

ACCEL BOARD OF DIRECTORS AND STRATEGIC PLANNING MEETING

Day 1 - Wednesday, October 12, 2022 at 1:00 PM (Board Meeting)
Day 2 - Thursday, October 13, 2022 at 9:00 AM (Strategic Planning)
Day 3 - Friday, October 14, 2022 at 9:00 AM (Board Meeting Continuation)

LOCATION:

**City of Santa Barbara City Hall
3rd Floor, Room 15
735 Anacapa Street
Santa Barbara, CA 93101**

MEMBERS PRESENT:

Tracey Matthews, City of Anaheim

Jena Covey, City of Bakersfield

Joe Rodriguez, City of Modesto

Rafaela King, City of Monterey

Jesse Takahashi City of Mountain View

Jeannette Chavez, City of Ontario *(Wednesday, October 12, 2022 and Thursday, October 13, 2022 only)*

Jennifer Collins, City of Ontario Alternate

(left at 3:37 PM during Closed Session on Wednesday, October 12, 2022)

Sandra Blanch, City of Palo Alto *(left at 11:27 AM on Friday, October 14, 2022)*

Rhonda Combs, City of Salinas

Mark Howard, City of Santa Barbara

Ross Brandon, City of Santa Cruz

Oles Gordeev, City of Santa Monica

Charlotte Dunn, City of Visalia

MEMBERS ABSENT:

None

GUESTS AND CONSULTANTS:

Scott Andrews, City of Bakersfield Assistant City Manager

(left at 3:37 PM during Closed Session on Wednesday, October 12, 2022 and Thursday, October 13, 2022 only)

Betsy McClinton, City of Burbank

(via teleconference, left at 3:37 PM during Closed Session on Wednesday, October 12, 2022 and left at 3:20 PM on Thursday, October 13, 2022 only)

Marisa Kahn, City of Santa Barbara Alternate

(left at 3:37 PM during Closed Session on Wednesday, October 12, 2022)

Vanessa Shearer, City of Visalia Alternate

(left at 3:37 PM during Closed Session on Wednesday, October 12, 2022)



Mark Roberts, City of Salinas Finance Director
(left at 3:37 PM during Closed Session on Wednesday, October 12, 2022)

John Downs, Interim Deputy Director of Finance
(left at 3:37 PM during Closed Session on Wednesday, October 12, 2022)

Tiana Randazzo, PRISM
(Thursday, October 13, 2022 only, joined via teleconference at 12:30 PM and left at 1:05 PM)

Marlene Reed, PRISM
(Thursday, October 13, 2022 only, joined via teleconference at 12:30 PM and left at 1:05 PM)

Danielle Heim, PRISM
(Thursday, October 13, 2022 only, joined via teleconference at 12:30 PM and left at 1:05 PM)

Ben Oram, George Hills Company

David Trautz, George Hills Company *(Wednesday, October 12, 2022 only)*

John Chaquica, George Hills Company *(Wednesday, October 12, 2022 and Thursday, October 13, 2022 only)*

Mike Harrington, Bickmore Actuarial *(Thursday, October 13, 2022 and Friday, October 14, 2022 only)*

Joe Piezka, Crowe LLP *(Friday, October 14, 2022 only)*

Carl Sandstorm, CAJPA Accreditation
(Friday, October 14, 2022 only, via teleconference and left at 9:15 AM)

Carlos Oblites, Chandler Asset Management *(Friday, October 14, 2022 only, arrived at 9:37 AM)*

Daniel Howell, Alliant Insurance Services *(left at 11:27 AM on Friday, October 14, 2022)*

Conor Boughey, Alliant Insurance Services

Lorissa Huey, Alliant Insurance Services

Marcus Beverly, Alliant Insurance Services

A. CALL TO ORDER

A1. Introductions & Verbal Report from Program Administrators

Jena Covey called the meeting to order on Wednesday, October 12, 2022 at 1:00 PM.
Jena Covey called the meeting to order on Thursday, October 13, 2022 at 9:01 AM.
Jena Covey called the meeting to order on Friday, October 14, 2022 at 9:00 AM.

