



**NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND
LONG-RANGE PLANNING AND
BOARD OF DIRECTORS MEETING MINUTES
ROCKLIN EVENT CENTER
OCTOBER 27, 2021**

BOARD OF DIRECTORS PRESENT

Liz Cottrell, City of Anderson	Nathan Bagwill, City of Auburn
Kristina Miller, City of Corning	Rachel Ancheta, City of Dixon
Kara Reddig, City of Elk Grove	Stephanie Van Steyn, City of Galt
Michael Rock, City of Ione	Jennifer Styczynski, City of Marysville (Secretary)
Liz Ehrenstrom, City of Oroville	Ross Gilb, Town of Paradise
Dave Warren, City of Placerville (Chair)	Sandy Ryan, City of Red Bluff
Spencer Morrison, City of Yuba City	

ALTERNATE BOARD & OTHER MEMBERS PRESENT

Jim Ramsey, City of Elk Grove	Andy Schiltz, City of Rocklin
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BOARD OF DIRECTORS ABSENT

Ishrat Aziz-Khan, City of Colusa	Steven Wang, City of Folsom
Elisa Arteaga, City of Gridley	Yvonne Kimball, City of Jackson
Veronica Rodriguez, City of Lincoln	Joan Phillipe, City of Nevada City
Jose Jasso, City of Rio Vista	Jen Lee, City of Rio Vista
Marti Brown, City of Willows	

CONSULTANTS & GUESTS

Marcus Beverly, Alliant Insurance Services	Jenna Wirkner, Alliant Insurance Services
Conor Boughey, Alliant Insurance Services	James Marta, James Marta & Company
Allison Garcia, City of Folsom	Summer Simpson, Sedgwick
Eric Lucero, Sedgwick	Rick Brush, PRISM

Mr. Rick Brush was the facilitator for the long-range planning meeting. Mr. Brush asked all the members what brought them to the City/Town and NCCSIF. The members discussed how they got into this position and on the NCCSIF Board.

A. CALL TO ORDER

Chair Dave Warren called the meeting to order at 9:52a.m.

B. ROLL CALL

Roll call was made and the above mentioned members were present constituting a quorum.



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D. PUBLIC COMMENTS

There were no public comments

E.1. Review of the Mission Statement and Survey Responses

Mr. Risk Brush reviewed the NorCal Cities Mission Statement. A Mission Statement should be in line with your visions. Mr. Brush reviewed the work that AGRiP does and how beneficial it is for members.

Mr. Brush reviewed the Survey Responses from members relating to the Long-Range Planning Survey that was sent out in September.

Questions 1: What will our members value in the future?

Controlled insured costs, comprehensive coverage and good rates. We need good claims management, risk control and sharing of best practices. NCCSIF has diverse group of members of all sizes and resources.

Question 2: what kind of Insurance Products will they need?

Members benefit from each other and resources available to them.

Question 3: What kind of services will they need? The committee is split on the claims administrating services. Members also recommended Company Nurse. Risk Management Services are beneficial to all members. Wildfire herding – use risk management services before we get into fire season to try to eliminate high burn areas. Members discussing other safety or risk control options. Members can work with Sedgwick to get additional training or Risk Management Resources.

Question 4: What is working well right now that we should push more resources toward?

Things that are working well are claims and litigation management. Prompt and reliable customer service.

Question 5: What should we stop doing?

Having long in-person meetings, poor claims management, annual insurance renewals require a lot of work. Don't stop doing anything.

Question 6 & Question 7: Will be reviewed during the Long-Range Planning Meeting.

Question 8: Members discussed having a training session regarding claims. The City discussed claims adjusters not following up in timely matter and are trying to work with CalPERS. Members discussed the turnover with Sedgwick and the changes with positions.



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Question 9: What do you feel are the greatest risks or threats to our organization?

Members discussed COIVD-19 and how long it's going to be around.

Question 10: How do you feel we are managing these risks?

The average score was 7.4. This is a tough environment for Insurance.

Question 11: Are there things you think we should be doing differently? Members discussed having fewer Service Providers and contacts.

