



**MINUTES OF THE
ACCEL BOARD OF DIRECTORS MEETING
OCTOBER 15, 2015 AT 3:00 PM
AND OCTOBER 16, 2015 AT 8:30 AM
MEETING LOCATION:
HYATT SANTA BARBARA
1111 E. CABRILLO BLVD.
SANTA BARBARA, CA 93103**

MEMBERS PRESENT

Dave Nunley, City of Anaheim
Jena Covey, City of Bakersfield
Betsy Dolan, City of Burbank
Beverly Jensen, City of Modesto
Rhonda Combs, City of Monterey
Claudia Koob, City of Mountain View
Ann Richey, City of Ontario
Sandra Blanch, City of Palo Alto
Mark Howard, City of Santa Barbara
Patty Haymond, City of Santa Cruz
Deb Hossli, City of Santa Monica
Charlotte Dunn, City of Visalia

MEMBERS ABSENT

GUESTS AND CONSULTANTS

Conor Boughey, Alliant Insurance Services, Inc.
Vadim Livshits, Alliant Insurance Services, Inc.
Marisa Kahn, City of Santa Barbara
Tim Thompson, Carl Warren
Brandon Schlenker, Carl Warren

Mark Howard called the meeting to order at 3:02 p.m. on Thursday, October 15, 2015

Mark Howard called the meeting to order at 8:30 a.m. on Friday, October 16, 2015

B1. Consent Calendar – Approval of the Minutes of the June 11 & 12, 2015 Board Meeting

Motion to approve the minutes of the June 11 & 12 Board of Directors Meeting.

MOTION: Ann Richey **SECOND:** Sandra Blanch **MOTION CARRIED**



	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

C. General Risk Management Issues

Rhonda Combs inquired if there have been any dangerous condition claims as a result of collisions with trees planted in the median of a roadway. Most members have never had any claims as a result of collisions with trees in a median.

Beverly Jensen asked if other Cities use any kind of Certificate of Insurance management software? The City of Modesto physically signs all certificates. Ann Richey commented that she signs all certificates as well. Daniel Howell says there is a company called Exigis, which does this type of work, but charges a fee.

Administrators will ask Katie Pickard from the Alliant San Francisco office for information from a recent RFP by the UC that evaluated several types of certificate management software, and distribute the information to the Members.

Jena Covey asked if any other Risk Managers manage CalOSHA citations. There has been an increase in citations lately, and CalOSHA is pushing criminal charges on supervisors. Ann added that the District Attorney in Los Angeles County will be working with CalOSHA to go after employers. Ann is using TargetSafety to try to get her supervisors into compliance. Bakersfield does supervisor training once or twice a year, but Jena is concerned about managing employees who act outside their scope of work or are not working safely. Dave Nunley and Betsy Dolan had CalOSHA visits, but because they were cooperative there were no fines, or the fines were minimal.

D1a. Committee Assignments

Mark Howard informed Members of their Committee appointments and added that Charlotte Dunn has been selected as Chair of the Claims Committee.

D2a. Closed Session

Motion to enter closed session

MOTION: Ann Richey

SECOND: Betsy Dolan

MOTION CARRIED



	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

The Board entered Closed Session at 3:28 p.m.

Motion to exit Closed Session

MOTION: Ann Richey **SECOND:** Sandra Blanch **MOTION CARRIED**

The Board exited Closed Session at 5:15 p.m.

Direction was given to the Claims Administrator. Action was taken on Basset v. Burbank, O'Dell v. Santa Monica, and Taylor v. Burbank.

Administrators will draft a letter to the City of Santa Monica, to be distributed under the President's signature, about the serious effect of fixed-route transit claims on underwriting, and how that affects ACCEL.

D2b. Claims Reporting Guidelines for Underlying Insurance

Conor reported that the Claims Committee has met, and has determined that any claims that arise from policies not purchased through ACCEL must be properly reported through proper channels. Reporting through the ACCEL Claims Administrator does not satisfy the requirements of underlying insurance reporting.

Motion to accept changes as proposed by the claims committee.

MOTION: Ann Richey **SECOND:** Charlotte Dunn **MOTION CARRIED**

	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												



D3a. Ratification of Disbursements

D3b. Report of Investments

D3c. Quarterly Financial Report as of June 30, 2015

D3d. Member Account Summary

D3f. ACCEL Projected Cash Flow Obligations as of June 30, 2015

Conor Boughey reported on items D3a-D3d & D3f, and addressed questions raised by the Board.

Motion to accept the financial reports.

