



**MINUTES OF THE  
NCCSIF TRAINING AND BOARD OF DIRECTORS MEETING  
ROCKLIN EVENT CENTER, ROCKLIN, CA  
DECEMBER 8, 2016**

**BOARD OF DIRECTORS PRESENT**

Liz Cottrell, City of Anderson, (Alternate)  
Nita Wracker, City of Auburn  
Kristina Miller, City of Corning  
Michelle Pellegrino, City of Dixon  
Brad Koehn, City of Elk Grove  
Kristine Haile, City of Folsom (Alternate)  
Paula Islas, City of Galt  
Matt Michaelis, City of Gridley

Ruthann Codina, City of Lincoln, (Alternate)  
Corey Shaver, City of Nevada City  
Liz Ehrenstrom, City of Oroville  
Dave Warren, City of Placerville (**Chair**)  
Donna Lee, City of Rio Vista  
Kimberly Sarkovich, City of Rocklin  
Tim Sailsbery, City of Willows  
Natalie Springer, City of Yuba City

**OTHER MEMBERS PRESENT**

Jim Ramsey, City of Elk Grove  
Julie Rucker, City of Elk Grove

Jason Johnson, City of Rocklin  
Andrew Schiltz, City of Rocklin

**BOARD OF DIRECTORS ABSENT**

Jeff Kiser, City of Anderson  
Toni Benson, City of Colusa  
Jim Francis, City of Folsom  
Jon Hanken, City of Ione  
Michael Daly, City of Jackson

Astrida Trupovnieks, City of Lincoln  
Satwant Takhar, City of Marysville  
Gina Will, Town of Paradise  
Sandy Ryan, City of Red Bluff

**CONSULTANTS & GUESTS**

Marcus Beverly, Alliant Insurance Services  
Michael Simmons, Alliant Insurance Services  
Raychelle Maranan, Alliant Insurance Services  
James Marta, James Marta & Company  
Dori Zumwalt, York Risk Services  
Henri Castro, Bickmore  
Tom Klein, Bickmore

Ned Connolly, Chandler Asset Management  
Jen Hamelin, CSAC EIA  
David Clovis, CJPRMA  
Bill Vogeler, Occu-Med  
Amy Crowley, Occu-Med  
Michael Colson, CHUBB Commercial Insurance

**Pre-meeting: NCCSIF Orientation and Refresher Training at 9:30 a.m.**

Mr. Marcus Beverly provided an orientation training to the Board covering all aspects of the NCCSIF JPA as an introduction to new members and a refresher course for returning Board members. The presentation included: history of NCCSIF, composition of its members, governance



of the pool, funding mechanism, layers of coverages available, various service providers and vendor services that are available to members through their participation in NCCSIF.

*Andrew Schiltz left the meeting at 10:13 a.m.*

**A. CALL TO ORDER**

Chair Dave Warren called the meeting to order at 10:14 a.m.

**B. INTRODUCTIONS**

The above-mentioned members were present constituting a quorum.

**C. APPROVAL OF AGENDA AS POSTED**

Chair Warren requested to change the order of the agenda switching items E.3. - Drone Liability and Coverage Presentation and E.5. - Resolving Workers' Compensation Claims Presentation.

**A motion was made to approve the Agenda as amended.**

**Motion:** Tim Sailsbery                      **Second:** Liz Ehrenstrom                      **Motion Carried**  
**Ayes:** Cottrell, Wracker, Miller, Pellegrino, Koehn, Haile, Michaelis, Codina, Shaver, Ehrenstrom, Warren, Lee, Sarkovich, Sailsbery, Springer  
**Nays:** None

**D. PUBLIC COMMENTS**

There were no public comments.

**E. TRAINING PRESENTATIONS**

**1. Investment 101**

Mr. Ned Connolly from Chandler Asset Management (Chandler) provided an Investment 101 training covering the basics of investing. Mr. Connolly incorporated the NCCSIF investment portfolio in his presentation providing Members with an understanding of how Chandler implements the basic and advanced concepts for investing in public funds.

*Jen Hamelin arrived at 10:45 a.m.*

*Paula Islas arrived at 10:45 a.m.*

*David Clovis arrived at 10:46 a.m.*

Presented as information only.



## **2. NCCSIF Investment Portfolio Review**

*This item was reviewed under item E.1.*

*The Board took a break at 11:10 a.m.*

*Ned Connolly left the meeting at 11:20 a.m.*

*The meeting resumed at 11:20 a.m.*

## **3. Resolving Workers' Compensation Claims**

Ms. Jen Hamelin, CSAC EIA WC Claims Manager, and Ms. Dori Zumwalt, York Senior Account Manager, provided a training presentation on Resolving Workers' Compensation Claims. Ms. Zumwalt handed out York's WC Settlement Authority Request and Survival Guide kit. Information presented includes: overview of claims process, different settlement types, in depth information on Compromise and Release (C&R) settlement and the misconceptions about C&Rs, other extra settlement types, settlement analysis and settlement authority request process.

