



ACCEL BOARD OF DIRECTORS MEETING

Day 1 - Tuesday, June 15, 2021 at 9:00 AM

Day 2 - Wednesday, June 16, 2021 at 9:00 AM

LOCATION:

Teleconference

Day 1 –

Link: <https://alliantinsurance.zoom.us/j/96907245701?pwd=ZXNHVWrbGxSRDhRRnFZeHoycUJBUT09>

Dial: (669) 900-6833

Meeting ID: 969 0724 5701

Passcode: 649868

Day 2 –

Link: <https://alliantinsurance.zoom.us/j/97406478590?pwd=dnZ1b3o1ZIE5V1dpTHhiVEtadDBRZz09>

Dial: (669) 900-6833

Meeting ID: 974 0647 8590

Passcode: 216610

MEMBERS PRESENT:

Tracey Matthews, City of Anaheim

Jena Covey, City of Bakersfield

Betsy McClinton, City of Burbank *(left at 9:57 AM and re-joined at 10:50 AM on Wednesday, June 16, 2021)*

Jiles Smith, City of Modesto

Sarin Roth, City of Monterey

Claudia Koob, City of Mountain View

Mindy Decker, City of Ontario *(Tuesday, June 15, 2021 only, left at 11:51 AM)*

Kathy Garozzo, City of Ontario Alternate *(Wednesday, June 16, 2021 only)*

Sandra Blanch, City of Palo Alto

Rhonda Combs, City of Salinas

Mark Howard, City of Santa Barbara

Ross Brandon, City of Santa Cruz Alternate

Oles Gordeev, City of Santa Monica

Charlotte Dunn, City of Visalia

MEMBERS ABSENT:

None

GUESTS AND CONSULTANTS:

Allyson Hauck, City of Monterey *(Wednesday, June 16, 2021 only, joined at 9:00 AM and left at 9:10 AM)*

Ken Maiolini, Risk Management Services *(left at 9:30 AM on Wednesday, June 16, 2021)*

Sandy Manzoni, George Hills Company *(left at 9:30 AM on Wednesday, June 16, 2021)*



John Chaquica, George Hills Company *(Wednesday, June 16, 2021 only, joined at 9:00 AM and left at 9:30 AM)*
 Chris Shaffer, George Hills Company *(Wednesday, June 16, 2021 only, joined at 9:00 AM and left at 9:30 AM)*
 Ben Oram, George Hills Company *(Wednesday, June 16, 2021 only, joined at 9:00 AM and left at 9:30 AM)*
 Fred Treffinger, PRISM *(Wednesday, June 16, 2021 only, joined at 9:30 AM and left at 9:58 AM)*
 Tiana Randazzo, PRISM *(Wednesday, June 16, 2021 only, joined at 9:30 AM and left at 9:58 AM)*
 Michael Simmons, Alliant Insurance Services
 Daniel Howell, Alliant Insurance Services *(joined at 10:00 AM and left at 11:00 AM on Wednesday, June 16, 2021)*
 Conor Boughey, Alliant Insurance Services
 Lorissa Huey, Alliant Insurance Services
 Marcus Beverly, Alliant Insurance Services

A. CALL TO ORDER

Jena Covey called the meeting to order at 9:00 AM on Tuesday, June 15, 2021.
 Jena Covey called the meeting to order at 9:00 AM on Wednesday, June 16, 2021.

A1. Introduction of New Representatives

Mindy Decker from the City of Ontario and Sarin Roth from the City of Monterey introduced themselves as the new representatives.

The Board welcomed Mindy and Sarin.

B. CONSENT CALENDAR

B1. Approval of Minutes for the March 17 and 18, 2021 Board of Directors Meeting

B2. Approval of Minutes for the May 4, 2021 Special Board of Directors Meeting

A motion was made to approve the consent calendar.

