



AGENDA

LEGEND: A - Action may be taken
I - Information
1 - Included
2 - Handout
3 - Separate
4 - Verbal

JPA: ACCEL FINANCE COMMITTEE MEETING

DATE/TIME: Monday, September 30, 2024 at 11:00 AM

LOCATION: Teleconference

Link: <https://alliantinsurance.zoom.us/j/97286055285?pwd=3vIBf6q0ijIIG8xIy5BNmaXXGp9Cck.1>

Meeting ID: 972 8605 5285

Passcode: 089522

Dial: (669) 900-6833

In accordance with the requirements of the Brown Act, notice of this meeting must be posted in publicly accessible places, 72 hours in advance of the meeting, at the office of ACCEL's Secretary.

Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Alliant Insurance Services at (415) 403-1400, 24 hours in advance of the meeting. Access to some buildings may require routine provision of identification to building security. However, ACCEL does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3.

- MEMBER LOCATIONS VIA TELE - CONFERENCE**
- City of Monterey, 735 Pacific Street, Suite A, Monterey, CA 93940
 - City of Mountain View, 500 Castro Street, 2nd Floor, Mountain View, CA 94041
 - City of Santa Barbara, 735 Anacapa Street, Santa Barbara, CA 93101
 - City of Santa Monica, 1685 Main Street, Santa Monica, CA 90401
 - City of Visalia, 220 North Santa Fe Street, Visalia, CA 93292

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A. CALL TO ORDER

B. CONSENT CALENDAR

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- 1 1. Approval of Minutes for the September 04, 2024 Finance Committee Meeting
Members will review this item and may take action to approve or amend.

(A)

C. REPORTS

1. FINANCE COMMITTEE

5-6

- 1&3 a) ACCEL 2023-24 Financial Audit Draft
Crowe LLP will go through the draft Financial Audit with the Committee. Action may be taken to provide a recommendation to the Board or direction given.

(A)

D. PUBLIC COMMENTS

- 4 *The public is invited at this point to address the Committee on issues of interest to them.*

(I)

ADJOURNMENT



**MINUTES OF THE
ACCEL FINANCE COMMITTEE
MEETING**

Wednesday, September 04, 2024 at 1:00 PM

**LOCATION:
Teleconference**

Link:

<https://alliantinsurance.zoom.us/j/92270518855?pwd=LqVRb0ZULaP4kCNZi2ZaFRpoQXH52V.1>

Meeting ID: 922 7051 8855

Passcode: 038120

Dial: (669) 900 6833

MEMBERS PRESENT:

Andrew Guzman, City of Visalia (Joined at 1:35 PM)

Marisa Kahn, City of Santa Barbara Alternate

Oles Gordeev, City of Santa Monica

Rafaela King, City of Monterey

Samhitha Cutshaw, City of Mountain View

MEMBERS ABSENT:

None

GUESTS AND CONSULTANTS:

Conor Boughey, Alliant Insurance Services

Lorissa Huey, Alliant Insurance Services

Thomas Joyce, Alliant Insurance Services

Adam Randolph, Crowe LLP

Joe Pieksza, Crowe LLP

A. CALL TO ORDER

Oles Gordeev called the meeting to order at 1:03 PM.

B. CONSENT CALENDAR

B1. Approval of Minutes for the March 04, 2024 Finance Committee Meeting

A motion was made to approve the consent calendar.



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

	Andrew Guzman	Marisa Kahn	Oles Gordeev	Rafaela King	Samhitha Cutshaw
Aye		X	X	X	X
Nay					
Abstain					

C. REPORTS

C1. FINANCE COMMITTEE

C1a. ACCEL Financial Auditor Request for Proposal (RFP)

Background was provided to the Committee as to ACCEL’s history with financial auditor contracts and best practices on the frequency of financial auditor RFPs. It was decided that the best time to do an RFP would be after the expiration of the current contract with Crowe which is the 24-25 financial audit.

C1b. ACCEL 2023-24 Financial Audit Process

Crowe presented their process for the upcoming financial audit and invited the Committee to provide questions or comments. Topics covered by Crowe include their service plan and the timeline of the financial audit. The draft audit will be presented to the Committee prior to the October Board Meeting.

C1c. Review of ACCEL Policies and Procedures

The below policies and procedures were reviewed by the Committee:

- i. Accounting Guide
- ii. Finance Committee Communication
- iii. Financial Plan
- iv. Investment
- v. Obligations to ACCEL by Former Members
- vi. Target Surplus Funding

Thomas Joyce walked through the proposed redline strike-through changes with the Committee and invited comments. These changes were to the Accounting Guide and Financial Plan and included administrative changes, clarification on ACCEL’s accounting controls, a disclaimer, and clarification on the Retro Calculation.