MOTION: Ann Richey

SECOND: Sandra Blanch

MOTION CARRIED

	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

TIME CERTAIN 8:30AM on Friday, October 16, 2015.

D3e. Financial Audit as of June 30, 2015

Charles Raibley of Crowe-Horwath presented the Financial Audit. The Management Discussion and Analysis (MD&A) is not completed at the time of this presentation, but otherwise the Audit is in nearly final form and no changes to the numbers are expected.

Charles reported that there were no outstanding issues.

Motion to approve the final audit subject to inclusion of the completed MD&A and correction of footnote, section 1 to match the MD&A.

MOTION: Deb Hossli

SECOND: Sandra Blanch

MOTION CARRIED



	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

D4a. Report from the August 28, 2015 Underwriting Committee Meeting

Rhonda Combs gave a short summary of the proceedings of the Underwriting Committee Meeting of August 28, 2015.

D4b. Super Bowl Coverage Issues

Conor Boughey explained that the Super Bowl is going to be a multi-week series of events that will take place throughout the Bay Area in late January and early February of 2016, culminating with the Super Bowl on February 7, 2015. The Cities of Mountain View and Palo Alto have contracted with the City of Santa Clara to provide services, including Police, for the Super Bowl.

Sandra Blanch has informed the Board that the contract may be amended before it is finalized. The amendment will name the City of Palo Alto additional insured. Sandra would like a formal letter from ACCEL to substantiate information that has already been conveyed by Sandra to the Police Chief, expressing how potentially serious of an issue this could raise. She would like the letter to state that there needs to be a limit to control by the City of Santa Clara and there needs to be information shared with the City of Palo Alto on control and operation.

The Board would like to establish exactly what the exposures associated with this event are, and the probabilities of these exposures occurring during the one week of this event.

The Administrators will follow up with Renetta on whether the Stadium Authority’s policy is part of the City of Santa Clara’s policy and if it covers Police operations. Direction given to administrators to bring this issue back at the December Board Meeting for further discussion.

Motion: The Pool Administrators will draft letter that states that the ACCEL Board has reviewed the 2015 double-badging contract and in order to ensure coverage, amendments are needed. Administrators will attach the 2013 contract explaining how the ACCEL Board is much more comfortable with the language in the 2013 contract than in the 2015 contract, highlighting specific areas that make the 2013 language palatable. The Administrators will send the letter to all other involved Pool Administrators who’s Cities are also providing Police Officers for the Super Bowl saying that this is what we learned and why we think it is important.

MOTION: Ann Richey

SECOND: Rhonda Combs

MOTION CARRIED



	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

D4c. Coverage for Employment Practices Claims – Wages

Conor reports that the underwriting committee met to review the MOC language. Exclusion T has been amended to exclude past and future wages. A resolution has been included in the agenda that accepts the changes to the MOC effective October 16, 2015.

Motion to approve the change to the MOC and change the word “and” to “and/or.”

MOTION: Ann Richey

SECOND: Patty Haymond

MOTION CARRIED

	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

Administrators will send a copy of the MOC including the endorsement to all members.

D4d. Declarations Page Format and Listing of Entities and Underlying Insurance

Conor Boughey explained that this is an issue that arose out of members wanting to schedule underlying coverage that replaces the ACCEL MOC.

Motion to approve new MOC language and Add “Scheduled on the Member Agency’s Declarations Page.” Effective July 1, 2016.

MOTION: Deb Hossli

SECOND: Ann Richey

MOTION CARRIED



	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

Betsy Dolan asked why the Board would like to have these underlying coverages scheduled. Conor explained that this is the way that underlying can be discussed and reviewed every year at a Board Meeting.

Rhonda requested written clarification as to why and when to schedule coverages on the Declarations Page.

Motion to accept Dec pages as presented.

MOTION: Rhonda Combs **SECOND:** Ann Richey **MOTION CARRIED**

	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

D5a. ICRMA Potential New Membership

Conor Boughey explained that ICRMA’s administrator, Bickmore, is leaving effective July 1, 2016. The ICRMA issued an RFP for program administrations services, and only one firm, and two independent contractors responded. Conor explained that if the ICRMA dissolves there may be new cities looking for Pools.

Michael Simmons asked if there is any interest among the Membership to solicit Members of ICRMA that may be qualified to be Members of ACCEL.

The Board discussed and Dave Nunley and Ann Richey will open discussion and meet with the City of Fullerton is possible.