MOTION: Mark Howard **SECOND:** Rhonda Combs **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Mindy Decker	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X	X
Nay													
Abstain													



C. GENERAL RISK MANAGEMENT ISSUES

Sandra Blanch, City of Palo Alto asked the Members about their plans to address the evolving regulations regarding social distancing and masks guidelines. Board Members discussed the current regulations and recommendations.

Jena Covey, City of Bakersfield asked if the other Members have Police and Fire Explorer Programs and if those programs are moving away from their partnership with the Boys Scouts. Also, she explained to the Board that 911 At Ease International is an additional resource for behavioral health services for first responders and their families.

D. REPORTS

D1. Nominating Committee’s Report

D1a. Election of Officers for FY 21/22

At the March 2021 Board Meeting, a Nominating Committee was created to survey the Board for FY 21/22 Executive Committee nominations. The Nominating Committee is composed of Sandra Blanch and Betsy McClinton. At today’s meeting, the Nominating Committee reported the results.

The floor was open for nominations.

A motion was made to approve the slate of officers:

- Jena Covey as President,
- Mark Howard as Vice President,
- Oles Gordeev as Treasurer, and
- Sandra Blanch as Secretary.

MOTION: Rhonda Combs **SECOND:** Tracey Matthews

MOTION CARRIED

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Mindy Decker	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X	X
Nay													
Abstain													



D2. President's Report

D2a. FY 21/22 Committee Assignments

The Board Members stated which of the three Committees: Claims, Finance, and Underwriting they are interested in participating in for FY 21/22. The Executive Committee will convene in early July 2021 to finalize the committee assignments.

Tracey Matthews is interested in the Underwriting Committee and would like to remain on the Claims Committee.

Jena Covey would like to remain on the Claims Committee and as the President, per the Bylaws is an automatic Member of the Underwriting Committee.

Betsy McClinton is interested in any of the Committees and is willing to leave the Claims Committee if anyone wants the spot.

Jiles Smith would like to remain on the Claims Committee and is willing to leave the Claims Committee if anyone wants the spot.

Claudia Koob would like to remain on the Finance Committee.

Sarin Roth is interested in the Claims Committee, but is willing to be on the other Committees.

Mindy Decker is interested in the Claims Committee, but is willing to be on the other Committees.

Sandra Blanch would like to remain on the Finance Committee.

Rhonda Combs would like to remain on the Underwriting Committee.

Mark Howard is the Vice President and is automatically the Underwriting Committee Chair per the Bylaws and would like to remain on the Finance Committee.

Ross Brandon would like to remain on the Underwriting Committee.

Oles Gordeev is the Treasurer and is automatically the Finance Committee Chair per the Bylaws. He would like to be taken off the Underwriting Committee.

Charlotte Dunn would like to remain on the Claims Committee and is willing to leave the Claims Committee if anyone wants the spot.

Jena Covey recommended from her experience that the Finance Committee is beneficial for new Board Members.



D2b. Board Member Peer Program

Jena Covey reported that when there is a new Board Member, a seasoned Board Member could collaborate with the new Board Member for mentoring purposes. Sarin Roth from the City of Monterey and Mindy Decker from the City of Ontario are the new Board Members.

Betsy McClinton volunteered to be the mentor for Sarin Roth.

Tracey Matthews volunteered to be the mentor for Mindy Decker.

D3. Executive Committee’s Report – None

D4. Claims Committee’s Report

D4a. CLOSED SESSION – Pursuant to Gov’t Code 54956.95

A motion was made to enter into Closed Session at 11:55 AM.

MOTION: Jena Covey **SECOND:** Mark Howard **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Mindy Decker	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X		X	X	X	X	X	X
Nay													
Abstain													

A motion was made to come out of Closed Session at 12:19 PM.

MOTION: Tracey Matthews **SECOND:** Betsy McClinton **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Mindy Decker	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X		X	X	X	X	X	X
Nay													
Abstain													

Oles Gordeev, Claims Committee Chair reported out of Closed Session that the Board reviewed and took action on the agendized claims.