B. CONSENT CALENDAR

B1. Approval of Minutes for the June 16 and 17, 2022 Board Meeting

B2. Approval of Minutes for the September 21, 2022 Special Board Meeting

B3. Evidence of Coverage and Disclosure:

B3i. Alliant Crime Insurance Program (ACIP)

B3ii. Alliant Public Pool Liability (APPL)

B3iii. Alliant Deadly Weapon Response Program (ADWRP)

A motion was made to approve the consent calendar.



MOTION: Mark Howard

SECOND: Tracey Matthews

MOTION CARRIED

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafaela King	Jesse Takahashi	Jeannette Chavez	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													

C. GENERAL RISK MANAGEMENT ISSUES

Rhonda Combs, City of Salinas asked if any Members have special type of police that only do transport of arrestees to the jails that are either sworn or nonsworn officers and carry firearms.

Also, the Salinas Police Department wants to operate drones more and is trying to get more officers interested in becoming drone operators, but the officers do not want to go through the entire pilot licensing certification and obtain a different type of drone certification. The question is whether ACCEL’s Memorandum of Coverage and the excess liability carriers will have any issues. An Underwriting Committee Meeting will be scheduled to discuss this.

Oles Gordeev, City of Santa Monica explained that the City’s Public Works Department and Parks and Recreation Department employees such as custodians and parks maintenance have been cleaning up homeless encampments. The CalOHSAs job hazard analysis determined that the task is too hazardous. Oles asked what entities have done as respects who is responsible for the clean up. Jena Covey from the City of Bakersfield, shared that it has two teams, one in the Code Enforcement and Parks and Recreation Departments called the Rapid Response Team that only clean up homeless encampments.

Sandra Blanch, City of Palo Alto said that the City’s Recreation Department is looking into hiring a summer camp instructor for kids to use mini drones indoors. Mark Howard from the City of Santa Barbara stated that the City’s Library does this at the library weekly.

Jeannette Chavez, City of Ontario inquired what other Members have done to address bounce house exposures. Other Members stated that if anyone who wants to rent one of their City’s parks and use a bounce house, their City has an approved list of vendors that have insurance. It is recommended that the City ask the bounce house vendors for insurance requirements of \$1,000,000 per occurrence and \$2,000,000 general aggregate before taking the exposure in house.

D. REPORTS

D1. President's Report

D1a. Board Member Peer Program

Jena Covey reported that as ACCEL's Board of Directors change, new Members may be provided a Peer Board Member to help with orientation to the Board. Rafaela King, City of Monterey Primary, Jennifer Collins, City of Ontario Alternate, and Vanessa Shearer, City of Visalia Alternate are the new Board Members.

Ross Brandon, City of Santa Cruz volunteered to be the mentor to Rafaela.

Jennifer and Vanessa's mentors will be the Primary Board Members from their Cities, which are Jeannette Chavez, City of Ontario and Charlotte Dunn, City of Visalia.

D1b. Liability Claims Training for City Staff

Jena Covey explained that George Hills has an online training program which could benefit City staff by familiarizing them with tort claims, public entity immunities, and creating a networking opportunity for emerging Risk Managers.

John Chaquica, George Hills added that reduced pricing is offered for contracted customers.

D2. Executive Committee's Report

D2a. Committee Assignments

Conor Boughey reported that at the June 2022 Board Meeting, the Board Members stated their preference of whether they would like to be a Member of the Claims, Finance, or Underwriting Committee. After July 1, 2022, the Executive Committee met to affirm and approve the committee assignments which are listed in the agenda packet.

D2b. Report on Executive Committee's Review of Policies and Procedures

Conor Boughey reported that every two years the Executive Committee (EC) reviews the Policies and Procedures (P&P) that falls under its purview. The EC directed the Program Administrators to check all of ACCEL's P&Ps and other documents if they state "himself/herself" and "he/she" and to make administrative changes for diversity inclusion.

The Program Administrators included a list of all the ACCEL documents including the JPA Agreement, Bylaws, Memorandum of Coverage, and contracts.

No reportable action took place.



