

MBASIA Board of Directors Meeting

Monday, April 14, 2025 at 9:00 AM

LOCATION:

Video Teleconference

Link:

<https://alliantinsurance.zoom.us/j/97169071101?pwd=eTJHTHpITURqaUVQa2tpUlpSdKhGQT09>

Meeting ID: 971 6907 1101

Passcode: 148217

Dial: (669) 900-6833

MEMBERS PRESENT

Jamie Goldstein, City of Capitola

Carmen Gil, City of Gonzales

Paul Wood, City of Greenfield

David Mirrione, City of Hollister

Veronica Contreras, City of King City Alternate

Layne Long, City of Marina

Vibeke Norgaard, City of Sand City

Mali LaGoe, City of Scotts Valley

Megan Hunter, City of Soledad

Francine Uy, City of Soledad Alternate *(left at 11:40 AM)*

MEMBERS ABSENT

John Guertin, City of Del Rey Oaks

GUESTS & CONSULTANTS

Nina Aguayo, City of Greenfield Alternate

Belinda Varela, City of Marina Alternate

Neil Callahan, George Hills Company

Lynn Cavalcanti, AIMS

Conor Boughey, Alliant Insurance Services

Lorissa Huey, Alliant Insurance Services

Marcus Beverly, Alliant Insurance Services

A. CALL TO ORDER & ROLL CALL

Paul Wood called the meeting to order at 9:03 AM.

B. ORAL COMMUNICATIONS & PUBLIC COMMENTS

There were no oral communications and public comments.

C. CONSENT CALENDAR

C1. Approval of Minutes – January 27, 2025 Board of Directors Meeting

C2. Service Calendar & Status of Deliverables

C3. Bills and Correspondence

C3a. Ratification of Disbursements

C3b. Report of Investments - Pursuant to Gov't Section Code 53607

C3c. Quarterly Financial Report as of December 31, 2024

C4. PRISM Audit Report EWC of MBASIA TPA, AIMS

A motion was made to approve the consent calendar items C1 to C4.

MOTION: Mali LaGoe **SECOND:** David Mirrione **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X		X	X	X	X	X	X	X	X
Nay										
Abstain										

C5. Rally Letter from MBASIA to City of Hollister

A motion was made to approve the Consent Calendar Item C5.

MOTION: Mali LaGoe **SECOND:** David Mirrione **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X		X	X		X	X	X	X	X
Nay										
Abstain					X					

C6. Safety Grant Policy and Procedure, and Request Form– Amended January 31, 2025, effective July 1, 2025

C7. BRIOTIX Contract Effective February 12, 2025 to February 12, 2026

A motion was made to approve the consent calendar items C6 to C7.

MOTION: Mali LaGoe **SECOND:** David Mirrione **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X		X	X	X	X	X	X	X	X
Nay										
Abstain										

D. GENERAL RISK MANAGEMENT ISSUES

There were no general risk management issues.

E. BOARD OF DIRECTORS

E1. COMMITTEE REPORTS

E1a. Safety Committee

E1a1. Safety Grant Funds – Request Status and Budget to Date

Lorissa Huey reminded the Board that by May 1st of FY 24-25, all Members will have access to the unrequested funds, regardless of the Member's previous use of their allocated share of the budget. Each Member can request up to \$7,500 for FY 24-25.

She also reminded the Board that effective July 1, 2025, the May 1st requirement will no longer be in effect and the budgeted funds for each Member will be increased from \$7,500 to \$15,000.

E1a2. ERMA Training and Risk Management Activity Reimbursement Request

Lorissa Huey explained that beginning July 1, 2020, the Training and Risk Management Program was established by the ERMA Board of Directors to provide member agencies with access to reimbursement of up to \$2,500 per Program Year for eligible human resources and employment-related training and loss control expenditures. The deadline to submit reimbursements for the FY 24-25 program year is June 30, 2025.

E1b. Coverage and Claims Committee – None

E1c. Ad Hoc Committees

E1c1. Risk Summit November 13, 2025 Agenda

Lorissa Huey reported that the Board created an Ad Hoc Committee composed of Nina Aguayo, City of Greenfield, Mali LaGoe, City of Scotts Valley and Vibeke Norgaard, City of Sand City to discuss the Risk Summit 2025. The date of the Risk Summit will be November 13, 2025 from 9:30 AM to 5 PM at the Monterey Plaza Hotel & Spa.

