	\$111,410	18%
Ione	\$12,515	\$9,503	\$9,296	\$12,697	(\$1,731)	\$42,280	\$44,239	\$42,567	-4%
Jackson	\$16,483	\$18,685	\$15,849	\$14,850	(\$2,952)	\$62,916	\$51,811	\$62,173	20%
Lincoln	\$122,969	\$94,215	\$81,171	\$32,249	(\$15,118)	\$315,487	\$301,740	\$315,774	5%
Marysville	\$59,220	\$30,588	\$22,658	\$16,882	(\$4,220)	\$125,128	\$107,051	\$125,415	17%
Oroville	\$79,912	\$75,841	\$49,746	\$26,173	(\$9,265)	\$222,407	\$221,111	\$222,694	1%
Town of Paradise	\$67,371	\$54,170	\$43,647	\$21,802	(\$8,129)	\$178,861	\$159,818	\$179,148	12%
Red Bluff	\$102,769	\$55,450	\$31,867	\$20,172	(\$5,935)	\$204,323	\$172,214	\$204,610	19%
Rio Vista	\$20,788	\$18,190	\$18,403	\$14,987	(\$3,428)	\$68,940	\$64,662	\$69,227	7%
Rocklin	\$121,189	\$135,761	\$149,494	\$51,559	(\$27,844)	\$430,160	\$414,529	\$430,447	4%
Willows	\$7,996	\$14,981	\$13,980	\$14,209	(\$2,604)	\$48,562	\$55,978	\$48,849	-13%
Yuba City	\$155,055	\$138,214	\$145,285	\$51,636	(\$27,060)	\$463,130	\$423,963	\$463,417	9%
Total:	\$1,531,468	\$1,105,060	\$1,112,469	\$510,655	(\$207,201)	\$4,052,451	\$3,738,214	\$4,052,451	8%



2013/2014 WORKERS' COMPENSATION MEMORANDUM OF COVERAGE

ACTION ITEM

ISSUE: The NCCSIF Workers' Compensation Memorandum of Coverage is reviewed on an annual basis and updated, if needed. There are no changes recommended this year.

RECOMMENDATION: Staff recommends approval of the 2013/2014 Workers' Compensation Memorandum of Coverage.

FISCAL IMPACT: None.

BACKGROUND: On an annual basis staff reviews the Underlying Memorandum of Coverage to determine if changes should be made. This year no changes are recommended.

ATTACHMENT(S): Draft 2013/2014 Workers' Compensation Memorandum of Coverage



WORKERS' COMPENSATION & EMPLOYER'S LIABILITY

MEMORANDUM OF COVERAGE

The Northern California Cities Self Insurance Fund (hereinafter called NCCSIF) is an intergovernmental agency, risk sharing, joint powers authority, duly formed pursuant to California Government Code Sections 6500-6512, and other provisions of law.

This Memorandum of Coverage is a contract between the NCCSIF and its Members that sets forth certain duties, responsibilities and obligations of each party. This Memorandum of Coverage is not an insurance policy or document, and is not necessarily subject to the particular rules of law that apply to an insurance policy or to interpretation of insurance policies or insurance related documents.

INTRODUCTION

In return for the payment of the premium and subject to all terms and conditions of this agreement, Northern California Cities Self Insurance Fund (NCCSIF) agrees with you (the Member agency named in the Declarations) as follows:

GENERAL SECTION

A. THE AGREEMENT

This agreement includes the Declarations and all endorsements and schedules attached to it. It is a coverage agreement between you and us. The only agreements relating to this coverage are stated in this coverage agreement.

The terms of this agreement may not be changed or waived except by endorsement issued by us to be part of this agreement. You are responsible for telling us at once when the information contained in this agreement is no longer accurate for your operations.

This agreement, including the Declarations, endorsements and schedules attached to it, and any specified section of the JPA Agreement or Bylaws constitutes the entire coverage agreement. No condition, provision, agreement or understanding not stated in this coverage agreement will affect any rights, duties or privileges in connection with this coverage agreement.

B. WHO IS COVERED

The Member Agency named in the Declarations is covered for liability to its employees, subject to the provisions of this agreement.



C. WORKERS' COMPENSATION LAW

Workers' compensation law means the Workers' Compensation Laws of the State of California (which include injury by both accident and disease). It includes any amendments to that law that are in effect during the coverage period. It does not include the provisions of any law that provide non-occupational disability benefits. The term "Workers' Compensation Law" shall also include the United States' Longshore and Harbor Workers Compensation Act, also known as LHWCA (33 USC Sections 901-950).

D. LOCATIONS

This agreement covers all of your workplaces in California and in other states if listed unless you have other insurance, are self-insured or covered under another Joint Powers Authority for such workplaces.

E. WHO IS ELIGIBLE FOR BENEFITS

Your employees (or in the event of their death, their dependents) are eligible for benefits under this agreement, except that employees who are excluded under Workers' Compensation Law are not eligible for benefits under this agreement unless they have been included on the Declarations or by endorsement.

PART ONE — WORKERS' COMPENSATION COVERAGE

A. HOW THIS COVERAGE APPLIES

This workers' compensation coverage applies to bodily injury by accident or bodily injury by disease, including resulting death, subject to the following conditions:

1. Bodily injury by accident must occur during the coverage period.
2. Bodily injury by disease must be caused or aggravated by the conditions of your employment. Your employee's exposure to those conditions causing or aggravating such bodily injury by disease must occur during the coverage period.

B. WE WILL PAY

We will pay promptly when due to those eligible under this agreement the benefits required of you by the workers' compensation law, in excess of the Member Retention specified in Item 3 of the Schedule and subject to the limit specified in Item 5 of the Schedule. As respects the United States and Longshore and Harbor Workers Compensation Act (33 USC Sections 901-950), coverage for loss shall be limited, by amount and time of payment, to the benefits which would be available under the Workers' Compensation Act of the state where the injured employee is normally employed, if that law applied.



C. RIGHT TO ASSOCIATE IN DEFENSE

We have no duty to investigate, handle, settle or defend any claims, suits or proceedings against you. We have the discretionary right—and shall be given the opportunity by you—to associate with you in the defense, investigation or settlement of any claim, suit or proceeding that appears to involve indemnity by NCCSIF. In such association, you and NCCSIF shall cooperate in all aspects of defense, investigation, or settlement.

D. WE WILL ALSO PAY

Subject to the Member Retention specified in Item 4 and limit specified in Item 6 of the Schedule, we will also pay these costs, in addition to other amounts payable under this coverage as part of any claim, proceeding or suit we defend:

1. Reasonable expenses incurred at our request, but not loss of earnings
2. Premiums for bonds to release attachments and for appeal bonds in bond amounts up to twice the amount payable under this coverage
3. Litigation costs taxed against you
4. Interest on an award or judgment as required by law
5. Expenses we incur

E. OTHER INSURANCE

We will not pay more than our share of benefits and costs covered by this agreement and other insurance or self-insurance. All shares will be equal until the loss is paid.

F. LIMIT OF LIABILITY

Our liability to pay for damages is limited. Our limit of liability is shown in Item 6 of the Schedule of Declarations. It is the most we will pay for all damages covered by this coverage because of bodily injury to one or more employees in any one accident or occurrence, or series of accidents or occurrences, arising out of any one event. We will not pay any claims for damages after we have paid the limit of our liability under this coverage as explained above.

G. PAYMENTS YOU MUST MAKE

You are responsible for any payments of benefits required under the Workers' Compensation Law within the retention and those payments in excess of the benefits regularly provided by the workers' compensation law including, but not limited to, those required because:

1. of your serious and willful misconduct;
2. you knowingly employ an employee in violation of law;

3. you fail to comply with a health or safety law or regulation;
4. you discharge, coerce or otherwise discriminate against any employee in violation of the law;
5. of injury to an employee under the minimum age specified in the workers' compensation law and illegally employed at the time of injury;
6. your obligation to pay salary in lieu of temporary disability benefits as required under Labor Code Section 4850, except to the extent that you would be responsible for temporary disability benefits if Labor code Section 4850 did not apply;
7. your obligations pursuant to Labor Code Section 4856;
8. your obligations arising out of operations for which you have rejected any Workers' Compensation Law; or
9. your obligations for discrimination against any employee for the filing of a claim for Workers' Compensation coverage, or for discrimination of an employee that has agreed to testify in another employee's workers' compensation claim.

H. RECOVERY FROM OTHERS

We may enforce your rights, and the rights of persons entitled to the benefits of this coverage, to recover our payments from anyone liable for the injury. You will do everything necessary to protect those rights for us and to help us enforce them.

I. STATUTORY PROVISIONS

These statements apply where they are required by law:

1. As between an injured worker and us, we have notice of injury when you have notice.
2. We are directly and primarily liable to any person entitled to the benefits payable by this coverage, subject to the provisions, conditions and limitations of this agreement.
3. Jurisdiction over you is jurisdiction over us for purposes of the workers' compensation law. We are bound by decisions against you under that law, subject to the provisions of this agreement that are not in conflict with that law.
4. Terms of this coverage that conflict with the workers' compensation insurance law are changed by this statement to conform to that law.
5. Your employee has a first lien upon any amount that becomes owing to you by us because of this agreement and in the case of your legal incapacity or inability to receive the money and pay it to the claimant; we will pay it directly to the claimant.

Nothing in these paragraphs relieves you of your duties under this agreement.



PART TWO — EMPLOYER’S LIABILITY COVERAGE

A. HOW THIS COVERAGE APPLIES

This employer’s liability coverage applies to bodily injury by accident or bodily injury by disease, including resulting death, subject to the following conditions:

1. The bodily injury must arise out of and in the course of the injured employee’s employment by you.
2. The employment must be necessary or incidental to your work in the State of California.
3. Bodily injury by accident must occur during the coverage period.
4. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee’s last day of exposure to the conditions causing or aggravating such bodily injury by disease OR the date upon which the employee first suffered disability and either knew, or in the exercise of reasonable diligence should have known, that such disability was caused by his or her employment which ever comes first and must occur during the coverage period.
5. If you are sued, the suit and any related legal actions for damages for bodily injury by accident or by disease must be brought under the laws of the State of California.