D4b. FY 21/22 Liability Claims Audit – Memo

Conor Boughey reported that Rob Powers, ACCEL’s Claim Auditor provided a preliminary schedule in the agenda packet of when he will visit each Member to conduct the FY 21/22 Claims Audit.

Also, Conor updated the Board that Rob will be completing the City of Anaheim’s portion of the FY 20/21 Claims Audit on June 19, 2021.

D4c. Claims Reporting and Handling Policy and Procedure – Proposed Changes

Conor Boughey reminded the Board that at its March 2021 Board Meeting, it gave direction to the Claims Committee to review the last two paragraphs at the end of page 4 of 13 of the Claims Reporting and Handling Policy and Procedure (P&P) regarding attorney fees.

To ensure that the P&P contains accurate language about reporting to the excess carriers, ACCEL’s Legal Counsel, Byrne Conley reviewed and recommend expanding some of the reporting requirements for the Members on page 3 of 13.

A motion was made to approve the proposed changes as presented in the agenda packet and direction was given to the Program Administrators to send the P&P to the Board via e-mail.

MOTION: Mark Howard **SECOND:** Betsy McClinton **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Mindy Decker	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X		X	X	X	X		X	X	X	X	X	X
Nay		X											
Abstain													

D4d. Excess Claims Reporting Process

Conor Boughey reminded the Board that when a claim is reported to ACCEL’s TPA, George Hills the claim file is reviewed and George Hills may request an ACCEL reserve to be placed on the file. Additionally, George Hills reports the claim to ACCEL’s excess liability carriers. Included in the agenda packet were the FY 20/21 excess liability carriers’ claims reporting requirements.

Direction was given to the Program Administrators to upload the carriers’ claims reporting on the ACCEL Website.



D5a-e. Financial and Treasurer's Report

Conor Boughey and Oles Gordeev walked through the financial items.

The Member Account Summary Report as March 31, 2021 is the third quarter of the current fiscal year. In this quarter, ACCEL received the City of Gardena's first installment retro assessment and the City of Bakersfield's second installment retro assessment. In addition, the Incurred But Not Report (IBNR) and Reserves were updated based on the March 2021 Actuarial Study.

A motion was made to approve the financial items.

MOTION: Betsy McClinton **SECOND:** Jena Covey **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Mindy Decker	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X		X	X	X	X	X	X
Nay													
Abstain													

D6. Finance Committee's Report – None

D7. Underwriting Committee's Report

D7a. ACCEL's Memorandum of Coverage (MOC) Proposed Changes: Settlement Cap Provision

Conor Boughey reported that the Underwriting Committee met in May 2021 to discuss adding language to the MOC about taking control or limiting the excess pool's liability where the pool may want to settle but the Member may not.

The Committee directed Byrne Conley, ACCEL's Legal Counsel to draft proposed changes that would allow the Board to cap ACCEL's liability on a claim, if a settlement opportunity is presented and acceptable to the Board. Also, the Committee took action to recommend to the Board approve the proposed changes to the MOC effective July 1, 2021.

A motion was made to accept the proposed changes as presented in the agenda packet effective July 1, 2021.



MOTION: Mark Howard **SECOND:** Jiles Smith **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Kathy Garozzo	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X		X	X	X	X	X	X	X	X	X	X	X
Nay													
Abstain		X											

D8. Program Administrator’s Report

D8a. ACCEL Service Team Contact List

Included in the agenda packet was an ACCEL Service Team Contact List that includes the Program Administrators, Claims Administrators, Claims Auditor, and resources such PRISM and the IRIC Manual.

D9. Ad Hoc Committee’s Report

D9a. Rating Plan Calculation - 2021 Proposed Changes

Conor Boughey stated that at January 2021 Board Meeting, the Board formed an Ad Hoc Committee with Members from the Underwriting and Finance Committees along with a large and small Member. The Ad Hoc Committee met twice to review the current Rating Plan Calculation (RPC) methodology and consider potential improvements to the formula.

