



**MINUTES OF THE
NCCSIF BOARD OF DIRECTORS MEETING
ZOOM TELECONFERENCE
JUNE 23, 2022**

BOARD OF DIRECTORS PRESENT

Liz Cottrell, City of Anderson
Kristina Miller, City of Corning
Kara Reddig, City of Elk Grove
Veronica Rodriguez, City of Lincoln
Sean Grayson, City of Nevada City
Ross Gilb, Town of Paradise
Tom Westbrook, City of Red Bluff
Andrew Schiltz, City of Rocklin
Spencer Morrison, City of Yuba City

Nathan Bagwill, City of Auburn
Rachel Ancheta, City of Dixon
Stephanie Van Steyn, City of Galt
Jennifer Styczynski, City of Marysville
Liz Ehrenstrom, City of Oroville
Dave Warren, Placerville **(Chair)**
Jen Lee, City of Rio Vista
Marti Brown, City of Willows

BOARD OF DIRECTORS ABSENT

Ishrat Aziz – Khan, City of Colusa
Elisa Arteaga, City of Gridley
Yvonne Kimball, City of Jackson

Allison Garcia, City of Folsom
Michael Rock, City of Ione
Jennifer Schultz, City of Rio Vista

CONSULTANTS & GUESTS

Marcus Beverly, Alliant Insurance Services
Jenna Wirkner, Alliant Insurance Services
James Marta, James Marta and Company
Summer Simpson, Sedgwick

Conor Boughey, Alliant Insurance Services
Ritesh Sharna, James Marta and Company
Devora Brainard, Sedgwick

A. CALL TO ORDER

Chair Dave Warren called the meeting to order at 10:01 a.m.

B. ROLL CALL

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

C. PUBLIC COMMENTS

Devora Delong from Sedgwick discussed the return of Dori Zumwalt and Ms. Zumwalt will be working exclusively with NCCSIF. We have new staff for the WC claims and are working to close the COVID claims.



There were no other public comments.

D. CONSENT CALENDAR

1. Board of Directors Meeting Minutes - April 21, 2022
2. Check Register from March 1, 2022, to May 31, 2022
3. Investment Reports
 - a. Chandler Asset Management Short/Long Term - March 2021 to May 2022
 - b. Local Agency Investment Fund (LAIF) Report as of March 31, 2021
 - c. Treasurer's Report as of March 31, 2022
4. FY 22/23 Lexipol Fire Subscription Services pricing
5. FY 22/23 Lexipol Law Enforcement Subscription Services pricing
6. Crowe LLP Financial Auditing Services Engagement Letter
7. Sedgwick Workers' Compensation Quarterly Report as of June 2022
8. Sedgwick Service Agreement for Administration of Claims Program

A motion was made to approve the Consent Calendar as posted.

MOTION: Liz Ehrenstrom

SECOND: Kristina Miller

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None

E. GENERAL RISK MANAGEMENT ISSUES

Mr. Beverly discussed the new code enforcement policy. Members discussed tree policies for cities. Mr. Beverly discussed the CAJPA Liability study. CAJPA is our most effective lobbying organization.

F. ADMINISTRATION REPORTS

F.1. President's Report

Mr. Dave Warren mentioned that Sandy Ryan from the City of Red Bluff will be retiring in July. Mr. Dave Warren thanked James Marta, Eric Lucero and Dori Zumwalt for their commitment to NCCSIF. Mr. Warren also thanked the current officers and the incoming officers.



F.2. CJPRMA Update

Ms. Liz Ehrenstrom provided an update on CJPRMA. Ms. Ehrenstrom reminded everyone that EPL, civil rights and loss of limbs or senses need to be reported within 30 days. CJPRMA implemented the ex-mod and five members have surcharges this year. The surcharge is on the current members. CJPRMA has several trainings coming up for members to attend.

Mr. Beverly discussed possibly moving to a \$1M SIR for 23/24 to avoid part of the surcharge.