E.2 Meeting Member Needs

Marcus Beverly discussed the survey results. Mr. Beverly discussed the Industry being the biggest challenge right now. The Board will discuss Company Nurse during the Workers Compensation discussion. The members budget seems to be doing fairly well for now. The City Oroville discussed the increase in Sales Tax has helped the City tremendously.

Mr. Beverly discussed trends in Workers' Compensation and water shortages. Increasing rural divide. Declining Sales Tax Revenues, re – districting and the politics between people and towns/cities in the State.

E.3. Increasing Risk and Pressure to Self-Insure

E.3.a. Property Program Structure

- Banking or Shared Funding Approach
- Deductible Buy Down or Aggregates
- Appropriate SIR

Mr. Beverly discussed the significant increase in Property Premiums. The APIP deductible moved to \$25,000 for FY 22/23. The vehicle APD damage increased to \$25,000 and \$50,000 for Police Vehicles. Members discussed possibly having a Banking or Shared Layer to help offset the costs. We could help off-set the replacement costs for vehicles or Police Vehicles, if members were interested in creating a Banking and Shared Layer. Members could start out with a smaller shared layer approach. This could be as early as FY 22/23. The lowest rate we could start at is \$25,000 to cover the deductible.

Mr. Beverly has been working with swiss-re and other carriers. If we wanted to fund at \$1million we could work with re-insurers on a three-year program.

We're seeing a trend on other JPAs forming one big JPA to share risks. We would have to partner with other groups to get to that level. Cities/Members are being forced to take on Property Risk Sharing. Members discussed the size of the pool and increasing the size of the pool to help the



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smaller Cities or Towns. Members discussed knowing how much the insurance companies are making and how much they make off of our premiums.

Mr. Boughey discussed having a State of the Market Presentation at our December Meeting to discuss how carriers determine Insurance Rates.

Members discussed what the Premiums would be by member, costs, SIR would be helpful to bring back to Cities/Towns. Members discussed having an insurance 101 training and how to present to the City Council the increased cost of insurance.

E.3.b. Liability Program

- CJPRMA Funding Plans
- Social Inflation and Countermeasures

Mr. Beverly discussed the increased funding from \$5million to \$7.5 million from CJPRMA. Our loss ratio with CJPRMA is over 100% and CJPRMA is looking at a surcharge for members with over a 100% Loss Ratio. They have discussed capping the surcharge for members or raising deductibles. We might have to give CJPRMA notices that we will be with giving them a notice to withdraw at the December Meeting. PRISM and CARMA are options for Excess Pools or we could look for a placement of our own. NCCSIF has had 17 losses at the CJPRMA layer. Mr. Beverly mentioned that a large case is now settled and is about half of the estimate. NCCSIF is going to have to take on more risk and focus on risk management for Police.

Mr. Brush asked members what we could be doing now to help the Liability Program. Members discussed having Eric Lucero make suggestions for members after he conducts videos. Members should focus on high claim frequency issues. Analyze highest claim for each City and also Police specific claims for each Department and recommend trainings and help with mitigate claims.

Summer Simpson from Sedgwick mentioned claims being settled because the intersections haven't been updated after Cities/Towns have experienced growth. Ms. Simpson discussed Police departments working together and sharing resources to mitigate risks.

Members discussed having technical experts evaluating intersections and roads. Members discussed having a traffic engineer on retainer and drilling down on biggest losses for NorCal Cities.

Mr. Brush discussed Police Risk Management at the City levels and suggested adding extra risk management sessions or updates to premiums.

BREAK FOR LUNCH



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The board moved to the Business Agenda while we have a quorum.

Mr. Beverly discussed that NCCSIF Program Administrators ran CoreLogic Wildfire scores for select locations for members in the Property Program. We will be sending out a detailed report to members before our next meeting.

Kristina Miller from the City of Corning joined the meeting at 12:34 p.m.