After review and discussion, the Committee formed a recommendation that ACCEL reduce the minimum contribution to 2% from 3% effective July 1, 2021. By doing this, the formula will allow smaller Members to reduce their share of loss and receive a greater return.

A motion was made to approve changing the minimum contribution to 2% effective July 1, 2021.

MOTION: Oles Gordeev **SECOND:** Mark Howard **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Kathy Garozzo	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X		X	X	X	X	X	X	X	X
Nay													
Abstain					X								



E. UNFINISHED BUSINESS

E1. ACCEL’s June 30, 2021 Actuarial Update

Conor Boughey stated that the Actuarial Study is based on December 31, 2020 loss information. The Financial Audit will audit the financials as of June 30, 2021 and as a result, the Reserves and Incurred But Not Reported (IBNR) requires an update to accurately reflect the ACCEL’s outstanding liabilities. Conor walked through the June 30, 2021 Actuarial Update Report.

Conor confirmed with ACCEL’s Actuary that the rates for the pooled layer of coverage do not include a charge for aggregate exhaustion if a carrier’s aggregates are exhausted in the excess layers. ACCEL’s Actuary believes the charge would be nominal, due to the lack of claims history. For some other excess pools which purchase reinsurance instead of excess insurance, their pooled program could be exposed to large limit hits if they do not address aggregate exhaustion. ACCEL’s historic layer is \$9,000,000 excess \$1,000,000, and if ACCEL purchases excess starting at \$5,000,000 with applicable aggregates, ACCEL could be exposed to this issue on the \$5,000,000 excess \$5,000,000 layer.

A motion was made to approve the report.

MOTION: Mark Howard **SECOND:** Jena Covey **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Kathy Garozzo	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X		X	X	X	X
Nay													
Abstain													



E2. FY 21/22 Administration Budget & Resolution 21/22-01

Conor Boughey presented the FY 21/22 Administration Budget with two options. Option 1 showed a legal budget of \$15,000 and Option 2 showed a legal budget of \$115,000. ACCEL has become involved with litigation with an excess carrier. Additionally, ACCEL’s claims activity has increased significantly and ACCEL is likely to continue to engage legal counsel.

A motion was made to approve the Option 2 budget and resolution 21/22-01.

MOTION: Betsy McClinton

SECOND: Tracey Matthews

MOTION CARRIED

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Kathy Garozzo	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X		X	X	X	X
Nay													
Abstain													

E3. ACCEL FY 21/22 Excess Liability Program Renewal

Dan Howell and Conor Boughey reported that ACCEL’s Excess Liability Program renews July 1, 2021. ACCEL is facing a very difficult renewal due to the state of the insurance market and a reaction to many large claim values, both within ACCEL and in the market. As a result, it is likely that ACCEL will increase its retained layer and return to a large focus of self-insurance.

Alliant provided a recorded webinar, a worksheet, and a summary of the differences between the two competing lead excess layer quotes from AWAC and ANML Great American of the following renewal options:

- Option 1 – \$4,000,000 excess \$1,000,000 funding at the 90% confidence level (CL) and an additional funded \$10,000,000 corridor
- Option 2 - \$9,000,000 excess \$1,000,000 funding at the 90% CL
- Option 3A - \$9,000,000 excess \$1,000,000 funding at the 90% CL for \$4,000,000 excess \$1,000,000, and at the 75% CL for \$5,000,000 excess \$5,000,000 with ANML Great American \$5,000,000 excess of \$10,000,000 as the lead excess layer
- Option 3B - \$9,000,000 excess \$1,000,000 funding at the 90% CL for \$4,000,000 excess \$1,000,000, and at the 75% CL for \$5,000,000 excess \$5,000,000 with AWAC \$5,000,000 excess \$10,000,000 as the lead excess layer



- Option 4A - \$9,000,000 excess \$1,000,000 funding at the 90% CL and an additional funded \$3,000,000 corridor
- Option 4B - \$9,000,000 excess \$1,000,000 funding at the 90% CL for \$4,000,000 excess \$1,000,000, at the 75% CL for \$5,000,000 excess \$5,000,000, and an additional funded \$3,000,000 corridor
- Option 5 - \$14,000,000 excess \$1,000,000 funded at the 90% CL

1st Motion

A motion was made to eliminate Option 5 and the motion failed.