The Board reviewed the draft agenda and instead of the Workers' Compensation Confirming Initial Stages at the end of the Risk Summit Agenda, the Board would like the last section to be gamified/interactive of Lessons Learned/Risk Management Tips.

The City of Scotts Valley volunteered to give its funds of the 25/26 Program Year "Grant Funds" of \$2,500 and "Live Training" of 1 per Program Year to pay for LCW and Gerry Preciado, which are the speakers that will charge a fee at the MBASIA Risk Summit.

A flyer will be sent to the Board to distribute to the City Staff.

E1c2. Parametric Insurance

Conor Boughey reported that the Board formed an Ad Hoc Committee of Jamie Goldstein, City of Capitola, Casey Estorga, City of Hollister, and Steve Adams, City of King City to discuss with Scott Carpinteri at K2. As a result of the Ad Hoc Committee, direction was given to Scott to revise the proposal to provide a lower option H, aiming to \$20K per City with a lower aggregate and the highest per Member limit available, and provide some light and base options.

The Cities of Gonzales and King City were not interested.

The Cities of Capitola, Hollister, Marina, Sand City, and Scotts Valley were interested. Alliant will discuss with K2 about Hollister's pricing.

E2. UNFINISHED BUSINESS

E2a. Member Activities: Hollister Rally Update

Conor Boughey reminded the Board that at the January 2025 Board Meeting, the Board authorized the letter to be sent to the City and MBASIA requests the City obtain a Special Events Policy with a \$10M limit. If the City does not obtain a special events policy, MBASIA may consider excluding large special events in the Liability Memorandum of Coverage effective July 1, 2026.

Members had a roundtable discussion. Members asked questions, which were address by David Mirrione at the City of Hollister. Conor verbally reported that the insurance proposal for the City had a high premium that was not feasible for the City's budget.

A motion was made by Jamie Goldstein, City of Capitola to require the City of Hollister to obtain a \$3M Special Events Policy and to review the Liability Memorandum of Coverage to address special events language applicable to all Members' special events, effective July 1, 2026.

The motion failed for lack of a second.

David Mirrione suggested to revise the motion from a \$3M limit to a \$2M limit.

A second motion was made to require the City of Hollister to obtain a \$2M Special Events Policy and to review the Liability Memorandum of Coverage to address special events language applicable to all Members' special events, effective July 1, 2026.

MOTION: Jamie Goldstein **SECOND:** Vibeke Norgaard **MOTION FAILED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye			X		X	X		X		
Nay	X			X			X		X	X
Abstain										

A third motion was made to request the City of Hollister to obtain a Special Events Policy with a \$2M limit instead of the \$10M, and require the security company to have a \$5M limit per occurrence with indemnification for the City for their actions. In addition, the Board will review the Liability Memorandum of Coverage to address special events language applicable to all Members' special events, effective July 1, 2026.

MOTION: Layne Long **SECOND:** Jamie Goldstein **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X		X	X	X	X	X	X	X	X
Nay										
Abstain										

E3. NEW BUSINESS

E3a. Liability Actuarial Report

Conor Boughey presented the FY 25/26 Liability Actuarial Report. Conor explained that the actuarial report provides two key figures, (1) rates for next year's renewal and (2) MBASIA's outstanding liabilities for posting to its financial statements.

A motion was made approve the report.

MOTION: Megan Hunter **SECOND:** David Mirrione **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X		X	X	X	X	X	X	X	X
Nay										
Abstain										

E3b. Workers' Compensation Actuarial Report

Conor Boughey presented the FY 25/26 Workers' Compensation Actuarial Report. Conor explained that the actuarial report provides two key figures, (1) rates for next year's renewal and (2) MBASIA's outstanding liabilities for posting to its financial statements.

A motion was made approve the report.

MOTION: Layne Long **SECOND:** Jamie Goldstein **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X		X	X	X	X	X	X	X	X
Nay										
Abstain										

E3c. Excess Pool Renewal Updates:

E3c1. California Affiliated Risk Management Authorities (CARMA)

Conor Boughey reported that for the July 1, 2025 renewal, the draft budget was not available at the time of today's meeting, but will be at the June 2025 Board Meeting. CARMA is looking into providing more resources to Members regarding Police and is considering picking up all the Lexipol costs.

E3c2. Employment Risk Management Authority (ERMA)

Conor Boughey reported that for the July 1, 2025, the draft budget was not available at the time of today's meeting, but will be at the June 2025 Board Meeting. Conor commented that EPL claims are very expensive to defend and to always quickly report EPL claims to George Hills so that it can report to ERMA timely.

