

**MINUTES OF THE
ACCEL FINANCE COMMITTEE
MEETING**

Monday, March 13, 2023 at 2:00 PM

**LOCATION:
Teleconference**

Link:

<https://alliantinsurance.zoom.us/j/94326018401?pwd=S2NYdGILUjlnS2dpcndBb0NRZS9ldz09>

Meeting ID: 943 2601 8401

Passcode: 316706

Dial: (669) 900-6833

MEMBERS PRESENT:

Joe Rodriguez, City of Modesto (left at 3:22 PM)
Marisa Kahn, City of Santa Barbara Alternate
Sandra Blanch, City of Palo Alto (joined at 2:05)
Oles Gordeev, City of Santa Monica
Charlotte Dunn, City of Visalia

MEMBERS ABSENT:

None

GUESTS AND CONSULTANTS:

Conor Boughey, Alliant Insurance Services
Lorissa Huey, Alliant Insurance Services
Thomas Joyce, Alliant Insurance Services

A. CALL TO ORDER

Oles Gordeev called the meeting to order at 2:01 PM.

B. CONSENT CALENDAR

B1. Approval of Minutes for the September 29, 2022 Finance Committee Meeting

A motion was made to approve the consent calendar.



MOTION: Charlotte Dunn **SECOND:** Joe Rodriguez **MOTION CARRIED**

	Joe Rodriguez	Marisa Kahn	Sandra Blanch	Oles Gordeev	Charlotte Dunn
Aye	X	X		X	X
Nay					
Abstain					

C. REPORTS

C1. FINANCE COMMITTEE

C1a. Draft FY 23/24 Administration Budget

Conor Boughey explained to the Finance Committee (FC) per ACCEL’s Bylaws, one of the FC duties is to review the Administrative Budget. The draft budget is presented to the Board at the March Meeting and then at the June Board Meeting for adoption.

The FC reviewed the draft Administrative Budget attached to the agenda packet and made a motion to recommend to the Board to increase the Training Budget from \$25,000 to \$35,000.

MOTION: Oles Gordeev **SECOND:** Marisa Kahn **MOTION CARRIED**

	Joe Rodriguez	Marisa Kahn	Sandra Blanch	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X
Nay					
Abstain					

C1b. New Proposed: Service Provider Evaluations Policy and Procedure

The Finance Committee was given direction from the Executive Committee to create a new Policy and Procedure (P&P) that provides Members with a Credit of a certain dollar amount if they have completed the Service Provider Evaluation within the timeline outlined in the P&P. The Service Provider Evaluations will only be for the Program Administrators and Claims Administrators. If Members have any reportable issues for the other service providers such as the Actuary, Claims Auditor, Financial Auditor, Investment Manager, and Legal Counsel, they can reach out to the Committee Chair or the Program Administrators. Included in the agenda packet was a draft of the new proposed Service Provider Evaluations P&P with a credit of \$500.



A motion was made to recommend to the Board the following options:

Option 1: Adopt the P&P as presented in the agenda packet.

Option 2: Adopt the P&P, except delete item 4. “Each Member who completes the evaluations will receive an admin credit from the ACCEL Admin Budget of \$500. The credit will be given to Members who complete the evaluation within the deadline provided. The admin credit will be reflected on the Member's July 1 renewal invoice of the following program year.”

Option 3: Allocate time on the January Board Meeting Agenda for 30 minutes, where Members can fill out a one page form drafted by the Program Administrators to guide the discussion. This will allow the Board to complete the evaluations at the same time. A P&P about this process would still be needed.

MOTION: Charlotte Dunn **SECOND:** Sandra Blanch **MOTION CARRIED**

	Joe Rodriguez	Marisa Kahn	Sandra Blanch	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X
Nay					
Abstain					

C1c. Retrospective Rating Calculation (RPC)

C1ci. Biennial Review

Conor Boughey reminded the Committee that it requested the Retrospective Rating Plan Calculation (RPC) to be reviewed every odd numbered calendar year. Conor explained that the Agreed Upon Procedures RPC audit performed by Crowe, ACCEL’s Financial Auditors was recently completed and there were no material findings. In addition, the Ad Hoc Committee has recently reviewed the calculation too.

The Committee agreed that there was no need to go over it again at this time.

No reportable action took place.

C1cii. Frequency of Agreed Upon Procedures Audit

Conor Boughey reported that the Agreed Upon Procedures RPC was reported at the October 2022 Board Meeting by Crowe for the first time, and the Board did not establish a frequency of review.

Conor explained that a five years frequency with Crowe is optimal because the AUP RPC audit was for the FY 20/21 Retro. Effective July 1, 2021, is when ACCEL took action to tweak the RPC



to reduce the Minimum Member Contribution from 3% to 2%. The FY 21/22 will take 5 years to show up in the calculation.

A motion was made to recommend to the Board a five years frequency.

MOTION: Marisa Kahn **SECOND:** Joe Rodriguez **MOTION CARRIED**

	Joe Rodriguez	Marisa Kahn	Sandra Blanch	Oles Gordeev	Charlotte Dunn
Aye	X	X	X		X
Nay					
Abstain					

C1d. Review of ACCEL’s Target Equity Ratios

Conor Boughey reminded the Finance Committee that the Board reviewed the Target Equity Ratios Presentation at the October 2022 Strategic Planning and directed the Finance Committee to ensure that the current ratios are still appropriate.

A new requirement to have CAJPA Accreditation with Excellence is to show the JPA a five-year summary annually, in which, was included in the agenda packet.

Members reviewed each ratio thoroughly, and asked questions, which were addressed as they arose.

Direction was given to report to the Board that the Finance Committee reviewed the ratios and determined there is no need to change the ratios at this time.

D. PUBLIC COMMENTS – There were no public comments.

ADJOURNMENT

Oles Gordeev adjourned the meeting at 3:29 PM.