B. WE WILL PAY

We will pay all sums over the amount stated as the Members’ Retained Limit in Item 3 of the Schedule you legally must pay as damages because of bodily injury to your employees eligible for benefits under this agreement, provided the bodily injury is covered by this employer’s liability coverage and subject to the limit specified in Item 6 of the Schedule.

The damages we will pay over the amount stated as the Members’ Retained Limit in Item 3 of the Schedule, where recovery is permitted by law, include damages:

1. for which you are liable to a third party by reason of a claim or suit against you by that third party to recover the damages claimed against such third party as a result of injury to your employee;
2. for care and loss of services; and
3. for consequential bodily injury to a spouse, child, parent, brother or sister of the injured employee;

provided that these damages are the direct consequence or bodily injury that arises out of and in the course of the injured employee’s employment by you, and



4. because of bodily injury to your employee that arises out of and in the course of employment claimed against you in a capacity other than as employer.

C. EXCLUSIONS

This agreement does not cover:

1. liability assumed under a contract. This exclusion does not apply to a warranty that your work will be done in a workmanlike manner;
2. punitive or exemplary damages where coverage for such liability is prohibited by law or contrary to public policy;
3. bodily injury to an employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
4. any obligation imposed by a workers' compensation, occupational disease, unemployment compensation or disability benefits law, or any similar law;
5. bodily injury intentionally caused or aggravated by you;
6. damages arising out of the discharge of, coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against, or termination of any employee, or any personnel practices, policies, acts or omissions;
7. damages for discrimination against any employee for the filing of a claim or for discrimination of an employee that has agreed to testify in another employee's workers' compensation claim.

D. RIGHT TO ASSOCIATE IN DEFENSE

We have no duty to investigate, handle, settle or defend any claims, suits or proceedings against you.

We have the discretionary right—and shall be given the opportunity by you—to associate with you in the defenses, investigation, or settlement of any claim, suit or proceeding which appears to involve indemnity by NCCSIF. In such association, you and NCCSIF shall cooperate in all aspects of defense, investigation or settlement.

E. WE WILL ALSO PAY

Subject to the Member Retention specified in Item 3 of the Schedule and subject to the limit specified in Item 6 of the Schedule, we will also pay these costs, in addition to other amounts payable under this coverage, as part of any claim, proceeding or suit we defend;

1. reasonable expenses incurred at our request, but not loss of earnings;



2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to twice the limit of our liability under this coverage;
3. litigation costs taxed against you;
4. interest on a judgment as required by law; and
5. expenses we incur.

F. OTHER INSURANCE

We will not pay more than our share of damages and costs covered by this coverage and any other insurance, self-insurance or any other employers' liability by a Joint Powers Authority. Subject to any limits of liability that apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance and self insurance will be equal until the loss is paid.

G. LIMIT OF LIABILITY

Our liability to pay for damages is limited. Our limit of liability is shown in Item 6 of the Schedule of Declarations. It is the most we will pay for all damages covered by this coverage because of bodily injury to one or more employees in any one accident or occurrence, or series of accidents or occurrences, arising out of any one event.

We will not pay any claims for damages after we have paid the limit of our liability under this coverage as explained above.

H. RECOVERY FROM OTHERS

We may enforce your rights to recover our payment from anyone liable for an injury covered by this coverage. You will do everything necessary to protect those rights for us and to help us enforce them.

I. ACTIONS AGAINST US

There will be no right of action against us under this coverage unless;

1. you have complied with all the terms of this agreement; and
2. the amount you owe has been determined with our consent or by actual trial and final judgment.

This coverage does not give anyone the right to add us as a defendant in an action against you to determine your liability.



PART THREE — COVERAGE OUTSIDE OF CALIFORNIA

This coverage is identical to Part One (Workers' Compensation Coverage) of this agreement. It applies to your employees who are hired in California and are eligible for benefits under this agreement while they are working anywhere outside of California.

PART FOUR — YOUR DUTIES IF INJURY OCCURS

Tell us at once if injury occurs which may be covered by this agreement. Your other duties are listed here:

1. Provide for immediate medical and other services required by the workers' compensation law.
2. Give us or our representative the names and addresses of the injured persons and of witnesses, and other information we may need.
3. Promptly give us all notices, demands and legal papers related to the injury, claim, proceeding or suit.
4. Cooperate with us and assist us, as we may request, in the investigation, settlement or defense of any claim, proceeding or suit.
5. Do nothing after an injury occurs that would interfere with our right to recover from others.
6. Do not voluntarily make payments, assume obligations or incur expenses within our layer of coverage, except at your own cost.

PART FIVE — PREMIUM

A. PREMIUM

1. All premiums for this agreement will be determined by the Northern California Cities Self Insurance Fund.
2. Remuneration is part of the premium basis. This premium basis includes payroll and all other remuneration paid or payable during the coverage period for the services of:
 - a. all your employees eligible for benefits under this agreement while engaged in work covered by this agreement; and
 - b. all other persons engaged in work that could make us liable under Part One (Worker's Compensation Coverage) of this agreement. If you do not have the payroll records for these persons, the contract price for their services and materials may be used as the premium basis. This paragraph will not apply if you



give us proof that the employers of these persons lawfully secured their workers' compensation obligations.

B. PREMIUM PAYMENTS

You will pay all premium when due.

C. FINAL PREMIUM

The premium shown on the Declarations and on the schedules and endorsements, if any, is an estimate. The final premium will be determined after this agreement ends by using the actual, not the estimated, premium basis and actual losses. If the final premium is more than the premium you paid to us, you must pay us the balance. If it is less, we will refund the balance to you. The final premium will not be less than the minimum premium for this agreement as determined by the various layer funding formulas.

D. RECORDS

You will keep records of information needed to compute premium. You will provide us with copies of those records when we ask for them.

E. AUDIT

You will let us examine and audit all your records that relate to this agreement. These records include ledgers, journals, registers, vouchers, contracts, tax reports, payroll and disbursement records and programs for storing and retrieving data. We may conduct the audits during regular business hours during the coverage period and within three years after the coverage period ends. Information developed by audit will be used to determine final premium.

F. RATE CHANGES

This agreement is issued by us and accepted by you with the agreement that you will accept any increase in premium or in the rates of premium which may be promulgated under any rating plan approved by the Northern California Cities Self Insurance Fund, and that the effective date of any such increase shall be the effective date thereof fixed in accordance with the provisions of any such rating plan approved by the Executive Committee. Also the rates used to determine the premium are subject to increase during the term of the agreement if an increase in rates applicable to agreements in force is approved by the Executive Committee of Northern California Cities Self Insurance Fund, and that the effective date of any such increase shall be the date fixed by the Executive Committee.



PART SIX — CONDITIONS

A. INSPECTION

We have the right, but are not obliged, to inspect your workplaces at any reasonable time. Our inspections relate to the workplaces and the premiums to be charged. We may give you reports on the conditions we find. We may also recommend changes. While they may help to reduce losses, we do not undertake to perform the duty of any person to provide for the health and safety of your employees or the public. We do not warrant that your workplaces are safe or healthful or that they comply with laws regulations, codes or standards.

B. LONG TERM POLICY

If this policy is written for a period longer than one year, all the provisions of this agreement shall apply separately to each consecutive twelve month period, or if the first or last period is less than twelve months, in the same manner as if a separate agreement had been written for each consecutive period. Until your policy terminates, your deposit premium will be transferred to each consecutive coverage period to act as a deposit in the same manner as if a separate agreement had been written.

C. TRANSFER OF YOUR RIGHTS AND DUTIES

Your rights or duties under this agreement may not be transferred without our written consent.

D. OUR NOTICE TO YOU

Mailing documents that relate to this agreement to you at the mailing address shown in the Declarations will be sufficient to prove notice to you of that document.

E. CANCELLATION AND WITHDRAWAL

You may withdraw as a party to this agreement and as a participant in the coverage provided you meet the requirements, as specified in the Joint Exercise of Power Agreement, Bylaws and Participation Agreement.

If cancellation by Northern California Cities Self Insurance Fund or you is effective before the end of the coverage year, Northern California Cities Self Insurance Fund will return to you the amount of any unearned premium payment from you for the coverage year. Such amount will be computed on a pro-rata basis from the effective date of cancellation.

F. ARBITRATION OF COVERAGE DISPUTES

1. Coverage Determinations

The Third Party Administrator or JPA Counsel shall make the initial determination whether to deny coverage on all or part of a claim, or to reserve the Northern California Cities Self Insurance Fund's right to deny coverage on all or part of a claim, if a loss subsequently exceeds the retained limit.

A decision to deny coverage can be appealed to the Board of Directors. Notice of such appeal shall be submitted in writing within thirty (30) calendar days of the date of written notice of decision.

The appeal shall be considered by the Board of Directors at the next regular or special meeting following receipt of the written appeal; if the appeal is received too late for inclusion in the agenda packet, it can be postponed to the next following Board meeting. The Program Administrator and the covered party will have the right to submit written materials and present oral argument to the Board, subject to reasonable time constraints. Any dispute concerning a decision by the Board to deny coverage for all or part of a claim shall not be subject to any court action, but may instead be submitted to binding arbitration in accordance with the procedures set forth below. Notice of a request for binding arbitration by the covered party must be submitted within thirty (30) calendars days from the date of the noticed decision by the Board of Directors.

(a) Arbitration Procedures for Resolving Disputes

1) Selection of Arbitrators

If an appeal of a Board decision is submitted to arbitration, each side shall, within ten (10) calendar days, select one (1) arbitrator and submit his or her name in writing to the other side. Within ten (10) calendar days after their selection, these two arbitrators shall select a third independent arbitrator. If the two sides cannot agree on the selection of the third arbitrator within ten (10) calendar days, either side may petition the Sacramento County Superior Court for the appointment of the third arbitrator pursuant to the provisions of section 1281.6 of the California Code of Civil Procedure. The third arbitrator shall be an attorney and preside as the Chairperson of the arbitration panel. No arbitrator shall be employed or affiliated with you or NCCSIF.

The arbitration hearing shall commence within forty-five (45) calendar days from the date of the selection of the Chairperson, unless both sides agree to an extension.

Each side shall pay the cost of its selected arbitrator and one-half of the cost of the third selected arbitrator. In addition, each side shall be responsible for its own cost and expense of arbitration.

Except for notification of appointment and as provided in the California Code of Civil Procedure, there shall be no communication between either side and the arbitrator(s) relating to the subject of the arbitration other than at oral hearings.