D2c. Proposed Changes: Arbitration of Non-Coverage Disputes Policy and Procedure

Conor Boughey reported that the Executive Committee (EC) gave direction to Byrne Conley, ACCEL’s Legal Counsel to modify section (b) Executive Committee Appeal to include language about how the Member must provide a written statement to the Program Administrators in time to appropriately take action in compliance with the Brown Act and to afford the Member time to present the issue to the EC.

Byrne’s proposed changes were included as redlined in the agenda packet.

A motion was made to approve the changes.

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

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafaela King	Jesse Takahashi	Jeannette Chavez	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													

D3a-e. Financial and Treasurer's Report

Conor Boughey and Oles Gordeev, ACCEL Treasurer walked through the financial items. Conor mentioned that the Treasurer and the Program Administrators always have a pre-meeting to the Board Meeting to discuss these items.

Conor pointed out that the US Bank monthly statement shows ACCEL has \$40.7M while Chandler’s monthly statement shows \$40.9M. This is due to market value fluctuations between what the bank and what the investment advisor says the underlying values are worth. The Chandler and US Bank monthly statements are included to make sure that those numbers are close, they are representative of each other, and it is expected they will never match. The account beginning balance and end balance goes down and that is due to the market value as bond rates have risen, the holdings lose value.

The average purchase yield on bonds have increased starting at 1.86% per the June 2022 Chandler Statement, 1.88% per the July 2022 Chandler Statement, and 1.9% per the August 2022 Chandler Statement. As ACCEL has been moving money to long term, it is picking up more yield on those instruments purchased so there are higher interest payments back to ACCEL. ACCEL is earning more interest, but market value has dropped.

A motion was made to approve the Financial Items.



MOTION: Charlotte Dunn **SECOND:** Tracey Matthews

MOTION CARRIED

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafaela King	Jesse Takahashi	Jeannette Chavez	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													

D4. Claims Committee's Report

D4a. 2022 Claims Audit Status

Conor Boughey reported that Rob Powers, ACCEL’s Claim Auditor is in the process of the 2022 Claims Audit and Rob has provided a status of which Members’ audits are completed and still pending.

The Claims Audit report is due to ACCEL on December 15 each year. The Claims Committee will meet to review the report and may make a recommendation to the Board for the January 2023 Board Meeting. Rob will be present at the January 2023 Board Meeting.

D4b. ACCEL’s Claims Administration and Litigation Management Contract

Conor Boughey reminded the Board that at the June 2022 Board Meeting, the Board delegated authority to the Claims Committee to evaluate the proposed contract with George Hills (GH) and make a recommendation to the Board at today’s Board Meeting. The Claims Committee met twice with GH during the summer to negotiate pricing, terms, and conditions.

The proposed contract was included as a separate item from the agenda packet and the Claims Committee took action to make a recommendation to the Board to accept as presented.

A motion was made to approve the Claims Committee’s recommendation to enter into the contract with GH for Claims Administration and Litigation Management.

MOTION: Mark Howard **SECOND:** Sandra Blanch **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafaela King	Jesse Takahashi	Jeannette Chavez	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													



D4c. Proposed Changes: ACCEL Claims Reporting and Handling Policy and Procedure

Conor Boughey reported that the Claims Committee took action at its October 4, 2022 Committee Meeting to recommend to the Board to adopt the proposed changes in the Claims Reporting and Handling Policy and Procedure outlining the current claims settlement authority process.

Direction was given to the Claims Committee to review this further and implement a tiered approach that breaks down the proposed section VII. Settlement Authority Process, bullet point 4., with three levels of authority between the Claims Committee Chair, Claims Committee, and the Board with a stated dollar amount, and no settlement authority is given unless there is an approved ACCEL Reserve.

D4d. Litigation Update

Ben Oram, ACCEL’s Litigation Manager presented a Litigation Update report for the third quarter of 2022.

Members asked questions, which were addressed.

D4e. CLOSED SESSION – Pursuant to Gov't Code 54956.95

A motion was made to enter into Closed Session at 3:37 PM.

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

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafacla King	Jesse Takahashi	Jeannette Chavez	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 4:57 PM.

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

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafacla King	Jesse Takahashi	Jeannette Chavez	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													



Jena Covey reported out of Closed Session that the Board took action on the agenda items and direction was given to the Claims Administrator.