MOTION: Betsy McClinton

SECOND: Jena Covey

MOTION FAILED

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Mindy Decker	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X			X						
Nay						X		X		X	X	X	X
Abstain					X				X				

2nd Motion

A motion was made to eliminate Option 1.

MOTION: Mark Howard

SECOND: Jena Covey

MOTION CARRIED

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Mindy Decker	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X	X
Nay													
Abstain													



3rd Motion

A motion was made to eliminate Option 2.

MOTION: Jena Covey **SECOND:** Oles Gordeev **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Mindy Decker	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye		X	X	X	X	X		X			X	X	X
Nay	X						X		X	X			
Abstain													

4th Motion

A motion was made to eliminate Option 5.

MOTION: Betsy McClinton **SECOND:** Rhonda Combs **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Mindy Decker	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X		X		X		X		
Nay						X		X		X		X	X
Abstain													

5th Motion

A motion was made to bind Option 3B that includes AWAC at \$5,000,000 excess \$10,000,000 as the lead excess layer and ANML Great American at \$5,000,000 excess \$15,000,000 as the second excess layer. Direction was given to the Program Administrators to schedule a Special Board Meeting at the end of June 2021 after Alliant obtains the renewal quotes for additional limits.

MOTION: Mark Howard **SECOND:** Jiles Smith **MOTION CARRIED**



	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Mindy Decker	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X		X	X	X	X	X	X	X	X	X	X
Nay													
Abstain			X										

E4. Excess Liability Renewal: Aggregates and Retained Layers

Michael Simmons and Conor Boughey provided a background on how insurance policy aggregates may affect ACCEL’s coverage program. They reported that over the years, ACCEL has been able to purchase excess coverage at the \$5,000,000 attachment point with no Policy or General Aggregates (except the standard Products and Competed Operations Aggregate). This means that ACCEL had coverage that would sustain repeated large claims, without concern for aggregate erosion or potential total exhaustion of the limits available. At July 1, 2021, ACCEL is likely to have a 4 times (“4x”) or 2 times (“2x”), per insured layer of coverage, policy aggregate (e.g. \$10,000,000 limit with a “2x” aggregate would be \$20,000,000 of total limits available).

ACCEL has a long history of identifying itself as a \$9,000,000 excess \$1,000,000 pool, even at times when it purchased insurance at the \$5,000,000 attachment point. ACCEL’s Bylaws, Financial Plan, and descriptions all reference this layer as the ACCEL program and ACCEL’s responsibility.

The purpose of today’s discussion was for the Board to consider if ACCEL should update its layer of responsibility up to \$20,000,000 from \$10,000,000. By doing this, ACCEL would potentially be taking responsibility for aggregate exhaustion in these layers, as well as providing members with support for any coverage related issues with the insurance carriers involved.

Alliant worked with ACCEL’s actuary to determine the funding rates for aggregate exhaustion, but the rates cannot be determined and the current theory is that the funding levels would be immaterial, compared to the funding guidelines for the pooled layer at a 90% confidence level.

The Board discussed this item and agreed that it needs more information to take further action. The Board concluded that ACCEL would consider the \$19,000,000 excess \$1,000,000 layer to be ACCEL’s program, but did not take final action. Direction was given to staff to schedule this item for further discussion and potential action at the next Board meeting.

E5. ACCEL’s 2021 Retrospective Rating Plan Calculation:

E5a. Resolution 21/22-02, Adopting the 2021 Retrospective Rating Plan Calculation

Conor Boughey reported that the draft retro was presented at the March 2021 Board Meeting. Since that meeting, the retro has been reviewed for any updated IBNR (Incurred but Not Reported) and reserves. The results show that the retro has funds of \$7,773,185 available to the Board for withdrawal.