2) Discovery

The procedures set forth in Code of Civil Procedure section 1283.05 relating to depositions and discovery shall apply to any arbitration pursuant to this paragraph (b).

3) Testimony Under Oath

The testimony of witnesses shall be given under oath.

4) Length of Hearing

The panel will endeavor to confine the length of the hearing to two (2) days. A decision of the panel shall be reported in writing. The written decision of the panel shall be given to both sides within thirty (30) calendar days of the close of the hearing.

5) Certified Shorthand Reporter

Either side wishing a certified shorthand reporter record shall arrange directly with a certified shorthand reporter and notify the other side of such arrangements in advance of the hearing. The requesting side shall pay the cost of recording the hearing if no transcript is ordered. If a transcript is ordered, the cost of the transcript and of recording the hearing shall be prorated equally among the parties ordering copies.

(b) Funding of Defense and Payment of Claims Pending Resolution of Dispute

During the course of the arbitration proceedings provided herein, the *covered party* will be responsible for all fees and expenses for investigation, defense or litigation of a claim or lawsuit. In the event the arbitration panel determines that coverage applies for such *defense costs*, the *Authority* will reimburse the *covered party* as directed by the panel.



(c) **Effects of Arbitration Decisions**

All decisions on appeals, whether by the Board of Directors (after the time to request arbitration has expired) or by the arbitration panel, shall be final and binding upon the parties and shall not be subject to any further appeal or court action, except as provided in Code of Civil Procedures sections 1286.2 and 1286.4 (relating to fraud or corruption, etc.).

(d) **General Law**

Except as provided otherwise above, arbitration shall be conducted as provided in Title 9 of the Code of Civil Procedure (commencing with section 1280).

July 1, 2013
Date

Liz Ehrenstrom, NCCSIF President



2013/2014 LIABILITY MEMORANDUM OF COVERAGE

ACTION ITEM

ISSUE: The NCCSIF Liability Memorandum of Coverage is reviewed on an annual basis and updated, if needed. There are no changes recommended this year.

RECOMMENDATION: Staff recommends the approval of the 2013/2014 Liability Memorandum of Coverage.

FISCAL IMPACT: None.

BACKGROUND: On an annual basis staff reviews the Underlying Memorandum of Coverage to determine if changes should be made. This year no changes are recommended.

ATTACHMENT(S): Draft 2013/2014 Liability Memorandum of Coverage



LIABILITY

UNDERLYING MEMORANDUM OF COVERAGE

The Northern California Cities Self Insurance Fund (hereinafter called NCCSIF) is an intergovernmental agency, risk sharing, joint powers authority, duly formed pursuant to California Government Code Sections 6500-6512, and other provisions of law.

This Memorandum of Coverage is a contract between the NCCSIF and its Members which sets forth certain duties, responsibilities and obligations of each party. This Memorandum of Coverage is not an insurance policy or document, and is not necessarily subject to the particular rules of law which apply to an insurance policy or to interpretation of insurance policies or insurance related documents.

1. INSURING AGREEMENT

In consideration of the payment of the required deposit and subject to all the terms of this Memorandum of Coverage, NCCSIF agrees to pay on behalf of the Member a Loss resulting from any occurrence covered by the terms of the California Joint Powers Risk Management Authority (CJPRMA) Memorandum of Coverage effective for the Coverage Period under Item 3 of the Declarations to this Memorandum, except for the Limits of Liability and defense provisions and as amended within this Memorandum or by endorsement. The coverage afforded by this Memorandum shall be primary unless Other Insurance is applicable.

2. LIMITS OF LIABILITY

The Limits of Liability applicable to this Memorandum are as stated under Item 7 of the Declarations.

3. EXCLUSIONS

- A. Exclusions No. 27 and No. 38, dealing with Transit Systems, of the CJPRMA Memorandum of Coverage do not apply to this Memorandum of Coverage.
- B. Exclusion No. 22 of the CJPRMA Memorandum of Coverage does not apply under this Memorandum to inverse condemnation liability arising from accidentally caused physical injury to or destruction of tangible property, including all resulting loss of use of such property, for which the covered party may be legally responsible.
- C. As stated under "Covered Party" definition, coverage does not apply to loss resulting from any employee or volunteer who has five or more than five violation



points as valued and enumerated on the Department of Motor Vehicles Negligent Operator Count sheet within the three years immediately preceding the loss.

However, this exclusion shall apply to the covered employee or volunteer only, and not the vicarious liability of the Member, except that if the Member knowingly permits a covered employee or volunteer to operate after accumulating five or more violation points, this exclusion applies to the Member as well.

4. DEFINITIONS

The conditions of this Memorandum of Coverage shall be applied as if the definitions of words listed below had been included with the word or words each time they appear in this Memorandum.

COVERED PARTY:

- (a) A member entity of NCCSIF. This includes all entities named in the Declarations page, including any and all commissions, agencies, districts, authorities, boards (including the governing board) or similar entities coming under the entity's direction or control, or for which the entity's board members sit as the governing body, except a hospital board or commission, regardless of how it is denominated.
- (b) Any person or entity identified as a covered party holding a certificate of coverage duly issued by the Authority, for occurrences during the coverage period identified in the certificate of coverage; if a particular activity is identified in the certificate of coverage, the person or entity is a covered party only for occurrences arising out of the described activity.
- (c) Any person who is an official, employee or volunteer of a person or entity covered by (a) or (b) herein, whether or not compensated, while acting in an official capacity for or on behalf of such person or entity, including while acting on any commission, regardless of how such body is denominated. Covered Party shall not include any person whose conduct is not within the course and scope of his or her employment or office with the covered party at the time of the act or acts that give rise to liability.
- (d) With respect to any automobile owned or leased by a covered party (described in (a) or (b) above), or loaned to or hired for use by or on behalf of the covered party, any person, while using such automobile, and any person or organization legally responsible for the use thereof, provided the actual use is with the express permission of the covered party, but this protection does not apply to the an covered party as respects:
 - 1) any employee or volunteer who has five or more than five violation points, as valued and enumerated on the Department of Motor Vehicles Negligent Operator Count sheet within the three years immediately preceding the "loss."

- 2) any person or organization, or any agent or employee thereof, operating an automobile sales agency, repair shop, service station, storage garage or public parking place, with respect to an occurrence arising out of the operation thereof; or
- 3) the owner or any lessee, other than the covered party, of any automobile hired by or loaned to the covered party or to any agent or employee of such owner or lessee.

This agreement does not provide uninsured or underinsured motorist coverage.

LOSS: The total of all defense costs incurred by the covered parties and all damages for which the covered parties are liable either by adjudication or by compromise with the written consent of NCCSIF, after making proper deduction for all recoveries and salvages, arising from an occurrence to which this coverage applies. Loss does not include attorneys' fees or costs awarded to the prevailing party in a suit except where such attorneys' fees or costs are attributable to a claim for damages covered by this Memorandum.

Additionally, for any claim or suit seeking damages that would be potentially covered by this Memorandum of Coverage but for the operation of an Exclusion, NCCSIF shall, upon request, include within the definition of loss, damages for which the covered parties are liable either by adjudication or by compromise up to the limit of coverage in the Member City's Banking Layer shown on the Declarations.

5. OTHER INSURANCE or COVERAGE

The coverage afforded by this Memorandum shall be excess over any other valid and collectible insurance or coverage available to the Member City and applicable to any part of the ultimate net loss, whether such other insurance or coverage is stated to be primary, excess, contingent or otherwise, unless such other insurance or coverage specifically applies as excess insurance or coverage over the limits provided in this Memorandum of Coverage.

6. NOTICE OF OCCURRENCE

Upon the happening of any occurrence likely to involve NCCSIF under this Memorandum, the Member shall give notice, either written or oral, as soon as practicable to the Claims Administrator of NCCSIF as listed in Item 10 of the Declarations. Such notice shall contain particulars sufficient to identify the Member and fullest information obtainable at the time. If legal proceedings are begun, the Member shall forward to the NCCSIF Claims Administrator each paper therein, or a copy thereof, received by the Member or the Member's representative, together with copies of reports or investigations with respect to such claim proceedings.

7. DEFENSE



NCCSIF shall assume charge of the investigation, settlement or defense of any claims made, or suits brought, or proceedings instituted against the Member that in the opinion of NCCSIF may create liability on the part of NCCSIF under the terms of this Memorandum of Coverage.

Additionally, for any claim or suit seeking Damages that would be potentially covered by this Memorandum of Coverage but for the operation of Exclusion, NCCSIF shall, upon request, reimburse the Member's cost of defense of the claim, up to the limit of coverage in the Member's Banking Layer shown in the Declarations. This supplemental defense cost coverage shall not apply to coverage in the pooled risk sharing layer shown in the Declarations.

8. PAYMENT OF LOSS

Upon final determination of Loss, NCCSIF will promptly pay on behalf of the Member the amount of Loss falling within the terms of this Memorandum of Coverage.

9. SUBROGATION

In the event of any payment under this Memorandum of Coverage, NCCSIF will be subrogated to all the Member City's rights of recovery against any person or organization and NCCSIF shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights.

The amount recovered as subrogation shall be apportioned in the inverse order of payment of the Loss to the extent of the actual payment. The expenses of all such recovery proceedings shall be apportioned in the ratio of the respective recoveries.

10. CANCELLATION

This Memorandum of Coverage may be canceled in accordance with the terms of the JPA Agreement and Bylaws of NCCSIF.

11. ARBITRATION OF COVERAGE DISPUTES

COVERAGE DETERMINATIONS

The Claims Committee shall make the initial determination whether to deny coverage on all or part of a claim, or to reserve the Authority's right to deny coverage on all or part of a claim, if a loss subsequently exceeds the retained limit.

A decision by the Claims Committee to deny coverage can be appealed to the Board of Directors. Notice of such appeal shall be submitted in writing within thirty (30) calendar days of the date of the Claims Committee's written notice of decision.

The appeal shall be considered by the Board of Directors at the next regular or special meeting following receipt of the written appeal; if the appeal is received too late for

inclusion in the agenda packet, it can be postponed to the next following Board meeting. The Program Administrator in conjunction with the Claims Committee and the covered party will have the right to submit written materials and present oral argument to the Board, subject to reasonable time constraints. Any dispute concerning a decision by the Board to deny coverage for all or part of a claim shall not be subject to any court action, but may instead be submitted to binding arbitration in accordance with the procedures set forth below. Notice of a request for binding arbitration by the covered party must be submitted within thirty (30) calendar days from the date of the noticed decision by the Board of Directors.