D5. Program Administrator’s Report

D5a. 2022-23 Summary of Coverage

Lorissa Huey presented the 2022-23 Summary of Coverage for each Member. She explained that the Excess Liability, Standalone Terrorism, Supplemental Liability which is the Alliant Deadly Weapon Response Program (ADWRP), and optional Excess Workers’ Compensation information shown are the coverages that the Members purchase through ACCEL.

D5b. Upcoming Service Providers Survey

Jena Covey asked the Board if there is a different method to conduct the Service Provider Surveys.

Tracey Matthews will send the Program Administrators a sample Service Standards Evaluation.

The Board agreed to pause the surveys for this year. The Executive Committee will meet to discuss the sample Service Standards Evaluations and then report back to the Board at the June 2023 Board Meeting.

D5c. Alliant Disclosure Presentation

Conor Boughey walked through the PowerPoint Review of Disclosure which outlines carrier invoices, Alliant invoices, and an export report from Alliant’s Agency Management System with alphabetical letters matching the amounts from each report. The PowerPoint is new this year.

The Finance Committee met on August 24, 2022 and reviewed three different documents, 1) PowerPoint Review of Disclosure, 2) Alliant 22-23 Disclosure Packet, and 3) 22-23 Invoices. The Committee found no discrepancies and directed the Program Administrators to only present the PowerPoint at the Board level.

A motion was made to receive and file the presentation.

MOTION: Rhonda Combs **SECOND:** Sandra Blanch **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafaela King	Jesse Takahashi	Jennifer Collins	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													

D5d. Law Enforcement Risk Mitigation Services

Conor Boughey and Daniel Howell reported that Benchmark Analytics created a use-of-force toolkit to digitally track officer incidents involving use of force. The toolkit provides a database to track officer interactions, interpret the force used to analyze and evaluate the appropriateness of force, officers who have repeated use-of-force concerns, and identify potential problem encounters.

Members expressed concern about data privacy and directed the Program Administrators to clarify with Benchmark Analytics.

Direction was given to the Program Administrators to set up a live webinar with the Board and the Police Chiefs.

D5e. Feedback on Recorded Webinar ACCEL's Recovery Plan

Conor Boughey reminded the Board that it directed the Program Administrators to record a webinar about ACCEL's financial state and retro assessments prior to the October 2022 Strategic Planning and Board Meeting so that Members can provide it to their Finance Directors.

Conor noted that on September 9, 2022, the Program Administrators e-mailed all the Board Members, 1) a thirty minutes recorded webinar on ACCEL's Recovery Plan Update Fall 2022 and 2) each Members' three year cost projection letter dated July 13, 2022 again for reference so that they can forward to the Finance Directors and bring feedback to today's meeting.

Members provided positive feedback and requested that the Program Administrators record a webinar on this subject every year.

E. STRATEGIC PLANNING

E1. Expectations, Goals, and Objectives

Everyone in the meeting room shared their expectations, goals, and objectives for the Strategic Planning.

E2. ACCEL's Mission Statement – Are We Delivering Our Commitment?

Conor Boughey announced that the purpose of revisiting ACCEL's Mission Statement each time it has a Strategic Planning is because it will help impact Board Members' decisions during the Strategic Planning session.

There was no further discussion.

E3. High Level Review of ACCEL's Program

Conor Boughey summarized for the Board ACCEL's formation and governing decisions. ACCEL was formed in 1986 in a hard insurance market as a \$9,000,000 excess of \$1,000,000 non-equity pool.



ACCEL functions as a risk financing vehicle, focusing on excess coverage costs. ACCEL Members continue to retain \$1,000,000 and each of the Members have dedicated Risk Management Departments.

Included in the agenda packet contained 1) a historical limits chart from inception to the current fiscal year, 2) the current fiscal year's program structure, and 3) a chart of coverages that ACCEL purchases as a group and what its Members can place individually.

E4. ACCEL's Memorandum of Coverage (MOC) Review – Key Coverage Points

Conor Boughey explained that ACCEL's Memorandum of Coverage (MOC) is the controlling coverage document for ACCEL's pooled layer. Conor walked through a highlighted version of the MOC to point out to the Board the following coverage points which were 1) wages with respects to Employment Practices Liability claims, 2) medical malpractice, 3) drones and unmanned aircraft, 4) subsidence and inverse, 5) marinas, and 6) vessels.