Conor reminded the Board that at the May 14, 2020 Special Board Meeting, the Board took action to restrict the 2020 Retro by 100%. This money has now been returned in full for the current year’s retro. Also, at the June 2017 Board Meeting, the Board took action to administratively suspend fiscal years up to FY 07/08, and this year’s retro calculation shows the prior funds on account, rolling forward to the FY 08/09 year.

A motion was made to approve the 2021 Retro Calculation of \$7,773,185 and Resolution 21/22-01 as presented in the agenda packet.

MOTION: Betsy McClinton **SECOND:** Charlotte Dunn **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Kathy Garozzo	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X		X	X	X	X
Nay													
Abstain													

E5b. Retrospective Rating Calculation Funds Restriction

Conor Boughey explained that ACCEL’s Financial Plan allows the Board to restrict the amount available for return to Members through the application of a restriction. The Board reviewed this year’s Retro results, the financial position of the Authority, along with the expected ‘test year’ results to determine the amount appropriate to restrict.

A motion was made to restrict 100% of the 2021 Retro.

MOTION: Oles Gordeev **SECOND:** Tracey Matthews **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Kathy Garozzo	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X		X	X	X	X
Nay													
Abstain													



E5c. Members' Assessments and Retrospective Rating Plan Payment Plan Requests

Conor Boughey stated that per the Financial Plan, ACCEL may issue an assessment invoice to any Member in an assessment position. Members that want to request a payment plan have until June 1st to submit the request. The Board will consider any requests to establish a payment plan at a Board Meeting prior to the June Board Meeting. The Board may not consider any proposed payment plan with a duration greater than three years and the plan shall include interest calculated at a reasonable rate established by the Board.

The City of Ontario requested to take a payment plan for the 2021 Retro. This item will be agendaized for the Special Board Meeting at the end of June 2021.

E5d. ACCEL Negative Net Position Surcharge

Conor Boughey reminded the Board that at the October 2020 Long Range Planning and Board Meeting, the Board took action to create a corrective funding plan that included adopting a negative net position charge of 10% of the prior year's negative net position.

The negative net position charge is important to ACCEL's recovery strategy. At the October 2021 Board Meeting, ACCEL will receive and may take action to approve the FY 20/21 Financial Audit. At that point the Board will consider the first negative net position charge to be due thereafter.

No reportable action took place.

E6. Optional Excess Workers' Compensation Program Renewal

Conor Boughey explained that eleven of the thirteen ACCEL Members participate in the Excess Workers' Compensation (EWC) Program through PRISM. A payroll and premium summary of the current year and next year was provided as a handout to the Board.

No reportable action took place.

F. NEW BUSINESS

F1. George Hills Presentation: ACCEL's Long Term Strategy for Litigation Management

Chris Shaffer and John Chaquica from George Hills presented to the Board the Litigation Team Structure. Ken Maiolini will continue to lead ACCEL's Litigation Team until his retirement in 2022. George Hills introduced Ben Oram to the Board and announced that Ben will begin to shadow Ken.

Members asked questions, which were addressed.

The Cities of Anaheim, Bakersfield, and Visalia volunteered to have Ben take on some of the claims with Ken's oversight.

Direction was given to George Hills to create an organization chart of each person's responsibility.

After the organization chart is received from George Hills, direction was given to the Program Administrators to upload it on the ACCEL Website.

F2. PRISM Member Dashboard Pilot Program

Fred Treffinger and Tiana Randazzo from PRISM presented to the Board the PRISM Member Dashboard Pilot Program. This will provide ACCEL with online access to PRISM Membership information, ACCEL loss performance and analysis capabilities, and the ability to benchmark to PRISM Member Peer Groups (based on monthly or annual loss submissions).

The Board agreed to participate in the Member Dashboard Pilot Program using its Excess Workers' Compensation (EWC) loss data.