F.3. Program Administrator's Report

Alliant will address the Board on items pertaining to NCCSIF.

- a. Service Provider Survey – Members were reminded that the Service Provider Surveys will go out in late July.
- b. Member Training Fund – Members are encouraged to use member training funds.
- c. Thank you to Dave Warren

Information only.

F.4. Summary of the May 26, 2022, Executive Committee Meeting

Mr. Beverly discussed the Summary of the May 26, 2022, Executive Committee Meeting. Derick Konz was added to our approved Liability defense counsel list.

Information only.

G. FINANCIAL REPORTS

G.1. Quarterly Financial Report for Period Ending March 31, 2022

James Marta and Company gave an overview of the Quarterly Financial Report as of March 31, 2022. Mr. Marta discussed the Liability Shared and Banking Layers. We have been funding at the 80% Confidence Level. The Liability Investment side is showing negative. The Liability program is strengthening. The Workers' Compensation program is strong.

The change in Net Position through March 31 is \$3,343,874 for the pool, ending at \$27,322,921. Total Liabilities are \$54,912,888 compared to Assets of \$82,235,809. Expenses include \$6,609,719 in Claims Paid and a decrease of (-\$76,250) in Outstanding Liability Reserves. Operating Income of \$6,067,258 is reduced by (-\$2,723,384) due to the net effect of Change in Fair Market Value.



No discussion from members.

G.2. Budget-to-Actual as of March 31, 2022

NCCSIF administrative expenses year-to-date are \$ 962,529, or 67% of the budgeted amount, with 33% remaining for fourth quarter expenses.

Member Training and Risk Management is well under budget, with 81% of the funds available. All members have up to \$4,000 to spend on training, a total of \$88,000. *Members are encouraged to assess their training needs and submit requests for these funds prior to June 30TH.*

A motion was made to receive and file the financial report as of March 31, 2022

MOTION: Spencer Morrison

SECOND: Rachel Ancheta

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None.

H. JPA BUSINESS

H.1.a. Liability MOC

H.1.b. Workers' Compensation MOC

Mr. Beverly discussed the Liability MOC for 22-23. We don't have the CJPRMA Liability MOC yet.

Mr. Beverly discussed d.1. any employee or volunteer who has five or more violation points, as valued, and enumerated on the DMV.

Mr. Beverly discussed the 22/23 Workers' Compensation MOC. We don't have the PRISM MOC yet. We will send the PRISM MOC to members when we have it available. As of the 1st of this month, we have gone over the \$500,000 retention. Currently we paid \$818,000. We will only get a portion of this back.

Mr. Marta discussed how we will cover the cost of the PRISM layer COVID claims.

A motion was made to approve the underlying NorCal Cities Liability & Workers Compensation Memorandum of Coverage.

MOTION: Kristina Miller

SECOND: Liz Ehrenstrom

**MOTION CARRIED
UNANIMOUSLY**



Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None

H.2. FY 22/23 Property Program Renewal

Mr. Beverly discussed the FY 22/23 Property Program Renewal. The property rate has a 22% increase, Pollution Rate 13%, Cyber Liability 102% increase, and Course of Construction 20%. NCCSIF has been discussing self-insuring and taking a higher deductible. We would need an aggregate limit to protect from extremely bad losses.

Mr. Beverly discussed the Flood, Vehicle and Property Premiums per members.

Mr. Beverly discussed the changes for FY 22/23. The main change is Miscellaneous unnamed locations. Vacant and Unoccupied Buildings are sub-limited to \$2,500,000.

H.2.a. NCCSIF Property Renewal Proposal

A motion was made to approve the APIP proposal at the \$25,000 deductible and exclude TRIA coverage.

MOTION: Liz Ehrenstrom

SECOND: Andy Schiltz

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None

H.2.b. APIP Pollution

Mr. Beverly discussed the APIP Pollution Program. We have no changes in the program this year. It amounts to a \$5,000 deductible if you do have a claim. Above-ground storage tanks have been reported.