H. Summary of September 16, 2021 Executive Committee Meeting

F. Consent Calendar

1. Board of Directors Meeting Minutes – June 17, 2021
2. Check Register from June 1, 2021 to September 30, 2021
3. Investment Reports - Chandler Asset Management Short/Long-term – July 2021 to September 2021
4. FY 21/22 Liability Claims Auditing Services Agreement with Risk Management Services
5. FY 22/23 EIA Excess Workers' Compensation Premium Estimate
6. CAJPA Re-Accreditation Draft Report and Requirements
7. Chandler Contract Amendment

A motion was made to approve the consent calendar.

MOTION: Liz Ehrenstrom **SECOND:** Stephanie Van Steyn **MOTION CARRIED
UNANIMOUSLY**
Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rock, Styczynski, Ehrenstrom, Gilb,
Warren, Ryan, Schiltz, Morrison
Nays: None

I. JPA Business

Mr. Beverly discussed the September 16, 2021 Executive Committee Meeting. The CAJPA Accreditation is attached in the Consent Calendar. We will need to approve the remaining CAJPA requirements. We will be having a Special Executive Committee Meeting on December 2nd to review the contract renewals for June 2022.

J.1.a. Resolution of Non-Claims Disputes

Mr. Beverly discussed the proposed Resolution for Non-Claim Disputes. The non-claims dispute resolution was reviewed by Board Counsel Byrne Conley. Mr. Boughed discussed the closed meeting section comment on the resolution.



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A motion was made to approve the policy and gave Marcus Beverly direction to review the closing meeting section with Byrne Conley.

MOTION: Kara Reddig **SECOND:** Elizabeth Ehrenstrom **MOTION CARRIED
UNANIMOUSLY**
Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rock, Styczynski, Ehrenstrom,
Gilb, Warren, Ryan, Schiltz, Morrison
Nays: None

J.1. b. Liability MOC Amendment Naming NCCSIF

Mr. Beverly discussed the requirement of naming NCCSIF as a naming City. This would cover a member of the Board if they were sued. This is very rare that this would happen.

A motion was made to made to approve the amendment as presented.

MOTION: Spencer Morrison **SECOND:** Andrew Schiltz **MOTION CARRIED
UNANIMOUSLY**
Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rock, Styczynski, Ehrenstrom, Gilb,
Warren, Ryan, Schiltz, Morrison
Nays: None.

I.2. Resolution 21-01 Recognizing Michael Simmons

Mr. Beverly discussed that Michael Simmons has retired and Marcus and Conor will be taking over his responsibilities with NCCSIF. Members discussed the positive impact that Mr. Simmons had on NCCSIF and how to understand the important of mitigating risks.

Mr. Dave Warren gave an overview of Resolution 21-01.

A motion was made to approve Resolution 21-01 Recognizing Michael Simmons.

MOTION: Spencer Morrison **SECOND:** Rachel Ancheta. **MOTION CARRIED
UNANIMOUSLY**
Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rock, Styczynski, Ehrenstrom, Gilb,
Warren, Ryan, Schiltz, Morrison
Nays: None.

Rachel Ancheta left the meeting at 12:47 p.m.

Nathan Bagwill left the meeting at 12:52 p.m.



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E.3.c. Cyber Program

Mr. Beverly discussed the benefit of being in the APIP program to receive the primary Cyber and Excess Cyber Coverage. We're expecting that the Excess Cyber Coverage will be more expensive for FY 22/23. We would only suggest this if members can complete the application and have the correct authentication in place.

Mr. Beverly mentioned that members could use KYND to test the current Cyber Security at the City Levels. Members discussed if they need Cyber Liability Insurance and if we need to Excess Cyber Coverage. The Excess Coverage is a group purchase only, members can't opt out of the Excess Cyber Program. Are members willing to do what they need to do to get a Cyber quote?

Members discussed using the PRISM resources, Cyber Trainings, and trained IT Managers.

Mr. Beverly discussed being able to increase your SIR and have choices.

- Need basic coverage – how much is enough?
- More focus on risk control

The objective is to send out the application and get feedback from members.