(a) **ARBITRATION PROCEDURES FOR RESOLVING DISPUTES**

1) **Selection of Arbitrators:**

If an appeal of a Board decision is submitted to arbitration, each side shall, within ten (10) calendar days, select one (1) arbitrator and submit his or her name in writing to the other side. Within ten (10) calendar days after their selection, these two arbitrators shall select a third independent arbitrator. If the two sides cannot agree on the selection of the third arbitrator within ten (10) calendar days, either side may petition the Sacramento County Superior Court for the appointment of the third arbitrator pursuant to the provisions of section 1281.6 of the California Code of Civil Procedure. The third arbitrator shall be an attorney and preside as the Chairperson of the arbitration panel. No arbitrator shall be employed or affiliated with the Authority or the covered party or parties.

The arbitration hearing shall commence within forty-five (45) calendar days from the date of the selection of the Chairperson, unless both sides agree to an extension. Each side shall pay the cost of its selected arbitrator and one-half of the cost of the third selected arbitrator. In addition, each side shall be responsible for its own cost and expense of arbitration.

Except for notification of appointment and as provided in the California Code of Civil Procedure, there shall be no communication between either side and the arbitrator(s) relating to the subject of the arbitration other than at oral hearings.

2) **Discovery**

The procedures set forth in Code of Civil Procedure section 1283.05 relating to depositions and discovery shall apply to any arbitration pursuant to this paragraph (b).

3) **Testimony Under Oath**

The testimony of witnesses shall be given under oath.

4) **Length of Hearing**

The panel will endeavor to confine the length of the hearing to two (2) days. A decision of the panel shall be reported in writing. The written decision of the panel shall be given to both sides within thirty (30) calendar days of the close of the hearing.

5) Certified Shorthand Reporter

Either side wishing a certified shorthand reporter record shall make arrangements directly with a certified shorthand reporter and notify the other side of such arrangements in advance of the hearing. The requesting side shall pay the cost of recording the hearing if no transcript is ordered. If a transcript is ordered, the cost of the transcript and of recording the hearing shall be prorated equally among the parties ordering copies.

(b) FUNDING OF DEFENSE AND PAYMENT OF CLAIMS PENDING RESOLUTION OF DISPUTE

During the course of the arbitration proceedings provided herein, the covered party will be responsible for all fees and expenses for investigation, defense or litigation of a claim or lawsuit. In the event the arbitration panel determines that coverage applies for such defense costs, the Authority will reimburse the covered party as directed by the panel.

(c) EFFECTS OF ARBITRATION DECISIONS

All decisions on appeals, whether by the Board of Directors (after the time to request arbitration has expired) or by the arbitration panel, shall be final and binding upon the parties and shall not be subject to any further appeal or court action, except as provided in Code of Civil Procedures sections 1286.2 and 1286.4 (relating to fraud or corruption, etc.).

(d) GENERAL LAW

Except as provided otherwise above, arbitration shall be conducted as provided in Title 9 of the Code of Civil Procedure (commencing with section 1280).

07/01/2013

Date

Liz Ehrenstrom, NCCSIF President



LIABILITY AMENDATORY ENDORSEMENT

UNDERLYING MEMORANDUM OF COVERAGE

This endorsement is issued to:

The City of Folsom

The City of Lincoln

The City of Auburn

It is understood and agreed that Section 3, **Exclusion A** is deleted and replaced with the following:

With respect to the Members named above, Exclusions No. 27 and No. 38, dealing with Transit Systems, of the **California Joint Powers Risk Management Authority Memorandum of Coverage** do not apply to the **Northern California Cities Self Insurance Fund (NCCSIF) Underlying Memorandum of Coverage** for Liability. Notwithstanding what is stated in the applicable declarations, the limit of coverage described in this exception will be subject to a sublimit of \$250,000 each occurrence.

All other terms and conditions of this underlying memorandum of coverage are unchanged. If this endorsement is issued after the effective date of this underlying memorandum of coverage, then it must be signed by an Officer of NCCSIF.

Liz Ehrenstrom, NCCSIF President

Endorsement Effective Date: July 1, 2013



LIABILITY AMENDATORY ENDORSEMENT

UNDERLYING MEMORANDUM OF COVERAGE

This endorsement is issued to:

The City of Dixon

It is understood and agreed that Section 3, **Exclusion A** is deleted and replaced with the following:

Exclusions No. 27 and No. 38, dealing with Transit Systems, of the **California Joint Powers Risk Management Authority Memorandum of Coverage** apply to the **City of Dixon** of the **Northern California Cities Self Insurance Fund Underlying Memorandum of Coverage for Liability**.

All other terms and conditions of this underlying memorandum of coverage are unchanged. If this endorsement is issued after the effective date of this underlying memorandum of coverage, then it must be signed by an Officer of NCCSIF.

Liz Ehrenstrom, NCCSIF President

Endorsement Effective Date: July 1, 2013



2013/2014 CRIME COVERAGE RENEWAL

ACTION ITEM

ISSUE: NCCSIF's Crime coverage program renews July 1, 2013. This program offers coverage for monetary loss due to Employee Dishonesty, including Faithful Performance and fraud exposures. Currently there are twelve (12) NCCSIF members participating in the current program with a \$1 million per claim limit, and a \$5,000 per claim deductible, with the City of Gridley at a \$15,000 deductible.

The current coverage is placed through National Union Fire Insurance Co. of Pittsburgh, an AIG subsidiary. In attempting to market this coverage with Alliant's Crime Insurance Program (ACIP), a quote was denied due to loss history.

RECOMMENDATION: Staff recommends approval of the renewal with National Union Fire Insurance Co. of Pittsburgh as proposed.

FISCAL IMPACT: \$23,723 which is a \$3,025 increase over the prior year.

BACKGROUND: The NCCSIF Crime Policy is through National Union Fire Insurance Co. of Pittsburgh. This carrier has carries an A.M. Best rating of A, XV (\$2 billion or greater). Member costs are allocated based on number of employees.

ATTACHMENT(S): NCCSIF FY2013/14 Crime Proposal.

**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
GOVERNMENT CRIME POLICY ADMITTED
INSURANCE PROPOSAL**

INSURANCE COMPANY: National Union Fire Insurance of Pittsburgh, Pa.

**A.M. BEST GUIDE
RATING:** A (Excellent)
XV (\$2 Billion or greater)

**STANDARD & POOR'S
RATING:** A / Stable

CALIFORNIA STATUS: Admitted

TERM: July 1, 2013 to July 1, 2014

INSURED: Northern California Cities Self Insurance Fund

POLICY LIMITS: \$ 1,000,000 per loss

COVERAGES:

- ◆ Employee Theft , Including Faithful Performance
- ◆ Forgery or Alteration
- ◆ Computer Fraud
- ◆ The Fidelity Research & Investigative Settlement Clause (FRISC)
- ◆ Add Schedule Excess Limit of Insurance for Specified Employees/Positions
- ◆ Add Credit, Debit Or Charge Card Forgery: \$1,000,000
- ◆ Funds Transfer Fraud - Funds transfer fraud means electronic, telegraphic, cable, teletype or telephone instructions, or fraudulent written instructions fraudulently transmitted to a "financial institution" without your knowledge or consent
- ◆ Employee Post Termination Coverage (90 Days)
- ◆ Incl. Statutory Bonded Officials - Excess Coverage - The policy will pay for loss sustains resulting directly from "employee dishonesty" which is excess of the amount covered by any individual public official bond.
- ◆ Coverage is provided to Treasurers or Tax Collectors
- ◆ Coverage is provided to Non Compensated Officers of the Members
- ◆ Coverage is provided to Bonded Employees
- ◆ Coverage is provided to Chairperson and Members of Specified Committees as Employees
- ◆ Coverage is provided to Designated Persons or Classes of Persons as employees
- ◆ Includes Volunteer Workers as Employees
- ◆ Coverage is provided to all leased employees working for a Named Insured.

POLICY FORM: Loss Sustained Policy Form

**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
GOVERNMENT CRIME POLICY ADMITTED
INSURANCE PROPOSAL**

DEDUCTIBLE: \$ 5,000 per loss; \$15,000 for City of Gridley

EXCLUSIONS:

- ◆ **Acts committed by you:** Loss resulting from “theft” or any dishonest act committed by you, whether acting alone or in collusion with other persons.
- ◆ **Acts of employees learned of by you prior to the policy period**
- ◆ **Governmental Action:** Loss resulting from seizure/destruction of property by order of governmental authority
- ◆ **Indirect Loss:** Loss that is an indirect result of an “occurrence”, including but not limited to:
 - ◆ Your inability to realize income that you would have realized had there been no loss
 - ◆ Payment of damages of any type which you are legally liable
 - ◆ Payment of costs, fees or other expense incurred in establishing the existence or the amount of loss under the policy
- ◆ **Legal Fees, Costs and Expenses**
- ◆ **Nuclear:** Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act/incident.
- ◆ **Pollution**
- ◆ **War and Similar Actions:** Loss resulting from war, warlike action, insurrection, rebellion or revolution, or any related act.

CANCELLATION: Thirty (90) days notice of cancellation, except ten (10) days for Non-payment of Premium; 60 days notice of non-renewal and conditional renewal. Or as per State requirements.

ANNUAL PREMIUM: \$ 23,723

*Note: Premium subject to change upon receipt, review and underwriting approval of participating member applications.

DATE PREPARED: June 6, 2013

BROKER: ALLIANT INSURANCE SERVICES, INC.

Susan Adams, Assistant Vice President
Joan Crossley, Account Manager - Lead
Johnny Yang, Assistant Account Representative

THIS PROPOSAL IS FOR INFORMATION PURPOSES ONLY AND DOES NOT AMEND, EXTEND OR ALTER THE POLICY IN ANY WAY. PLEASE REFER TO THE POLICY FORM FOR COMPLETE COVERAGE AND EXCLUSION INFORMATION.