A motion was made to make a recommendation to the Board at the October Board Meeting to adopt the proposed changes, and direct the Program Administrators to agendize.



MOTION: Marisa Kahn **SECOND:** Rafaela King **MOTION CARRIED**

	Andrew Guzman	Marisa Kahn	Oles Gordeev	Rafaela King	Samhitha Cutshaw
Aye		X	X	X	X
Nay					
Abstain					

C1d. Alliant Disclosure Presentation

Conor Boughey reported to the Finance Committee that at the October 2020 Board Meeting, the Board directed the Finance Committee to review the Disclosure Presentation annually prior to the October Board Meeting.

There were three documents that were distributed to the Committee as separate documents and handouts, 1) PowerPoint Review of Disclosure, 2) Alliant 24-25 Disclosure Packet, and 3) ACCEL 24-25 Invoices.

Action was taken to make a recommendation to the Board to receive and file the report, and direct the Program Administrators to give a condensed, high level summary of this information at the October Board Meeting. Andrew Guzman would further review the items to report to the Program Administrators and Board if there are any issues.

MOTION: Oles Gordeev **SECOND:** Rafaela King **MOTION CARRIED**

	Andrew Guzman	Marisa Kahn	Oles Gordeev	Rafaela King	Samhitha Cutshaw
Aye	X	X	X	X	X
Nay					
Abstain					

D. PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Oles Gordeev adjourned the meeting at 1:54 PM.



Item No. C.1.a
Finance Committee
September 30, 2024

ACCEL 2023-24 FINANCIAL AUDIT DRAFT

ISSUE: The Finance Committee oversees ACCEL’s financial audit process. Prior to the Financial Audit, the Committee met with Crowe to discuss the audit process, and any concerns the Committee may have. At this time, the audit is underway with draft financial statements available for review. The FC is convening post audit to discuss the audit findings. This is the FC’s opportunity to review and discuss the audit in detail, prior to the final presentation to the Board in October.

Crowe LLP will walk through the draft June 30, 2024 Financial Audit with the Committee.

RECOMMENDATION: Staff recommends the Committee review the draft Financial Audit and take action to make a recommendation to the Board at the October 16 and 18, 2024 Board Meeting to “Receive and File” the report, or give direction as appropriate.

Additional Consideration

In favor: The Committee may recommend to the Board to Receive and File the attached “Draft” to complete the audit cycle and allow the production of the “Final” Financial Audit. Once approved by the Board, the audit will be finalized and distributed within a week of the Board Meeting.

Against: A vote against making a recommendation to the Board for approval of the draft financial audit would indicate a Member takes issue with the presentation of financials, audit findings, or a similar related issue. The Committee may vote to instruct the Financial Auditor or Administrators to take further action prior to presenting it to the Board for acceptance.

FISCAL IMPACT: No financial impact is expected from the recommended action. The Financial Audit Fee for FY 2023/24 was \$33,000 accounting for a discount due to a virtual presentation and the results of the audit will evidence ACCEL’s financial position.

BACKGROUND: The Executive Committee met in October 2017 and discussed the Finance Committee’s responsibilities and involvement with the audit process. The Executive Committee recommended that the Finance Committee discuss the audit process with the Auditor.

At the October 2017 Board Meeting, direction was given to the Finance Committee to have two meetings around the Financial Audit: the first one before the audit begins and the second one before the October Board Meeting, which is when the Financial Audit is presented.

ACCEL

Authority for California Cities Excess Liability

c/o Alliant Insurance Services, Inc.
Corporation Insurance License No. 0C36861
560 Mission Street, 6th Floor, San Francisco, CA 94105



The June 30, 2024 Financial Audit is the 15th audit completed by Crowe LLP (formerly Perry-Smith and Crowe Horwath). Prior to June 30, 2009, ACCEL utilized the services of Brown Armstrong.

Crowe LLP entered into a three year agreement with ACCEL starting with the June 30, 2009 Audit, and that contract was subsequently renewed until the audit period ending June 30, 2025.

Matthew Nethaway was historically the lead Auditor on the ACCEL Audit Team. At the October 2017 Board Meeting, the Board took action to request to change Matt Nethaway, the current senior partner to a new partner. Jen Aras was appointed as the New Managing Partner for ACCEL's Financial Audit for the 2018 and 2019 audit years. In 2020, the New Partner became Joe Pieksza.

SEPARATE: Draft 2023-24 Financial Audit with MD&A.