E5. Target Equity Ratios

Conor Boughey presented the Target Equity Ratios Presentation. This is reviewed annually and is one of the requirements of CAJPA for Accreditation with Excellence.

This item is typically provided at the January Board Meeting after the Financial Audit is presented at the October Board Meeting. However, for this year, the Board requested that the Program Administrators agendize this item for the Strategic Planning to aid in the discussion about increasing the Members' self insured retentions.

Members requested that the Finance Committee review the Target Equity Ratios Policy and Procedure to ensure the ratios are still appropriate.

E6. Equity v. Non-Equity Pool Considerations

Conor Boughey reminded the Board that at the 2020 Strategic Planning, the Board discussed the potential change from a non-equity pool to an equity pool, but decided not to move forward and table this discussion for a later time. ACCEL was formed with the philosophy of a non-equity pool and has a financial plan that returns deposit premiums back to the Members through the retro calculation. The amounts available for return are considered a liability to ACCEL because they are owed to the Members. However, as ACCEL continues to restrict its retro calculation, this is allowing the Board to operate like an equity pool.

No further discussion took place.

E7. Actuarial Presentation

Mike Harrington, ACCEL's Actuary presented to the Board about ACCEL's current funding rates and its historical ultimate losses. Mike also discussed various cost sharing alternates such as experience modifications, surcharge ratings, sub pools, and deductibles/self insured retentions.

Members asked questions, which were addressed as they arose.

E8. PRISM Dashboard

Marlene Reed, Danielle Heim, and Tiana Randazzo from PRISM shared on the TV screen in the meeting room the PRISM Analytics Platform and showed the Board how to navigate through it.

Members asked questions and were addressed by PRISM.

Direction was given to the Program Administrators to clarify the cyber indemnification with PRISM.

E9. Member Retention Attachment to ACCEL

Conor Boughey reminded the Board that in 2018, ACCEL's Actuary completed an additional scope of work to evaluate rates for different membership retention scenarios, and the Board reviewed and determined the premium generated by the larger Members were too critical to relinquish, and the financial impact would have been negative to ACCEL.

The goal of today's discussion was to consider higher self-insured retentions and program year funding models which include higher confidence level funding, Member specific rates, experience modifications, or surcharges.

The Board decided to appoint an Ad Hoc Committee to discuss a two step plan and bring three options back to the Board by the March 2023 Board Meeting. The first step's priority is immediate infusion of cash and long term stability for larger and smaller Members. The second step is re-stabilization and the potential increase of self insured retentions.

The Ad Hoc Committee will meet first to discuss what the three options will be. The Program Administrators can record a webinar about those three options before the second Ad Hoc Committee Meeting.

The Ad Hoc Committee Members consist of:

- Tracey Matthews, City of Anaheim
- Jena Covey, City of Bakersfield
- Rafaela King, City of Monterey
- Sandra Blanch, City of Palo Alto
- Ross Brandon, City of Santa Cruz
- Oles Gordeev, City of Santa Monica
- Mike Harrington, Bickmore Actuarial
- Program Administrators

Mike Harrington will revise the Actuarial engagement letter with ACCEL as this is considered a special project.

E10. ACCEL's Financial Recovery Plan

Conor Boughey reported that in 2020, ACCEL took action to adopt a corrective funding plan that included, 1) an increase the pooled layer funding to 90% from 80%, and 2) the adoption of a negative net position charge of 10% of the prior year's negative position. The Financial Audit ending June 30, 2022 indicated that ACCEL is in a negative net position of (\$1,336,797). This year, as investment bond rates have risen, ACCEL's long term investments lost market value, and the financial audit captured a negative valuation of the investment portfolio of \$1,482,758. If the investments had not lost market value, the net position would be a positive \$145,967. For this reason, the Board may consider waiving this component of the plan.