**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
GOVERNMENT CRIME POLICY ADMITTED
INSURANCE PROPOSAL**

Commissions are customarily paid by the insurance carriers to their agents and to brokers as a percentage of premiums. In addition to the commissions that Alliant Insurance Services, Inc., receives, its related entity, Alliant Underwriting Services (AUS) may receive compensation from Alliant Insurance and/or the carrier for providing underwriting services. The financial impact of the compensation received by AUS is a cost included in the premium. Additionally, the related entities of Alliant Business Services (ABS) and/or Strategic HR may receive compensation from Alliant Insurance and/or the carrier for providing designated, value-added services. Services contracted for by the client directly will be invoiced accordingly. Otherwise, services will be provided at the expense of Alliant Insurance and/or the carrier. Except as specifically directed by the client, AIS and its affiliates may also receive income as a result of contingent income agreements with insurance carriers. Further information is available upon written request directed to: Alliant Insurance Services, Attention: Chief Operating Officer, 1301 Dove Street, Suite 200, Newport Beach, CA 92660.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations.

Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poors have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com

For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com

To learn more about companies doing business in California, visit the California Department of Insurance website at www.insurance.ca.gov



2013/2014 PROPERTY RENEWAL

ACTION ITEM

ISSUE: The Executive Committee should review discuss and recommend approval of the 2013/2014 Property renewal program.

The NCCSIF Property Program through the Alliant Property Insurance Program (APDP) which renews July 1, 2013. Total Insurable Values increased 2.53% due to various changes throughout the year. The total premium increased 11.85% over last year. The main factors of the premium increase are due to the increased rate of 9.08% along with increased values. Below are major coverage changes for the 2013/2014 policy year.

Major Coverage Changes effective 7/01/2013			
<u>Item</u>	<u>12-13 Coverage or Sublimit</u>	<u>13-14 Coverage or Sublimit</u>	<u>Status</u>
	<u>Per Occurrence</u>	<u>Per Occurrence</u>	
Claims Reporting Acknowledgement Form(s)	Documents were provided with Policies	Attached is a claims acknowledgment form outlining the loss reporting provisions for Property (including B&M), Cyber and Pollution claims. We are requesting that all members read this form and sign acknowledging the procedures have been provided, reviewed, and understood. If you have specific questions, please contact your Alliant representative or our Claims Advocacy Group at (877) 725-7695	Final
Excess Terrorism Limits (For those who purchase this Optional Coverage)	\$250,000,000 Per Member/Entity \$550,000,000 Per Occurrence \$850,000,000 Program Aggregate	\$300,000,000 Per Member/Entity Per Occurrence \$800,000,000 Program Aggregate	Pending

Auto Physical Damage Deductible	Per Occurrence for Off Premises Vehicle Physical Damage	If Off-Premises coverage is included, the stated deductible will apply to vehicle physical damage both on and off premises on a Per Occurrence basis, unless otherwise stated. If Off-Premises coverage is not included, On-Premises coverage is subject to the “All Risk” (Basic) Deductible.	Pending
Cyber Liability Coverage	As Expiring	Enhancements: <ul style="list-style-type: none">▪ Single Retention for all respective Insuring Agreements▪ Coinsurance for Public Relations and Credit Monitoring lower from 20% to 10%▪ Increased First Party Business Interruption – Hourly and Forensic sub-limits increased from \$25,000 to \$50,000 for each and Dependent Business Interruption increased from \$100,000 to \$150,000▪ PCI Fines and Penalties Endorsement added with a sub-limit of \$100,000	Final
Pollution Liability	A Summary of Changes for Pollution Liability is included with the Coverage Summary		Final
<u>PEPIP USA Form No 9. Master Policy Wording Changes Effective 7/01/2013</u>			<u>Status</u>
• Section I, Item G. Deductible Provisions	Vehicle Physical Damage Deductible clarification wording added		Pending
• Section II, Item B. 21 Accidental Contamination	Section revised for clarification		Pending
• Section III, Item B. 5 Contingent Time Element Coverage	Added wording for clarification		Pending
• Section IV, Item J. Notice of Loss	Phone numbers are updated		Final
• Section IV, Item AF. Definitions, 1c.	Added definition for Flood Zones A&V for clarification		Pending
• Master Policy Endorsements	Added two new mandatory carrier endorsements (War & Terrorism Exclusion and Coverage Territory).		Pending
• Master Policy Wording Red Line Strike Out copy available upon request			



RECOMMENDATION: Staff recommends approval of the 2013/2014 Property Renewal, per quote by APIP, and the 2013/2014 Property Deposit Calculations.

FISCAL IMPACT: The projected total premium of \$901,440 is based on total insured values of \$829,947,047. The projected premium also includes \$56,000 for the Property Appraisals which is included in the budget but allocated to the property premium.

BACKGROUND: NCCSIF provides optional property insurance for their members through the Alliant Property Insurance Program. This is a joint purchase insurance program currently providing members up to \$1,000,000,000 in all risk limits. Premiums are based on each member's exposures which are provided via a schedule of insured locations.

ATTACHMENT(S):

1. 2013-2014 Property Deposit Calculations
2. 2013-2014 NCCSIF APIP Property Renewal Proposal

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
PROPERTY PROGRAM
 July 1, 2013 to June 30, 2014

Member	Property Deductible	2013-2014 Property Values	2013-2014 Projected Property Premium	Estimated ABS Fee (1)	Estimated SLT&F	Property & Fees	Boiler Deductible	2013-2014 Projected Boiler Premium	2013-2014 Property Appraisals	2013-2014 Projected Prop / B&M Premium
PROPERTY		\$0.0622555	\$ 0.0197512	\$ 21,070	\$ 25,643			\$10,219	\$56,000	
Anderson	\$ 5,000	26,737,192	\$ 21,926	\$ 679	\$ 826	\$ 23,431	\$ 2,500	\$ 329	\$ 3,500	\$ 27,260
Auburn	\$ 5,000	18,233,181	\$ 14,794	\$ 463	\$ 563	\$ 15,820	\$ 2,500	\$ 224	\$ 3,500	\$ 19,545
Colusa	\$ 5,000	33,469,351	\$ 27,447	\$ 850	\$ 1,034	\$ 29,331	\$ 2,500	\$ 412	\$ 3,500	\$ 33,243
Dixon	\$ 5,000	27,937,992	\$ 22,911	\$ 709	\$ 863	\$ 24,484	\$ 2,500	\$ 344	\$ 3,500	\$ 28,327
Folsom	\$ 5,000	192,374,213	\$ 151,435	\$ 4,884	\$ 5,944	\$ 162,263	\$ 2,500	\$ 2,369	\$ 4,500	\$ 169,131
Galt	\$ 5,000	62,818,140	\$ 51,515	\$ 1,595	\$ 1,941	\$ 55,051	\$ 2,500	\$ 773	\$ 3,500	\$ 59,324
Gridley	\$ 5,000	22,978,499	\$ 18,844	\$ 583	\$ 710	\$ 20,137	\$ 2,500	\$ 283	\$ 3,500	\$ 23,920
Ione	\$ 5,000	11,006,902	\$ 8,074	\$ 279	\$ 340	\$ 8,694	\$ 2,500	\$ 136	\$ 3,500	\$ 12,329
Lincoln	\$ 5,000	114,859,622	\$ 87,344	\$ 2,916	\$ 3,549	\$ 93,809	\$ 2,500	\$ 1,414	\$ 3,500	\$ 98,723
Marysville	\$ 5,000	26,682,474	\$ 21,881	\$ 677	\$ 824	\$ 23,383	\$ 2,500	\$ 329	\$ 3,500	\$ 27,212
Oroville	\$ 5,000	29,617,135	\$ 24,288	\$ 752	\$ 915	\$ 25,955	\$ 2,500	\$ 365	\$ 3,500	\$ 29,820
Paradise	\$ 5,000	7,946,916	\$ 6,517	\$ 202	\$ 246	\$ 6,964	\$ 2,500	\$ 98	\$ 3,500	\$ 10,562
Red Bluff	\$ 5,000	42,680,957	\$ 33,941	\$ 1,084	\$ 1,319	\$ 36,343	\$ 2,500	\$ 526	\$ 4,250	\$ 41,118
Rocklin	\$ 5,000	77,133,335	\$ 63,255	\$ 1,958	\$ 2,383	\$ 67,596	\$ 2,500	\$ 950	\$ 4,250	\$ 72,796
Yuba City	\$ 5,000	135,471,138	\$ 108,568	\$ 3,439	\$ 4,186	\$ 116,193	\$ 2,500	\$ 1,668	\$ 4,500	\$ 122,361
Subtotal Prop/Boiler		\$ 829,947,047	\$ 662,740	\$ 21,070	\$ 25,643	\$ 709,453		\$ 10,219	\$ 56,000	\$ 775,672

FLOOD	Flood Limit	2013-2014 Flood Values	2013-2014 Flood Premium	ABS Fee (1)	SLT&F	2013-2014 Flood Rate	2013-2014 Flood Premium
Auburn	\$ 17,000,000	\$ 18,233,181	\$ 5,519			\$ 0.0238357	\$ 5,519
Ione	\$ 10,000,000	\$ 11,006,902	\$ 3,797			\$ 0.0238357	\$ 3,797
Marysville Flood	\$ 15,000,000	\$ 26,682,474	\$ 7,533			\$ 0.0238357	\$ 7,533
Yuba City Flood	\$ 10,000,000	\$ 135,471,138	\$ 33,463			\$ 0.0238357	\$ 33,463
Subtotal Flood		\$ 191,393,695	\$ 50,312	\$ -	\$ -		\$ 50,312

0.22821

VEHICLES	Vehicle Deductible	2013-2014 Vehicle Values	2013-2014 Vehicle Premium	ABS Fee	SLT&F	2013-2014 Vehicle Rate	2013-2014 Vehicle Premium
Folsom Vehicles	\$ 5,000	\$ 10,159,312	\$ 26,703			0.26284	\$ 26,703
Ione	\$ 5,000	\$ 1,529,737	\$ 4,021			0.26284	\$ 4,021
Lincoln Vehicles	\$ 7,500	\$ 11,001,013	\$ 28,915			0.26284	\$ 28,915
Red Bluff Vehicles	\$ 5,000	\$ 1,703,748	\$ 4,478			0.26284	\$ 4,478
Yuba City Vehicles	\$ 5,000	\$ 4,059,443	\$ 10,670			0.26284	\$ 10,670
Auburn	\$ 10,000	\$ 254,705	\$ 669			0.26284	\$ 669
Subtotal Vehicles		\$ 28,707,958	\$ 75,455.67	\$ -	\$ -		\$ 75,456