E.3.d. Workers Compensation Program

- COVID-19 Impact
- Medical Inflation
- Lack of Doctors and QME

Mr. Beverly let members know that Steven Scott has returned as the Team Lead for Sedgwick's Workers' Compensation Team. PARMA had a training scheduled regarding Police and QME. This person would work the employee on Workers Compensation Claims. Mr. Beverly asked if this would benefit our group and help us move claims forward.

Members discussed having worked with a school's pool having a nurse case manager and it was very effective.

Mr. Beverly suggested listening to the podcast or having someone from the organization come present to the Board of Directors.

Mr. Beverly discussed using Company Nurse program. A majority of claims are actually first aid and we could eliminate some of the claims costs and get things started quickly. The City of Elk Grove discussed the Cities Human Resources Managers using Company Nurse at a previous position and it helped to decrease claim costs. Mr. Beverly mentioned that we will present the Company Nurse Proposal at the Executive Committee Meeting on December 2nd.



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Members discussed that employees are not getting the same level of communication from Sedgwick that they did before. Members are concerned that we don't want to pay twice for a service. Members would like a comparison of what Sedgwick is doing now and what the responsibilities would be for Company Nurse. Members discussed the issues with settling claims and communication with Sedgwick.

E.4. Financial Stability

Mr. Beverly discussed parametric coverage and the Earthquake program available at Alliant. Mr. Beverly mentioned possibly purchasing catastrophic coverage for Earthquake and Wildfires. If NorCal Cities did decide to start a property program we would want to have some additional options for coverage for the first three years. Mr. Beverly will provide a bench mark report at the December 16 Board Meeting.

Mr. Brush discussed question 6 from the survey.

Question #6 Should NCCSIF have a growth goal? Members were across the Board on growth goals for NCCSIF. What does the group think bringing in another member and possibly creating a partnership? Members discussed if the pool were to grow if it would be better for underwriting. In the next 5 years we would look to partner with other JPA's. Members discussed that it would be good to grow NCCSIF and to update the website.

Members discussed updating policies and procedures for members who would like to leave, rescind or join the group again. Members discussed updating policy & procedures before we discuss partnerships or allowing more members in.

- **How do we maintain financial stability across hard markets?**
- **Potential for growth.**

Sandy Ryan Left the meeting at 2:53 p.m.

Liz Cottrell Left the meeting at 2:55 p.m.

The Board of Directors took at 15-minute break.

Wrap up from Long Range Planning

Mr. Brush had the group prioritize objectives for the long-range planning items discussed. The topic that had the most votes was for the Brokers to provide a presentation on different property options, workers compensation was also a popular choice, working with our entities and work with different groups. Tighten up policy and procedure updates. The Board Member Academy (budget webinar, board handbook and staff visits).



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G. General Risk Management Issues

Members discussed what Cities are doing to mandate vaccines at the City/Town Level. Some of the City Councils are signing resolutions to not require vaccines. Cities have proposed the idea of having a benefit for employees being vaccinated. Members discussed if they approve exemptions and how they will handle weekly testing's for un vaccinated employees. Members discussed if employers require a vaccine mandate. Mr. Eric Lucero from Sedgwick discussed the CAL-OSHA requirements at the Federal and State level.

L. INFORMATION ITEMS

1. CALPELRA Conference, November 16-16, 2021, Monterey, CA
2. PARMA 2022 Conference, February 27- March 2, 2022, Anaheim, CA
3. Glossary of Terms
4. NCCSIF Organizational Chart
5. NCCSIF 2021-2022 Meeting Calendar
6. NCCSIF Resource Contact Guide
7. York Who's Who in Claims - WC and Liability Contacts
8. NCCSIF Travel Mileage Reimbursement Form
9. Insurance Requirements in Contracts (IRIC) Training – November 16, 2021

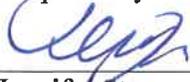
These items were provided as information only.

M. ADJOURNMENT

The meeting was adjourned at 3:45 p.m.

Next Meeting Date:

Respectfully Submitted,



Jennifer Styczynski, Secretary

12-21-21
Date