E11. Cyber Liability

Conor Boughey reported that Members asked the Program Administrators to agendize this topic again for today's Strategic Planning. Cyber Liability exposures continue to evolve and the coverage being purchased by Members is also changing. Conor discussed the current buying trends to assure Members are informed and have all the avenues available to secure needed protections. Included in the agenda packet was a Cyber Insurance Coverage and Market Update PowerPoint.

Members requested that this item be brought back at a later time.

E12. Foreign Travel Insurance

Daniel Howell reported that Foreign Travel Insurance is a package policy that includes various coverages that are helpful for a public entity's travelers. ACCEL could secure a master policy for Members and include the cost as a part of the Liability Program renewal.

The Program Administrators will provide the Members a form or spreadsheet to complete the anticipated number of travel, locations, estimated duration, and list all their Sister Cities.

E13. Captive Development

Conor Boughey reported that captives are frequently considered for their potential increased investment returns, but also have substantial cost factors to establish. Some large self-insured entities, such as the University of California and PRISM have developed captives. A captive insurance company is a special purpose insurance or reinsurance company that is owned or controlled primarily by its insureds. A captive could be set up as either a single parent or multi-cell captive.

The Board agreed that it is not interested in a captive at this time.

E14. George Hills Master Contract for Members

Conor Boughey stated that sometimes ACCEL Member Agencies may experience service issues with respects to contract claims administration, or may self-administer claims and require assistance. Conor reminded the Board that it requested the Program Administrators to work with George Hills, ACCEL's Claims Administrator to consider developing an ACCEL Master Contract for Claims Administration so that ACCEL Members could utilize if they require assistance to manage claims at their entity.

John Chaquica, George Hills walked through the proposed master contract and the explained services provided.

The Board decided not to sign the proposed master contract. If Members need assistance, they are directed to call John Chaquica.

F. Reports Continued

F1. CAJPA's Reports

F1a. CAJPA Conference Update

Conor Boughey reported that the CAJPA Conference was held September 11 to 14, 2022 in South Lake Tahoe. Members are encouraged to attend CAJPA to learn more about pooling.

Joe Rodriguez, Jesse Takahashi, and Tracey Matthews stated that they attended the conference and shared their experience.

Members requested that the Program Administrators mention to CAJPA to consider changing the location of the CAJPA conference due to wildfires.

F1b. CAJPA Accreditation with Excellence Certificate Presentation

Carl Sandstorm from the CAJPA Accreditation Committee presented to the Board about what CAJPA is, the Accreditation Process, and then announced that ACCEL has been awarded CAJPA Accreditation with Excellence again. The CAJPA Accreditation with Excellence Certificate was included in the agenda packet.

F2. Finance Committee's Reports

F2a. Financial Audit as of June 30, 2022

Joe Piezka, ACCEL's Financial Auditor presented the Financial Audit as of June 30, 2022.

Joe reported that on September 29, 2022, the Finance Committee (FC) thoroughly reviewed the draft of the Financial Audit as of June 30, 2022 with Crowe LLP and the Program Administrators. The FC took action to make a recommendation to the Board to receive and file the Financial Audit.



A motion was made to approve the FC’s recommendation by receiving and filing the Financial Audit.

MOTION: Mark Howard **SECOND:** Tracey Matthews **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafacla King	Jesse Takahashi	Jennifer Collins	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													

F2b. Agreed Upon Procedures: Retrospective Rating Calculation (RPC) Audit – Report

Conor Boughey reminded the Board that it gave direction to the Finance Committee (FC) to oversee the Agreed Upon Procedures: Retrospective Rating Calculation (RPC) Audit until completion. This was the first RPC Audit performed.

Joe Piezska from Crowe walked through the findings. Conor commented that in the Background section of the agenda packet, there is additional information regarding those findings.

Conor reported that the FC met on September 29, 2022 to discuss the draft of the Agreed Upon Procedures RPC Audit report with Crowe LLP and the Program Administrators. The FC took action to recommend to the Board to accept the report. Also, the Committee did not want to make a recommendation on the frequency of the audit and wants to discuss at the Board level.

Members asked questions, which were addressed.

A motion was made to receive and file the report and the FC will discuss the frequency of the Agreed Upon Procedures: RPC Audit.