GRAND TOTAL: **\$901,440**



ALLIANT INSURANCE SERVICES, INC.
ALLIANT PROPERTY INSURANCE PROGRAM (APIP)

PROPERTY PROPOSAL

TYPE OF INSURANCE: ☒ Insurance ☐ Reinsurance

NAMED INSURED: Northern California Cities Self Insurance Fund

DECLARATION: 4-Cities 4

POLICY PERIOD: July 1, 2013 to July 1, 2014

COMPANIES: See Attached List of Companies

**TOTAL INSURED
VALUES:** \$ 823,030,533 as of May 23, 2013

ALL RISK

COVERAGES &

LIMITS:

\$	1,000,000,000	Per Occurrence: All Perils, Coverages (subject to policy exclusions) and Insureds/Members combined, subject to the following per occurrence and/or aggregate sub-limits as noted.
\$	15,000,000	For City of Marysville only; \$10,000,000 For City of Yuba City only; \$17,000,000 For City of Auburn only; \$10,000,000 For City of Ione only Flood Limit - Per Occurrence and in the Annual Aggregate (for those Members(s)/Entity(ies) that purchase this optional dedicated coverage)
\$	15,000,000	For City of Marysville only; \$10,000,000 For City of Yuba City only; \$17,000,000 For City of Auburn only; \$10,000,000 For City of Ione only Per Occurrence and in the Annual Aggregate for all locations in Flood Zones A , V, and all other 100 year exposures. This Sublimit does not increase the specific flood limit of liability for those Members(s)/Entity(ies) that purchase this optional dedicated coverage.
	Not Covered	Earthquake Shock - Per Occurrence and in the Annual Aggregate (for those Members(s)/Entity(ies) that purchase this optional dedicated coverage)
\$	100,000,000	Combined Business Interruption, Rental Income and Tax Interruption and Tuition Income (and related fees) - except \$500,000 per Member/Entity subject to maximum of \$2,500,000 Per Occurrence limit if specific values for such coverage have not been reported as part of the Member(s)/Entity(ies) schedule of values held on file with Alliant Insurance Services, Inc. Coverage for power generating plants is excluded, unless otherwise specified.
\$	50,000,000	Extra Expense

2013-2014 Alliant Property Insurance Program (APIP) Property Proposal
Northern California Cities Self Insurance Fund

\$	25,000,000	Miscellaneous Unnamed Locations for existing Members Excluding Earthquake coverage for Alaska and California Members. If Flood coverage is purchased for all scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V.
	180 Days	Extended Period of Indemnity
See Policy Provisions	\$25,000,000	Automatic Acquisition up to \$100,000,000 or a member's Policy Limit of Liability if less than \$100,000,000 for 90 days excluding licensed vehicles for which a sublimit of \$10,000,000 applies per policy Automatic Acquisition and Reporting Condition. Additionally a sublimit of \$2,500,000 applies for Tier 1 Wind Counties, Parishes and Independent Cities for 60 days for the states of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Louisiana, Texas and/or situated anywhere within the states of Florida and Hawaii. The peril of EQ is excluded for the states of Alaska and California. If Flood coverage is purchased for all scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V.
\$	1,000,000	Unscheduled Landscaping, tees, sand traps, greens and athletic fields and further subject to \$25,000 / 25 gallon maximum per item
\$	5,000,000	Scheduled Landscaping, tees, sand traps, greens and athletic fields and further subject to \$25,000 / 25 gallon maximum per item. Higher limits available for members with scheduled values greater than \$5,000,000 for an additional premium with underwriting approval
\$	50,000,000	Errors & Omissions - This extension does not increase any more specific limit stated elsewhere in this policy or Declarations.
\$	25,000,000	Course of Construction and Additions (including new) for projects with completed values not exceeding the sublimit shown. Projects valued between \$25,000,001 and \$50,000,000 can be added for an additional premium with underwriting approval
\$	2,500,000	Money & Securities for named perils only as referenced within the policy
\$	2,500,000	Unscheduled Fine Arts
\$	250,000	Accidental Contamination per occurrence and annual aggregate per member with \$500,000 annual aggregate for all insureds / members per declaration
\$	500,000	Unscheduled Tunnels, Bridges, Dams, Catwalks (except those not for public use), Roadways, Highways, Streets, Sidewalks, Culverts, Street Lights and Traffic Signals unless a specific value has been declared (excluding coverage for the peril of Earthquake Shock, and excluding Federal Emergency Management Agency (FEMA) and/or Office of Emergency Services (OES) declared disasters)

2013-2014 Alliant Property Insurance Program (APIP) Property Proposal
Northern California Cities Self Insurance Fund

\$	25,000,000	Increased Cost of Construction due to the enforcement of building codes/ ordinance or law (includes All Risk and Boiler & Machinery)
\$	25,000,000	Transit
\$	2,500,000	Unscheduled Animals; not to exceed \$50,000 per Animal, per Occurrence
\$	2,500,000	Unscheduled Watercraft up to 27 feet
	Included	Per Occurrence for Off Premises Vehicle Physical Damage
\$	25,000,000	Off Premises Services Interruption including Extra Expense resulting from a covered peril at non-owned/operated locations
\$	5,000,000	Per Occurrence and Annual Aggregate for Earthquake shock on Licensed Vehicles, Unlicensed Vehicles, Contractor's Equipment and Fine Arts for all insured/members in this declaration combined that do not purchase Earthquake coverage
\$	5,000,000	Per Occurrence and Annual Aggregate for Flood on Licensed Vehicles, Unlicensed Vehicles, Contractor's Equipment and Fine Arts for all insured/members in this declaration combined that do not purchase Flood coverage
\$	3,000,000	Contingent Business Interruption, Contingent Extra Expense, Contingent Rental Values and Contingent Tuition Income separately
\$	500,000	Jewelry, Furs, Precious Metals and Precious Stones Separately
\$	1,000,000	Claims Preparation Expenses
\$	50,000,000	Expediting Expenses
\$	1,000,000	Personal Property Outside of the USA
\$	100,000,000	Per Member/Entity Per Occurrence subject to \$200,000,000 Annual Aggregate of Declarations 1-14, 18, 19, 20, 21, 26, 27, 28, 29, 30, 32, 33 and 34 combined as respects Property Damage, Business Interruption, Rental Income and Extra Expense Combined for Terrorism (Primary Layer)
\$	300,000,000	Per Occurrence, Per Member/Entity for Terrorism (Excess Layer) subject to;
\$	800,000,000	Annual Aggregate shared by all Members/Entities combined in Declarations 1-9, 11, 12, 13, 14, 19, 20, 21, 26, 27, 28, 30, 32, 33 and 34, as respects Property Damage, Business Interruption, Rental Income and Extra Expense combined for Terrorism (Excess Layer)
	Not Covered	Per Occurrence Per Declaration Upgrade to Green Coverage subject to the lesser of, the cost of upgrade, an additional 25% of the applicable limit of liability shown in the schedule of values or this sub limit.
	Included	Information Security & Privacy Insurance with Electronic Media Liability Coverage. See Cyber Coverage Summary

for details of coverage terms, limits and deductibles

Included See Alliant Property Insurance Program (APIP) Pollution Liability Insurance Summary for applicable limits and deductibles

VALUATION:

- Repair or Replacement Cost
- Actual Loss Sustained for Time Element Coverages
- Contractor's Equipment / either Replacement Cost or Actual Cash Value (ACV) as declared by each member. If not declared, valuation will default to Actual Cash Value (ACV)

EXCLUSIONS

(Including but not limited to):

- Seepage & Contamination
- Cost of Clean-up for Pollution
- Mold

Deductibles: If two or more deductible amounts provided in the Declaration Page apply for a single occurrence the total to be deducted shall not exceed the largest per occurrence deductible amount applicable. (The Deductible amounts set forth below apply Per Occurrence unless indicated otherwise).

"ALL RISK"

DEDUCTIBLE:

\$ 5,000 Per Occurrence, which to apply in the event a more specific deductible is not applicable to a loss

DEDUCTIBLES FOR SPECIFIC PERILS AND COVERAGES:

\$ 100,000 All Flood Zones Per Occurrence excluding Flood Zones A & V

\$ 250,000 Per Occurrence for Flood Zones A & V

Not Covered Earthquake Shock: If the stated deductible is a flat dollar amount, the deductible will apply on a Per Occurrence basis, unless otherwise stated. If the stated deductible is on a percentage basis, the deductible will apply Per Occurrence on a Per Unit basis, as defined in the policy form, subject to the stated minimum.

\$ 1,000 Per Occurrence for Specially Trained Animals

\$ 500,000 Per Occurrence for Unscheduled Tunnels, Bridges, Dams, Catwalks (except those not for public use), Roadways, Highways, Streets, Sidewalks, Culverts, Street Lights and Traffic Signals unless a specific value has been declared (excluding coverage for the peril of Earthquake Shock, and excluding Federal Emergency Management Agency (FEMA) and/or Office of Emergency Services (OES) declared disasters)

\$ 10,000 Minimum subject to \$100,000 Maximum per Vehicle or Item for Licensed Vehicles, Unlicensed Vehicles and Contractors Equipment Per Occurrence and Annual Aggregate and shared by all members of this Declaration for the peril of Earthquake for members who do not purchase dedicated Earthquake limits

\$ 50,000 Per Occurrence and Annual Aggregate and shared by all members of this Declaration for Fine Arts for the peril of

		Earthquake for members who do not purchase dedicated Earthquake limits
\$	10,000	Minimum subject to \$100,000 Maximum per Vehicle or Item for Licensed Vehicles, Unlicensed Vehicles and Contractor's Equipment Per Occurrence and Annual Aggregate and shared by all members of this Declaration for the peril of Flood for members who do not purchase dedicated Flood limits
\$	50,000	Per Occurrence and Annual Aggregate and shared by all members of this Declaration for Fine Arts for the peril of Flood for members who do not purchase dedicated Flood limits
	24 Hour Waiting Period	for Service Interruption for All Perils and Coverages
	2.5% of Annual Tax Value	per Location for Tax Interruption
\$	5,000	for Yuba City, City of Ione, City of Red Bluff, City of Folsom; \$7,500 for City of Lincoln ONLY; \$10,000 for City of Auburn, Not Covered for all others. Per Occurrence for Off Premises Vehicle Physical Damage
	RC	Vehicle Valuation Basis
\$	5,000	Per Occurrence for Contractor's Equipment
\$	5,000	Per Occurrence for Primary Terrorism
\$	500,000	Per Occurrence for Excess Terrorism (Applies only if the Primary Terrorism Limit is exhausted)
	Included	Information Security & Privacy Insurance with Electronic Media Liability Coverage. See Cyber Coverage Summary for details of coverage terms, limits and deductibles. (Cyber Liability)

TERMS & CONDITIONS:

25% Minimum Earned Premium and cancellations subject to 10% penalty

Except Cyber Liability Premium is 100% Earned at Inception

Except Pollution Liability Premium is 100% Earned at Inception

NOTICE OF CANCELLATION:

90 Days except 10 Days for non-payment of premium

	Annual Cost*
Total Property Premium:	\$ 785,064.00
Excess Boiler:	\$ 10,126.00
ABS Fee:	\$ 20,998.00
SLT&F's (Estimate)	\$ 25,529.41
Broker Fee:	\$ 0.00
TOTAL COST: (Including Taxes and Fees)	\$ 841,717.41
*Premiums are based on valid selectable options and the TIV's above. Changes in TIV's will require a premium adjustment.	