D5b. Summary of Coverage

This is an annual information item for the Members. This Summary should be used as a quick reference guide, but Members are encouraged to check the policies for actual coverage information.

E1. 2015 Retrospective Rating Plan – Refund Requests

So far, only the City of Mountain View has requested \$300,000. No other requests have been made to date. No Members foresee making a request this year.

Motion to administrators to send a final copy of the Retro Report as final to Members after the June meeting. Administrators will add this to service calendar. Will be sent annually by August first.

MOTION: Ann Richey

SECOND: Dave Nunley

MOTION CARRIED

	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

E2. Resolution to Amend ACCEL Check Signers

A motion was made to appoint Mark, Dave and Ann as the new check signers for ACCEL.

MOTION: Rhonda Combs

SECOND: Charlotte Dunn

MOTION CARRIED

	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

E3. CSAC EIA Member Subsidy for Actuarial Study

There is an annual subsidy that is provide by CSAC EIA for all audits completed by any City not using Bickmore to perform their Actuarial Study.



Motion for Program Administrators to prompt two members to submit their Actuarial Study. Subsidy will be deposited to ACCEL as revenue.

MOTION: Rhonda Combs **SECOND:** Ann Richey

MOTION CARRIED

	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

E4. ACCEL Coverage Counsel

Conor Boughey explained that ACCEL’s coverage counsel, David Garthe, is close to retirement. The administrators approached Byrne Conley who has submitted a proposal to ACCEL.

Motion to accept Byrne Conley as coverage counsel.

MOTION: Deb Hossli **SECOND:** Dave Nunley

MOTION CARRIED

	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

Members would like to meet Byrne Conley at the PARMA meeting in February.

F1. Conflict of Interest Code

The FPPC is requiring JPA’s to post their Conflict of Interest Codes to their websites and allow a 45 day period for public comments.

MOTION: Betsy Dolan **SECOND:** Ann Richey

MOTION CARRIED



	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

F2. ACCEL’s Reservation of Rights Letters – Authority Level

Conor Boughey explained that it is currently unclear who has the authority to issue a reservation of rights letter. New language is proposed by Deb Hossli to insert into the Claims Handling policy and procedure that will clarify the issue.

Motion to accept new language provided by Deb Hossli to modify the Claims Handling Policy and Procedure.

MOTION: Deb Hossli

SECOND: Ann Richey

MOTION CARRIED

	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

Direction is given to instruct the Claims Administrator to issue Reservation of Rights letters when there is a claim submitted to them and there is no coverage or if it is a wage issue. Tim Thompson is requested to write a draft letter to provide to the Board before he starts issuing letters.

Motion that page 13 of the MOC is amended to match page 2 of the amended claims handling policy and procedure reporting requirements to be retroactive to July 1, 2015.

MOTION: Deb Hossli

SECOND: Ann Richey

MOTION CARRIED



	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

Claims Reporting procedure, Section C: Add language that specifies, without regard to liability. Change whenever it says “claims” to “occurrences, claims and losses”. Define claims in the MOC.

The Administrators will present a draft at the December Board Meeting as part of the consent calendar. Administrators will send the draft to Deb and Patty for review.

F3. 2016 Proposed Calendar of Meetings

Ann Richey requests that Administrators check that the December Board Meeting does not conflict with the CSAC EIA Board and Underwriting Meetings.

Motion to approve proposed calendar, but move the December meeting to December 15th and 16th and evaluate whether to have the April meeting in either Mountain View or Palo Alto.

MOTION: Ann Richey

SECOND: Charlotte Dunn

MOTION CARRIED

	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

F3a. PARMA Conference Board Meeting Date

Motion to approve meeting on Tuesday ahead of PARMA.

MOTION: Ann Richey

SECOND: Dave Nunley

MOTION CARRIED

ACCEL

Authority for California Cities Excess Liability

c/o Alliant Insurance Services, Inc.

Corporation Insurance License No. 0C36861

100 Pine Street, 11th Floor, San Francisco, CA 94111



	Dave Nunley	Jena Covey	Betsy Dolan	Beverly Jensen	Rhonda Combs	Claudia Koob	Ann Richey	Sandra Blanch	Mark Howard	Patty Haymond	Deb Hossli	Charlotte Dunn
Aye	X	X	X	X	X	X	X	X	X	X	X	X
Nay												
Abstain												

F4. Next Two Meetings Schedule

The next meeting is on December 10th and 11th in San Francisco, Followed by a meeting on February 23rd in Indian Wells, CA.

Mark Howard adjourned the meeting at 11:30 a.m.