MOTION: Oles Gordeev **SECOND:** Ross Brandon **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafacla King	Jesse Takahashi	Jennifer Collins	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													



F2c. Finance Committee’s Proposed Changes to ACCEL’s Policies and Procedures:

F2ci. Accounting Guide

F2cii. Financial Plan

Conor Boughey reported that the Finance Committee (FC) met on August 24, 2022 to review its Policies and Procedures (P&Ps) that fall under its purview. The FC made a recommendation to the Board to propose changes to the Accounting Guide P&P and Financial Plan P&P.

The Accounting Guide P&P’s proposed change is to add verbiage, “The Bookkeeper prepares the check run and routes to Conor Boughey for approval. If there is reimbursement request to Conor Boughey greater than \$5,000, one of the following will have authority to approve, Daniel Howell, Lorissa Huey, or Marcus Beverly.”

The proposed changes for the Financial Plan P&P are to include the payment plan details and add language, “If a Member is more than 90 days delinquent on the payment plan, the Program Administrators will report to the Board at the next Board Meeting for further action.”

A motion was made to approve the proposed changes.

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

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafaela King	Jesse Takahashi	Jennifer Collins	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													

F3. Underwriting Committee’s Report

F3a. Topics for the Underwriting Committee

Conor Boughey reported that included in the agenda packet is a list of topics the Underwriting Committee (UC) will discuss at its upcoming meetings. The Program Administrators will start scheduling meetings in the upcoming months.

Mark Howard, UC Chair stated that the following three topics need to go to the UC for review, 1) battery farms, 2) proposed changes to ACCEL’s Memorandum of Coverage (MOC) Exclusion O. Fines and Assessments, and 3) City of Bakersfield’s Tele911 Program.

Mark noted that the topics regarding the City of Modesto's Fire Chief providing administrative services to City of Turlock and Stanislaus County, and City of Burbank Quiet Zones do not need to go back to the UC because Mark has confirmed that these were reviewed and determined these meet the ACCEL MOC Requirements. Mark reminded the Board that when Members enter into agreements that trigger the Underwriting Standards Policy and Procedure to bring it forward to the UC Chair and UC.

The Board requested that the topics that don't need to go back to the UC to provide a short report at the next Board Meeting for information only.

Mark requested that the topic of the Narcan Program be put on hold because it was discussed in the past three years, and reminded the Board that in the ACCEL MOC there is a give back of coverage for City staff to provide this type of service by EMTs and other staff that are trained.

In addition, the UC will add to the agenda a discussion about drone pilots.

G. UNFINISHED BUSINESS

G1. Short and Long Term Investment of Funds – Continued Discussion

Carlos Oblites from Chandler presented to the Board a long term portfolio update of the \$15,000,000 that the Board has transferred year to date.

Members asked questions, which were addressed by Carlos as they arose.

The Board decided not to transfer any additional funds at this time and to reassess at fiscal year end.

Direction was given to Carlos to provide the Board with more information about ten year instruments and propose modifying the ACCEL Investment Policy.

G2. Review of Strategic Planning Items for Action

The Strategic Planning was held the prior day on Thursday, October 13, 2022.

The Board created a Planning Parking Lot list:

1. White paper of Member Options for CA Cities
 - a. What are other Cities doing? In a JPA? Standalone? Moving to a different pool?
2. Seek quotes at higher retention
 - a. For comparison purposes
 - b. Seek funding requirements from Actuary
3. Can ACCEL attract new beneficial Members?
 - a. Retain larger Members
4. Claims Reporting outside ACCEL
 - a. George Hills – Added service claims reporting
 - b. Reporting Matrix
 - i. Each Member
5. Reservation of Rights



- a. Frequency
- b. Response
- 6. Determining dates of loss / occurrence
 - a. Policy definition
- 7. Review Target Equity Goals
- 8. Cyber Indemnification from PRISM
- 9. Developing Service Standards – delegated to Executive Committee

A motion was made to assign all the tasks to the Program Administrators from the Strategic Planning.

MOTION: Ross Brandon **SECOND:** Rhonda Combs **MOTION CARRIED**

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafaela King	Jesse Takahashi	Jennifer Collins	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													

H. NEW BUSINESS

H1. PRISM Election Results and Update

Mark Howard announced that he has been reelected as a PRISM Board Member and PRISM Executive Committee Member.