IMPORTANT NOTICE: THE NONADMITTED & REINSURANCE REFORM ACT (NRRA) WENT INTO EFFECT ON JULY 21, 2011. ACCORDINGLY, SURPLUS LINES TAX RATES AND REGULATIONS ARE SUBJECT TO CHANGE WHICH COULD RESULT IN AN INCREASE OR DECREASE OF THE TOTAL SURPLUS LINES TAXES AND/OR FEES OWED ON THIS PLACEMENT. IF A CHANGE IS REQUIRED, WE WILL PROMPTLY NOTIFY YOU. ANY ADDITIONAL TAXES AND/OR FEES OWED MUST BE PROMPTLY REMITTED TO ALLIANT INSURANCE SERVICES, INC.

QUOTE VALID

UNTIL: July 1, 2013

BROKER: **ALLIANT INSURANCE SERVICES, INC.**

License No. 0C36861

Susan Adams

Johnny Yang

Assistant Account Representative

NOTES:

- *Major pending and approved changes to the APIP Program are described in the Executive Summary.*
- *Change in Total Insurable Values will result in adjustment in premium*
- *Some coverage, sublimits, terms and conditions could change until negotiations with the insurance carriers have been finalized*
- *Coverage outlined in this Proposal is subject to the terms and conditions set forth in the policy. Please refer to Policy for specific terms, conditions and exclusions*

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.



2013/2014 APIP CLAIMS REPORTING ACKNOWLEDGEMENTS

ACTION ITEM

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

FISCAL IMPACT: None.

RECOMMENDATION: Staff recommends authorizing the Board President, Ms. Liz Ehrenstrom, to sign the acknowledgement form on behalf of NCCSIF.

BACKGROUND: The Alliant Property Insurance Program (APIP) includes property coverage for Members owned locations, Cyber Liability coverage and Pollution coverage for Public Entity clients.

ATTACHMENT(S): APIP Claims Reporting Acknowledgement(s) Receipt Form

ALLIANT INSURANCE SERVICES

APIP Claims Reporting Acknowledgement(s) Receipt Form

The Claims Reporting Forms are being included with your packet to ensure claims reporting procedures are known and available for future reference. Please review the information. We ask that you share these critical documents with all members of your team (and Pool Members and their staffs where applicable.)

We request that you review the items indicated attached, then please check the appropriate boxes, complete the bottom portion, sign and submit to your Alliant Insurance Services representative either by a scanned email or mail to have it be included in your insurance records.

☐

APIP Property Claims Reporting

☐

Cyber Claims Reporting (*this is a claims made policy*)

☐

Pollution Liability Claims Reporting (*this is a claims made policy*)

Acknowledgement for Claims reporting procedures under Alliant Property Insurance Programs

In effect: July 1, 2013 until further notice

I have read and been informed about these separate reporting requirements under the coverage parts that apply to our entity as indicated above and provided through APIP by Alliant.

Insured Entity Name: _____

Authorized Signature: _____

Print Name

Date

Title



ALLIANT INSURANCE SERVICES, INC.
ALLIANT PROPERTY INSURANCE PROGRAM SUMMARY OF CLAIMS REPORTING

- I. First Notice of Claim should be reported to Alliant Insurance Services via telephone, fax, mail or e-mail to our San Francisco Office:

Bob Frey	Diana Walizada
First Vice President, Claims Manager	Assistant Vice President
Voice: (415) 403-1445	Voice: (415) 403-1453
Email: rfrey@alliant.com	Email: dwalizada@alliant.com
Cell: (415) 518-8490	<i>After hours claims reporting number</i>

Address:	Alliant Insurance Services, Inc. 100 Pine St, 11 th Floor San Francisco CA 94111 Toll Free Voice: (877) 725-7695 Fax: (415) 403-1466
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Please be sure to copy APIP's Claim Administrator on all Claims correspondence:

Cathryn O'Meara
McLaren's
1301 Dove St., Suite 200
Newport Beach, CA 92660
Voice: (949) 757-1413 Fax: (949) 757-1692
Email: cathryn.omeara@mclarens.com

- II. Cyber Carrier Beazley NY needs to also be provided with Notice of Claim immediately (If purchased):

Bob Frey	Beth Diamond
First Vice President, Claims Manager	Beazley Group
Voice: (415) 403-1445	1270 Avenue of the America's, Suite 1200
Cell: (415) 518-8490 After hours	New York, NY 10020
Email: rfrey@alliant.com	Telephone: (646) 943-5900 Fax: (546) 378-4039
	Email: tmbclaims@beazley.com

Elaine G. Kim, CISR
Claims Advocate, Alliant Insurance Services, Inc.
100 Pine Street, 11th Floor
San Francisco, CA 94111-5101
Voice: (415) 403-1458 Fax: (415) 403-1466
Email: ekim@alliant.com

- III. Pollution Liability Carrier ACE Environmental, Risk Claims Manger (if provided):

Bob Frey	ACE USA Claims
First Vice President, Claims Manager	PO Box 5103
Voice: (415) 403-1445	Scranton, PA 18505-0510
Cell: (415) 518-8490 After hours	Environmental Emergency: (888) 310-9553
Email: rfrey@alliant.com	Fax: (800) 951-4119
	Email: CasualtyRiskEnvironmentalFirstNotice@acegroup.com

David Sutton
Claims Executive, Alliant Insurance Services, Inc.
100 Pine Street, 11th Floor
San Francisco, CA 94111-5101
Voice: (415) 403-1417 Fax: (415) 403-1466
Email: dsutton@alliant.com

PROPERTY LOSS REPORTING:

1) Follow your company procedures for reporting and responding to an incident

2) Alert local emergency authorities, as appropriate

3) Report the incident to Alliant Insurance Services immediately at:

877-725-7695

All property losses must be reported as soon as practicable upon knowledge within the risk management or finance division of the insured that a loss has occurred.

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

4) Report the incident to McLarens AND your Alliant representative



PROPERTY FIRST NOTICE OF LOSS FORM

SEND TO: Alliant Insurance Services, Inc.

BY MAIL: 100 Pine Street, 11th Floor, San Francisco, CA 94111

BY FAX: (415) 403-1466

BY EMAIL: dwalizada@alliant.com

COPY AIP Claims Administrator: cathryn.omeara@mclarens.com and your Alliant representative

Today's Date: _____

Type of Claim: (check all that apply)

☐ Real Property ☐ Vehicles

☐ Personal Property ☐ Other

Insured's Name & Contact Information

Company Name: _____

Point of Contact: _____

Phone #: _____

Address: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services - Claims

Point of Contact: Diana Walizada

Address: 100 Pine Street, 11th Floor, San Francisco, CA 94111

Phone #: 1-877-725-7695

Fax #: 415-403-1466

Policy Information

Policy Number: _____

Policy Period: 07/01/2013 to 07/01/2014

Limits of Liability: _____ per _____ agg

Self-Insured Retention/Deductible: _____

Loss Information

Date of Incident/Claim: _____ Location: _____

Description of Loss: _____

Please list all attached or enclosed documentation: ☐ (check if none provided) _____

Name of Person Completing This Form: _____ **Signature:** _____

CYBER LOSS REPORTING:

- 1) Follow your organization's procedures for reporting and responding to an incident*
- 2) Alert authorities, as appropriate*
- 3) Report the incident to Beazley Group immediately at:*

646-943-5900

All Cyber losses must be reported as soon as practicable upon knowledge by the insured that a loss has occurred.

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

- 4) Report the incident to Alliant Claims Department and your Alliant representative*

SPECIAL NOTE REGARDING PRIVACY NOTIFICATION COSTS:

The policy provides a \$500,000 Aggregate Limit for Privacy Notification Costs. If you utilize a Beazley claims response vendor, the limit is increased to \$1,000,000.

Please contact Beazley for a list of approved vendors.