Members with landfills or closed landfills purchase a separate coverage.

Information only.

H.2.c. APIP Cyber Coverage Renewals

Mr. Beverly discussed the APIP Cyber Coverage for 22/23. \$40M to \$45M though the aggregate for pool members will remain at \$40M.



Information only.

H.2.d. APIP Claims Reporting Acknowledgements

Members will be asked to sign the APIP Claims Reporting Acknowledgements.

Information only.

H.2.e. Alliant Deadly Weapon Response Program (ADWRP)

Mr. Beverly discussed ADWRP renewal. The incident does have to happen on the member's property. The deductible is \$10,000 each and every Deadly Weapon Event including Claims Expenses. Crisis Services Provided by CrisisRisk.

Members had no discussion.

A motion was made to approve the FY 22/23 Alliant Deadly Weapon Response Program renewal as presented.

MOTION: Andy Schiltz

SECOND: Spencer Morrison

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None

H.2.f. Flood Coverage

Mr. Beverly asked members if they needed Flood Coverage and if so to contact him.

Information only, no action needed,

H.2.g. Excess Cyber Coverage Renewal

The Cyber market continues to be challenging. Mr. Beverly mentioned the resources available for Cyber protection and members utilizing the Beazley Portal.

Sub-limits for group 1 and group 2 have conditions precedent that need member's attention to avoid not having the coverage in event of a loss.

A motion was made to approve the FY 22/23 Excess Cyber Coverage Renewal as presented.



MOTION: Jennifer Styczynski **SECOND:** Rachel Ancheta.

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None

Abstain: None

H.3. FY 22/23 Crime Coverage Renewal

Mr. Beverly discussed the FY 22/23 Crime Coverage Renewal. The Premium is almost flat this year.

A motion was made to approve the FY 22/23 Crime Coverage Renewal at \$3M limit.

MOTION: Andy Schiltz **SECOND:** Liz Ehrenstrom

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None

No discussion

H.4. FY 22/23 Identity Fraud Expense Reimbursement Coverage Renewal

Mr. Beverly reviewed the FY 21/22 Identity Fraud Expense Reimbursement. We did have a slight decrease in the premium this year due to the decrease in number of employees. This is for City employees, spouses, and children under 23 years old. No changes this year.

No discussion

A motion was made to renew the FY 22/23 Identity Fraud Expense Reimbursement coverage as presented.

MOTION: Liz Ehrenstrom **SECOND:** Andy Schiltz

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None



H.4. FY 22/23 Alliant Public Pool Liability Program (APPL) Coverage Renewal

Mr. Beverly discussed the FY 22/23 APPL Coverage that was recommend by the Executive Committee in May. This will be a new coverage for NCCSIF. APPL, provides Trustee Errors and Omissions Insurance. The coverage provides \$1M limit for claims arising from Wrongful Acts committed by Insured, including the governing board, officers, and professional liability of the pool.

A motion was made to approve the FY 22/23 APPL proposal as presented.

MOTION: Liz Ehrenstrom

SECOND: Rachel Ancheta

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None

H.6. Administration Budget 22/23 Program Budget

Mr. Beverly gave a brief overview of the Administration Budget for FY 22/23. Mr. Beverly mentioned the Grant Finder that Lexipol offers. This is approximately \$100 per person per month for the grant finder.

No discussion.

MOTION: Jennifer Styczynski

SECOND: Spencer Morrison

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None.

H.7.a. Liability program budget

Mr. Beverly discussed the 22/23 Liability Program Budget. We will be moving to a \$750,000 SIR. The funding increases were capped at 40% or more to make sure members who are capped contribute at least 50% of their Banking Layer estimates. Mr. Beverly discussed the summary of changes. The rate went up approx. 14%.