PRISM has a Legislative Committee and the last Committee report indicated two lobbyists tried to lobby Sacramento for a long time to get the State’s elected officials’ attention on excessive verdicts.

Members are encouraged to lobby their local elected officials about what this means and how this is affecting Cities’ abilities to deliver necessary services such as public safety, parks and recs, and wastewater treatment.

ACCEL Board Members requested PRISM to provide a template so that they can bring back to their Cities.

H2. Travel Expense Policy and Procedure

Lorissa Huey reported that ACCEL’s Travel Policy and Procedure reimburses its Members to travel to Board Meetings and training opportunities. This item was brought up to discuss 1) increasing the meal per diems, 2) define which nights can be expensed for travel to Board Meetings, and 3) whether to remain silent on reimbursement of non-Board Members and/or vendors.



The Board agreed to not add verbiage about which nights Board Members can use the hotel room block because it wants to keep the policy flexible and less restrictive. If special circumstances arise, Board Members are instructed to seek guidance from the Program Administrators and President. Also, the Board wants to remain silent on reimbursement to non-Board Members/and or vendors.

A motion was made to amend the Travel Policy to 1) increase the meal per diems to \$20 for breakfast, \$25 for lunch, and \$40 for dinner, 2) increase the training budget to three conferences at \$5,000 from two conferences at \$2,000 and remain silent on the conference locations, 3) add verbiage that the Travel Policy’s intent is to also reimburse Alternate Board Members, 4) delete the “Treasurer” on bullet point #7. These changes will be effective July 1, 2023. This item will be brought back on the Consent Calendar at the next Board Meeting.

MOTION: Rhonda Combs

SECOND: Tracey Matthews

MOTION CARRIED

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafacla King	Jesse Takahashi	Jennifer Collins	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													

H3. Proposed 2023 Meeting Calendar

Lorissa Huey reported that every year at the October Board Meeting the Board adopts a meeting calendar for the next calendar year.

A motion was made to adopt the 2023 Meeting Calendar as shown below:

LOCATION	DATES
San Francisco	Thursday, January 19, 2023 at 12:00 PM Friday, January 20, 2023 at 8:00 AM
Burbank	Thursday, March 30, 2023 at 12:00 PM Friday, March 31, 2023 at 8:00 AM
Monterey or Santa Cruz	Thursday, June 15, 2023 at 12:00 PM Friday, June 16, 2023 at 8:00 AM
Modesto	Thursday, October 12, 2023 at 12:00 PM Friday, October 13, 2023 at 8:00 AM

The Program Administrators will pick the hotel that provides the best rate in Monterey or Santa Cruz for the June 2023 Board Meeting. In addition, a catered lunch will be provided for the Thursday meeting.



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

	Tracey Matthews	Jena Covey	Betsy McClinton	Joe Rodriguez	Rafaela King	Jesse Takahashi	Jennifer Collins	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													

H4. Website ADA Compliance

Conor Boughey reported that Members are provided access to free scans of their websites for compliance with ADA requirements through AAAtraq. Ongoing monitoring and specific recommendations to correct any deficiencies are available for a fee. The service includes documentation of a Member’s reasonable attempts to accommodate those who qualify under the ADA and litigation support and costs coverage up to \$50,000 for a covered claim.

No reportable action took place.

H5. Schedule of the Next Two Board of Directors Meetings

The next two Board Meetings will be held in San Francisco on Thursday and Friday, January 19 and 20, 2023 and in Burbank on Thursday and Friday, March 30 and 31, 2023.

Both meetings will start at 12:00 PM on Thursdays and 8:00 AM on Fridays unless otherwise stated.

I. CORRESPONDENCE / INFORMATION

II. **PARMA Conference** – There was no discussion on this item.

J. **PUBLIC COMMENTS** – There were no public comments.

ADJOURNMENT

Jena Covey adjourned the meeting on Wednesday, October 12, 2022 at 4:58 PM.

Jena Covey adjourned the meeting on Thursday, October 13, 2022 at 4:00 PM.

Jena Covey adjourned the meeting on Friday, October 14, 2022 at 11:50 AM.