*Bill Vogeler and Amy Crowley arrived at the meeting at noon.*

Presented as information only.

*The Board recessed for lunch at 12:14 p.m.*

*Jen Hamelin left the meeting during lunch.*

*Michael Colson arrived at the meeting during lunch.*

### **Lunch Presentation: Occu-Med**

Mr. Bill Vogeler and Ms. Amy Crowley from Occu-Med presented an overview of their services to the Board during lunch. Occu-Med is a nationally recognized leader in providing an end-to-end solution encompassing medical, legal and job-demand aspects in medical evaluations for employment and applicant-job compatibility assessment assuring that candidates are authentically ready for placement. Other services available: facilitate return-to-work evaluations, periodic medical evaluations and job analysis.

*Bill Vogeler and Amy Crowley left the meeting at 12:55 p.m.*

*The meeting resumed at 12:55 p.m.*



#### **4. CJPRMA Overview of Services**

Mr. David Clovis, CJPRMA Program Manager, presented an overview of the California Joint Powers Risk Management Authority (CJPRMA) including history, membership structure, other coverages offering available within CJPRMA, and additional services available to members such as risk management program with wide variety of trainings throughout the year. The CJPRMA is the excess Liability carrier for NCCSIF up to \$40 million coverage in excess of the NCCSIF \$500,000 retained limit with \$10 million limit for Employment Practices Liability. NCCSIF represent 10% of the overall payroll of CJPRMA.

Presented as information only.

#### **5. Drone Liability and Coverage**

Mr. Michael Colson from CHUBB provided a presentation on Drone Liability and Coverage. The emerging technologies of unmanned aerial vehicles (UAV), also known as drones, is presenting new liability risks and evolving insurance coverage. Lack of claims data makes it difficult to underwrite for coverage. Mr. Colson stated as a general idea of cost, the \$1 million coverage limit is estimated between \$700 to \$1,200 premium per drone. Local municipal governments may operate under Part 107 of the Federal Aviation regulation with restrictive pilot requirements and a certificate of waiver authorization must be granted by Federal Aviation Administration (FAA) and is limited for certain uses. Part 107 aircraft must be less than 55 pounds and UAV must be registered with the FAA, and with restriction of at least five miles distance away from airports and operators have to maintain a visual line-of-sight. Mr. Colson indicated he will share the AMA community safety guidelines for drones.

Presented as information only.

*The Board took a break at 2:21 p.m.*

*Michelle Pellegrino left the meeting at 2:23 p.m.*

*David Clovis left the meeting at 2:23 p.m.*

*Michael Colson left the meeting at 2:33 p.m.*

*The meeting resumed at 2:33 p.m.*

#### **F. CONSENT CALENDAR**

1. Board of Directors Meeting Minutes - October 27, 2016
2. Check Register from July 1, 2016 to October 31, 2016
3. Investment Reports
  - a. Chandler Asset Management Short/Long Term - September 2016 to October 2016
  - b. Local Agency Investment Fund (LAIF) Report as of September 30, 2016
  - c. Treasurer's Report as of September 30, 2016



**A motion was made to approve the items in the Consent Calendar as presented.**

**Motion:** Liz Ehrenstrom                      **Second:** Tim Sailsbery                      **Motion Carried**  
**Ayes:** Cottrell, Wracker, Miller, Koehn, Haile, Islas, Michaelis, Codina, Shaver, Ehrenstrom,  
Warren, Lee, Sarkovich, Sailsbery, Springer  
**Nays:** None

## **G. ADMINISTRATION REPORTS**

### **G1. President's Report**

Chair Warren congratulated the winners of the 2016 NCCSIF Walking Challenge: the individual winner is from the City of Dixon, and the group winner is from the Town of Paradise. Chair Warren thanked the City of Rocklin for hosting all the meetings this year, and that the City of Rocklin has once again offered to host all of the meetings for 2017.

### **G2. Program Administrator's Report - NCCSIF Annual Report**

Mr. Beverly presented the Board with the Annual Report which summarizes NCCSIF's history, current coverage and available services through the NCCSIF membership. Members were encouraged to share this information with their City Council to help understand the value that the NCCSIF membership provides.

Presented as information only.

## **H. FINANCIAL REPORTS**

### **H1. Quarterly Financial Report for Period Ending September 30, 2016**

Mr. James Marta reviewed the quarterly financial report for period ending September 30, 2016. Mr. Marta presented the highlights of the report to the Board. The Liability Shared layer is still in deficit position of \$909,401.

Mr. Marta reviewed the Budget-to-Actual report. No questions from the Board.