The Cities of Burbank and Visalia are not participants of PRISM's EWC Program and are interested in the Member Dashboard Pilot Program.

Direction was given to the Program Administrators to engage with PRISM on the Member Dashboard Pilot Program and work with the Cities of Burbank and Visalia on getting their loss data.

F3. PRISM Excess Workers' Compensation - Memorandum of Coverage (MOC) Proposed Amendments

Conor Boughey reported that the COVID-19 pandemic has created new opportunities for remote work to the point that some entities have or may ultimately have employees residing in other states. An employee who is injured while working for a California public entity and residing in another state can either file a Workers' Compensation claim in California or in the state in which the employee resides. The proposed change to the coverage grant would make it clear that the PRISM Memorandum of Coverage intends to provide coverage for a Member's remote worker who resides in another state.

No reportable action took place.

F4. Approval of ACCEL's Declarations Page

Conor Boughey explained that each year the Program Administrators present a draft form of the declarations page for Board review and approval.

Direction was given to table this item for the Special Board Meeting that will occur at the end of June 2021.



F5. Insurance Renewals:

F5a. Public Employee Dishonesty Insurance

Conor Boughey presented the Public Employee Dishonesty proposal for the July 1, 2021 renewal. The coverage is place through the Alliant Crime Insurance Program (ACIP). The renewal premium is a 5% increase over expiring with the same limits and deductible.

A motion was made to bind coverage as presented.

MOTION: Jena Covey **SECOND:** Mark Howard **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Kathy Garozzo	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X	X
Nay													
Abstain													

F5b. Trustees Errors & Omissions Insurance

Conor Boughey presented the Trustee’s Errors & Omissions proposal for the July 1, 2021 renewal. This year the proposal contained three different limit options, which were Option 1 with a \$1,000,000 limit, Option 2 with a \$2,000,000 limit, and Option 3 with a \$3,000,000 limit.

A motion was made to bind coverage with Option 2 and amend the Admin Budget to reflect Option 2’s premium.

MOTION: Jena Covey **SECOND:** Charlotte Dunn **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Kathy Garozzo	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X		X	X	X	X
Nay													
Abstain													



F5c. Alliant Deadly Weapon Response Program

Conor Boughey presented the Alliant Deadly Weapons Response Program (ADWRP) proposal for the July 1, 2021 renewal. He noted that this coverage addresses the tragic human and financial loss created by active assailant events.

A motion was made to bind coverage as presented and approve the premium allocation.

MOTION: Oles Gordeev **SECOND:** Jena Covey **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Kathy Garozzo	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X	X
Nay													
Abstain													

F6. Schedule of the Next Two Board of Directors Meetings

The next Board Meeting will be in Santa Barbara on October 14 and 15, 2021. The following proposed meeting dates are January 20 and 21, 2022 in Visalia.

Both meetings will start at 1:00 PM on Thursday and 8:30 AM on Friday unless otherwise stated.

A motion was made to approve changing the meeting locations to Santa Barbara and Visalia because Members can drive there instead of flying due to COVID-19 restrictions.

MOTION: Mark Howard **SECOND:** Charlotte Dunn **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Jiles Smith	Sarin Roth	Claudia Koob	Kathy Garozzo	Sandra Blanch	Rhonda Combs	Mark Howard	Ross Brandon	Oles Gordeev	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X	X
Nay													
Abstain													



G. CORRESPONDENCE / INFORMATION

G1. PRISM Annual Report for ACCEL – There was no discussion on this item.

G2. “What is Cahoots?” Article – There was no discussion on this item.

G3. CAJPA Conference September 21-24, 2021 (2019 Schedule and 2021 Preliminary Schedule)

There was no discussion on this item.

H. PUBLIC COMMENTS – There were no public comments.

ADJOURNMENT

Jena Covey adjourned the meeting at 12:45 PM on Tuesday, June 15, 2021.

Jena Covey adjourned the meeting at 1:02 PM on Wednesday, June 16, 2021.