CYBER FIRST NOTICE OF LOSS FORM

SEND TO: Beazley Group

BY MAIL: 1270 Avenue of the America's, Suite 1200, New York, NY 10020

BY FAX: (546) 378-4039

BY EMAIL: tmbclaims@beazley.com

CC Alliant Claims Department: ekim@alliant.com And your Alliant representative

Today's Date: _____

Insured's Name & Contact Information

Company Name: _____ **Point of Contact:** _____

Address: _____

Phone #: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services - Claims **Point of Contact:** Elaine G. Kim, CISR

Address: 100 Pine Street, 11th Floor, San Francisco, CA 94111

Phone #: 877-725-7695 **Fax #:** 415-403-1466

Policy Information

Policy Number: C121280 **Policy Period:** 7/1/12 to 7/1/13

Limits of Liability: _____ **per** _____ **agg** **Self-Insured Retention/Deductible** _____

Loss Information

Date of Incident/Claim: _____ **Location:** _____

Description of Loss: _____

Please list all attached or enclosed documentation: ☐ (check if none provided) _____

Name of Person Completing This Form: _____ **Signature:** _____

CYBER LOSS REPORTING

A. REFER TO YOUR POLICY FOR COMPLETE CLAIM REQUIREMENTS

B. IMPORTANT POLICY LANGUAGE REGARDING:

NOTICE OF CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

1. If any **Claim** is made against the **Insured**, the **Insured** shall, as soon as practicable upon knowledge by the **Insured**, forward to the Underwriters through persons named in Item 9.A. of the Declarations written notice of such **Claim** in the form of a telecopy, or express or certified mail together with every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative; provided that with regard to coverage provided under Insuring Agreements I.A. and I.C., all **Claims** made against any **Insured** must be reported no later than the end of the **Policy Period**, in accordance with the requirements of the **Optional Extension Period** (if applicable), or within thirty (30) days after the expiration date of the **Policy Period** in the case of **Claims** first made against the Insured during the last thirty (30) days of the **Policy Period**.
2. With respect to Insuring Agreement I.B. for a legal obligation to comply with a **Breach Notice Law** because of an incident (or reasonably suspected incident) described in Insuring Clause I.A.1 or I.A.2, such incident or reasonably suspected incident must be reported as soon as practicable during the **Policy Period** after discovery by the Insured. For such incidents or suspected incidents discovered by the **Insured** within 60 days prior to expiration of the Policy, such incident shall be reported as soon as practicable, but in no event later than 60 days after the end the **Policy Period**, provided; if this Policy is renewed by Underwriters and covered **Privacy Notification Costs** are incurred because of such incident or suspected incident reported during the 60 day post **Policy Period** reporting period, then any subsequent **Claim** arising out of such incident or suspected incident is deemed to have been made during the **Policy Period**.
3. With respect to Insuring Agreements I.A. and I.C., if during the **Policy Period**, the **Insured** first becomes aware of any circumstance that could reasonably be the basis for a **Claim** it may give written notice to Underwriters in the form of a telecopy, or express or certified mail through persons named in Item 9.A. of the Declarations as soon as practicable during the **Policy Period** of:
 - a. the specific details of the act, error, omission, or **Security Breach** that could reasonably be the basis for a **Claim**;
 - b. the injury or damage which may result or has resulted from the circumstance; and
 - c. the facts by which the **Insured** first became aware of the act, error, omission or **Security Breach**

Any subsequent **Claim** made against the **Insured** arising out of such circumstance which is the subject of the written notice will be deemed to have been made at the time written notice complying with the above requirements was first given to the Underwriters.
4. A **Claim** or legal obligation under section X.A.1 or X.A.2 above shall be considered to be reported to the Underwriters when written notice is first received by Underwriters in the form of a telecopy, or express or certified mail or email through persons named in Item 9.A. of the Declarations of the **Claim** or legal obligation, or of an act, error, or omission, which could reasonably be expected to give rise to a **Claim** if provided in compliance with sub-paragraph X.A.3. above.

POLLUTION CLAIMS REPORTING



Environmental Risk

IN THE EVENT OF AN ENVIRONMENTAL EMERGENCY:

- 1) *Follow your company procedures for reporting and responding to an incident*
- 2) *Alert local emergency authorities, as appropriate*
- 3) *Report the incident to ACE Environmental Risk immediately at:*

888-310-9553

All pollution incidents must be reported within 7 days of discovery

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident. You will be contacted by a trained representative of ACE to discuss further response steps as soon as possible.

- 4) *Report the incident to your Alliant representative*

DO follow your company's detailed response plan
DO contact your management as well as appropriate authorities
DO ensure anyone who could come in contact with a spill or release is kept away

DO NOT ignore a potential spill or leak
DO NOT attempt to respond beyond your level of training or certification

POLLUTION CLAIMS REPORTING



ACE ENVIRONMENTAL RISK FIRST NOTICE OF LOSS FORM

SEND TO: ACE Environmental Risk Claims Manager

BY MAIL: ACE USA Claims, P.O. Box 5103, Scranton, PA 18505-0510

BY FAX: (800) 951-4119

BY EMAIL: CasualtyRiskEnvironmentalFirstNotice@acegroup.com

CC Alliant Insurance: dsutton@alliant.com And your Alliant representative

Today's Date: _____

Notice of: (check all that apply)

- | | | |
|--|--|---|
| <input type="checkbox"/> Pollution Incident | <input type="checkbox"/> Potential Claim | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Third-Party Claim | <input type="checkbox"/> Litigation Initiated | |

Insured's Name & Contact Information

Company Name: _____ **Point of Contact:** _____

Address: _____

Phone #: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services - Claims **Point of Contact:** David Sutton

Address: 100 Pine Street, 11th Floor, San Francisco, CA 94111

Phone #: 415-403-1400

Policy Information

Policy Number: PPL G24544837 002 **Policy Period:** 7/1/12 to 7/1/13

Limits of Liability: _____ **per** _____ **agg** **Self-Insured Retention/Deductible** _____

Loss Information

Date of Incident/Claim: _____ **Location:** _____

Claimant Name/Address: _____

Description of Loss: _____

POLLUTION CLAIMS REPORTING

Please list all attached or enclosed documentation: ☐ (check if none provided) _____

Name of Person Completing This Form: _____ Signature: _____

VII. REPORTING AND COOPERATION

A. The “insured” must see to it that the Insurer receives written notice of any “claim” or “pollution condition”, as soon as practicable, at the address identified in Item 7.a. of the Declarations to this Policy. Notice should include reasonably detailed information as to:

1. The identity of the “insured”, including contact information for an appropriate person to contact regarding the handling of the “claim” or “pollution condition”;
2. The identity of the “covered location” or “covered operations”;
3. The nature of the “claim” or “pollution condition”; and
4. Any steps undertaken by the “insured” to respond to the “claim” or “pollution condition”. In the event of a “pollution condition”, the “insured” must also take all reasonable measures to provide immediate verbal notice to the Insurer.

B. The “insured” must:

1. As soon as practicable, send the Insurer copies of any demands, notices, summonses or legal papers received in connection with any “claim”;
2. Authorize the Insurer to obtain records and other information;
3. Cooperate with the Insurer in the investigation, settlement or defense of the “claim”;
4. Assist the Insurer, upon the Insurer’s request, in the enforcement of any right against any person or organization which may be liable to the “insured” because of “bodily injury”, “property damage”, “remediation costs” or “legal defense expense” to which this Policy may apply; and
5. Provide the Insurer with such information and cooperation as it may reasonably require.

C. No “insured” shall make or authorize an admission of liability or attempt to settle or otherwise dispose of any “claim” without the written consent of the Insurer. **Nor shall any “insured” retain any consultants or incur any “remediation costs” without the prior express written consent of the Insurer, except in the event of an “emergency response”. (Emergency Response coverage is limited to the first 7 days)**

D. Upon the discovery of a “pollution condition”, the “insured” shall make every attempt to mitigate any loss and comply with applicable “environmental law”. The Insurer shall have the right, but not the duty, to mitigate such “pollution conditions” if, in the sole judgment of the Insurer, the “insured” fails to take reasonable steps to do so. In that event, any “remediation costs” incurred by the Insurer shall be deemed incurred by the “insured”, and shall be subject to the “self-insured retention” and Limits of Liability identified in the Declarations to this Policy.

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 	Susan Adams Joan Crossley	
JPA MANAGEMENT ISSUES – program budget/funding, financial analysis, coordination w/financial auditor/JPA accountant	Susan Adams Joan Crossley Johnny Yang	
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 Susan Adams 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	Susan Adams Joan Crossley	
Susan Adams Johnny Yang Joan Crossley Mike Simmons Marylin Kelley	(916) 643-2704 / (916) 203-1541 (cell) (916) 643-2712 (916) 643-2708 (415) 403-1425 / (925) 708-3374 (cell) (415) 403-1448	sadams@alliantinsurance.com jyang@alliantinsurance.com jcrossley@alliantinsurance.com msimmons@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><u>RESOURCES</u></p> <p>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>Lela Casey Senior Claims Examiner lela.casey@yorkrsg.com</p> <p>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</p> <p><u>RESOURCES</u></p> <p>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</p> <p>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>Kelli Vitale Carson Assistant Vice President Workers' Compensation (916) 960-0998 kelli.vitalecarson@yorkrsg.com</p>

2013 MEETING CALENDAR

BOARD OF DIRECTORS 12:00 p.m.	EXECUTIVE COMMITTEE 10:30 a.m.	CLAIMS COMMITTEE 12:30 p.m.
January 24	January 9	March 14
April 25	March 14	May 9
June 13	May 30	September 12
October 10	September 12	November 14
December 12	November 14	

RISK MANAGEMENT COMMITTEE 9:30 a.m.	POLICE RISK MANAGEMENT COMMITTEE 10:30 a.m.	FINANCE COMMITTEE 10:30 a.m.
January 24	January 10	September 5
April 25	April	
June 13	August	
October 10	November	
December 12		

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 2013 MEETING DATES –

March 21, 2013 – Board of Directors
 May 14-16, 2013 – Annual Membership Meeting
 June 20, 2013 – Board Meeting
 October 16-17, 2013 – Board Meeting
 December 19, 2013 – Board Meeting

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 _____

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JPA MANAGEMENT ISSUES – program budget/funding, financial analysis, coordination w/financial auditor/JPA accountant	Susan Adams Joan Crossley Johnny Yang	
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 Susan Adams 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	Susan Adams Joan Crossley	
Susan Adams Johnny Yang Joan Crossley Mike Simmons Marylin Kelley	(916) 643-2704 / (916) 203-1541 (cell) (916) 643-2712 (916) 643-2708 (415) 403-1425 / (925) 708-3374 (cell) (415) 403-1448	sadams@alliantinsurance.com jyang@alliantinsurance.com jcrossley@alliantinsurance.com msimmons@alliantinsurance.com mkelley@alliantinsurance.com

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<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>Mike Berndt Unit Manager (925) 349-3891 mike.berndt@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 Bernard Sarmiento Senior Adjuster - Roseville (916) 960-0902 bernard.sarmiento@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>Lela Casey Senior Claims Examiner lela.casey@yorkrsg.com</p> <p>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</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</p> <p>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>Kelli Vitale Carson Assistant Vice President Workers' Compensation (916) 960-0998 kelli.vitalecarson@yorkrsg.com</p>