A motion was made to approve the liability program budget at the 80% confidence level and 40% variable cap with the understanding that CJPRMAs final number is still unknown. Marcus will provide an update spreadsheet.



MOTION: Spencer Morrison

SECOND: Kristina Miller

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays:

H.7.b. Workers' Compensation program 22/23 budget

Mr. Beverly discussed the overall Program Funding Changes. The trend has been less frequency and higher severity. The Deposit premium did go up 2% and the Workers' Comp shared layer went up 30%. The increases are due to medical inflation. The difference between the Liability and Workers' Compensation payroll is that PRISM uses projected FY22-23 payroll and CJPRMA uses DE-9 from the previous year.

A motion was made to approve the 22-23 Workers' Compensation deposits as presented.

MOTION: Andy Schiltz

SECOND: Jennifer Styczynski

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None

H.8. Conflict of Interest Code

Mr. Beverly discussed that we review the conflict of interest code every even year.

A motion was made to a approve the conflict-of-interest code.

MOTION: Liz Ehrenstrom

SECOND: Kara Reddig

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None

H.9. Resolution 22-01 Authorizing Signers for the Investment of Monies in the Local Agency Investment Fund (LAIF).

No discussion.

A motion was made to approve Resolution 22-01. We can create it this way if we use titles instead of names.



MOTION: Liz Ehrenstrom

SECOND: Andy Schiltz

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None

H.10. FY 22/23 Meeting Calendar

Mr. Beverly discussed the FY 22/23 Meeting Calendar.

A motion was made to approve the FY 22/23 Meeting Calendar.

MOTION: Liz Ehrenstrom

SECOND: Rachel Ancheta

**MOTION CARRIED
UNANIMOUSLY**

Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison

Nays: None

H.11. Strategic Plan Update

Mr. Beverly discussed the Strategic Plan Update. Discussed having members join our program this year. We were very competitive when we quoted Elk Grove this year. The Board member academy, bylaws, and cyber risk management were also discussed.

H.12. FY 22/23 Service Calendar

Mr. Beverly discussed the FY 22/23 Service Calendar.



H.13. Workers' Compensation RFP & Ad Hoc Committee

Mr. Beverly discussed the RFP & Ad Hoc Committee. Members discussed the timing of the Ad Hoc Committee.

Members discussed the Sedgwick contract moving forward. Members discussed vouchers and owing employees money.

Sedgwick is updating training planning for public entity employees and benefits. All the members have a different process for 4850.

Ad Hoc Committee

Vice Chair – Rachel Ancheta
Amanda Tonks
Nicole Moe
Kara Redding
Natalie Springer

A motion was made to elect the Ad Hoc Committee and extend the deadline 30-60 days.

MOTION: Veronica Rodriquez **SECOND:** Liz Ehrenstrom **MOTION CARRIED UNANIMOUSLY**
Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison
Nays: Kristina Miller

H.14. ACI Specialty Benefits

A motion was made to approve the ACI Specialty Benefits Contract.

MOTION: Liz Ehrenstrom **SECOND:** Kristina Miller **MOTION CARRIED UNANIMOUSLY**
Ayes: Cottrell, Bagwill, Miller, Ancheta, Reddig, Van Steyn, Rodriguez, Styczynski, Grayson, Ehrenstrom, Gilb, Warren, Westbrook, Lee, Schiltz, Brown, Morrison
Nays: None



I. INFORMATION ITEMS

1. Glossary of Terms
2. NorCal Cities Organizational Chart
3. NorCal Cities Resource Contact Guide
4. Sedgwick Who's Who in Claims - WC and Liability Contacts
5. 2022 CAJPA Conference September 13-16, 2022
6. AB 1234 Ethics in Public Service – July 12, 2022
7. Travel Mileage Reimbursement Form

K. ADJOURNMENT

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

Next Meeting Date:

BOD Approval Date of Minutes:

Respectfully Submitted,

Jennifer Styczynski, Secretary

10-27-2022
Date