**A motion was made to receive and file the Quarterly Financial Report for the period ending September 30, 2016.**

**Motion:** Tim Sailsbery                      **Second:** Brad Koehn                      **Motion Carried**  
**Ayes:** Cottrell, Wracker, Miller, Koehn, Haile, Islas, Michaelis, Codina, Shaver, Ehrenstrom,  
Warren, Lee, Sarkovich, Sailsbery, Springer  
**Nays:** None



## **H2. Budget-to-Actual as of September 30, 2016**

The Budget-to-Actual was reviewed under item H1.

Mr. Beverly indicated that he received the assessment bill from the Department of Industrial Relations, Office of Self Insurance Plans days prior to the meeting and noted that the bill is about \$205,000. The assessment due is higher than what was budgeted for this fiscal year at \$168,000. Mr. Beverly stated that the increase may be due to closing of more claims, but he will review further to identify exactly the cause of the increase.

## **H3. Review of Current Financial Condition and Funding Benchmarks**

Mr. Beverly presented information about NCCSIF Target funding. The key benchmarks are: 1) large losses (net assets to SIR), 2) reserving errors (expected liabilities to net assets), and 3) pricing errors (net contributions to net assets). For the Liability Program, the net assets disappeared in 2013 due to reserve changes. Slight improvement in 2015 and 2016, but deficit doubled in first quarter of 2017. For the Workers' Compensation Program, net assets increased from \$5.6 million to \$12.8 million in 2016, continuing to maintain above benchmark since 2013.

Information only and no action were taken.

## **H4. Liability Shared Risk Layer Deficit Plan**

Mr. James Marta and Mr. Beverly presented information on NCCSIF Liability Shared Risk Layer Deficit Plan. As the Liability Program is trading just below water for the last 3-4 years, with deficit more than doubled over the first quarter of FY 16/17, it is important for the members to re-evaluate the assessment plan. It is recommended updating the planned assessment from \$600,000 to \$800,000 less any CJPRMA dividends plus increasing the Liability Shared Layer funding to 80% Confidence Level.

The Board discussed in length the best way to combat the deficit without much impact to members' bottom line. The Board directed Program Administrators and Accountant to provide an exhibit to illustrate the actual impact per member at the \$600,000 planned assessment plus funding at 80% Confidence Level for Shared Risk Layer only and with and without the CJPRMA refund to understand the financial impact to individual members and to find a solution for adequate funding.

*Paula Islas left the meeting at 3:14 p.m.*



## **I. JPA BUSINESS**

### **II. Risk Management Policy and Procedure Reviews**

Mr. Beverly indicated the City of Oroville provided the Sample Harassment Policy in which it will be part of RM-5. The Sample Harassment Policy will be disseminated to all the members via e-mail.

Ms. Ehrenstrom confirmed that Liebert Cassidy Whitmore developed the Harassment Policy.

- a. RM-1 Risk Management Policy and Framework
- b. RM-5 Unlawful Harassment Policy - Employment Liability Best Practices
- c. RM-2 Driving Standards
- d. RM-15 Vehicle Use and Operations
- e. RM-11 Review of Member Risk Assessments & Compliance

**A motion was made to approve all the proposed Risk Management Policies, a through e, as recommended by the Risk Management Committee.**

**Motion:** Liz Ehrenstrom                      **Second:** Kimberly Sarkovich                      **Motion Carried**  
**Ayes:** Cottrell, Wracker, Miller, Koehn, Haile, Michaelis, Codina, Shaver, Ehrenstrom, Warren, Lee, Sarkovich, Sailsbery, Springer  
**Nays:** None

### **I2. FPPC Form 700 Electronic Filing Roll Out**

Ms. Raychelle Maranan indicated that all the NCCSIF Board of Directors, Alternates and Risk Management Committee members can now file their Form 700 electronically beginning January 1, 2017.

Presented as information only.

### **I3. Round Table Discussion**

Ms. Henri Castro confirmed that Cal OSHA does not have a reporting requirement contained within the recordkeeping regulations and whereas the Federal OSHA does include reporting requirement.

## **J. INFORMATION ITEMS**

1. 2016 NCCSIF Walking Challenge Results
2. PARMA 2017 Conference (February 12-15, 2017) in Anaheim, CA
3. Glossary of Terms
4. NCCSIF Organizational Chart



5. NCCSIF 2017 Meeting Calendar
6. NCCSIF Travel Reimbursement Form
7. NCCSIF Resource Contact Guide

Mr. Beverly encouraged members to consider attending the PARMA Conference in February 2017 as it is a great training event and noted it will be held at Disneyland.

These items were provided as information only.

**K. ADJOURNMENT**

The meeting was adjourned at 3:36 p.m.

**Next Meeting Date:** April 27, 2017

Respectfully Submitted,

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

Corey Shaver, Secretary

5/2/17  
Date