E3c2i. Proof of Compliance with Training Mandated by State Law

Conor Boughey reminded the Board to complete the ERMA self-certification survey as soon as possible, but no later than June 30, 2025.

E3d. APIP Property Renewal & Excess Cyber

Conor Boughey discussed the APIP property and Excess Cyber Renewal for July 1, 2025. For property, Conor talked about the LA Wildfires and how PRISM and APIP had large losses but the otherwise are fairing well. For Cyber, it is optimistic that rates will be flat or reduced, and coverage enhancements may be available.

E3e. Excess Workers' Compensation Program

Conor Boughey stated that MBASIA's renewal premium indicates an increase from \$1,185,601 to \$1,487,000, which is an increase of \$301,399 (or 25%). However, last year's payroll was underreported, and the payroll audit resulted in additional premium of \$46,555. Payroll increased by 7% .

Included in the agenda packet was a PRISM Workers' Compensation Hard Market Memo.

E3f. MBASIA Website Overview

Lorissa Huey provided the Board an overview of the MBASIA Website. In the Members Only Section includes documents such as the Governing Documents, Summary of Coverage, Travel Expense Form and Safety Grant Request Forms.

Direction was given to the Program Administrators to add the approved Liability and Workers' Compensation Budgets in the Members' Only Section and include a link to the ERMA training reimbursement form.

No reportable action took place.

E3g. Precision Concrete Cutting Utilization Report

Lorissa Huey reported that included in the agenda packet is a utilization report from Precision Concrete Cutting (PCC). MBASIA has engaged in these services for FY 22/23 to FY 24/25, and each year MBASIA has funded \$100,000 total for \$10,000 per Member. The Executive Committee has proposed reducing the Outside Safety Programs Budget in the Liability Program from \$100,000 to \$80,000 for the FY 25/26 because Sand City and Del Rey Oaks do not have any more sidewalks to fix.

No reportable action took place.

E3h. Evident Third-Party Risk Management for Public Sector

Conor Boughey reported that Evident focuses on automating risk data exchange to revolutionize third-party risk management. Their platform enhances due diligence with real-time monitoring of high-risk third parties, enabling proactive, cost-effective risk mitigation at a global scale.

E3i. DKF Annual Sewer and Stormwater Summit

Marcus Beverly reported that MBASIA has contracted DKF Solution for Public Works Training in November 2024. David Patzer at DKF is reaching out to MBASIA to inquire about sponsoring the 20th DKF Annual Sewer and Stormwater Summit event, with a \$500 or \$1,000 commitment in exchange for inclusion in the list of sponsors published to attendees.

A motion was made to sponsor \$500.

MOTION: Megan Hunter **SECOND:** Mali LaGoe **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X		X	X	X	X	X	X	X	X
Nay										
Abstain										

F. EXECUTIVE AND FINANCE COMMITTEE'S REPORT

F1. Draft Liability Budget

Lorissa Huey and Conor Boughey reported that the Program Administrators have prepared the FY 25-26 proposed Liability Budget. The formula has been updated with the 2024 Calendar Year payroll as well as all new claims data as of December 31, 2024. The methodology is weighted 50% on exposure (payroll) and 50% on experience (6 years of paid losses capped at \$250,000 per claim for 7/1/18 and older years, \$500,000 per claims for 7/1/19 through 7/1/24 years), with a per member cap of 50% over prior year funding.

The Executive Committee met in March 2025 and will review one more time before the June 2025 Board Meeting. The final draft will be presented at the June Board Meeting for adoption.

No reportable action took place.

F2. Draft Workers' Compensation Budget

Lorissa Huey and Conor Boughey reported that the Program Administrators have prepared the FY 25-26 proposed Workers' Compensation (WC) Budget. The formula has been updated with the 2024 Calendar Year payroll and new claims data as of December 31, 2024 with 7 years added to the budget. The Level II Assessments, claims experience excludes 4850 and all employee TD as the Board voted to exclude those in its WC MOC for July 1, 2023.

The PRISM EWC Premium and DIR Claims Tax are removed from the Admin Budget and placed into the Level II Assessment. Also, the minimum in the Level II Assessment is increased from \$75,000 to \$125,000.

The Executive Committee met in March 2025 and will review one more time before the June 2025 Board Meeting. The final draft will be presented at the June Board Meeting for adoption.

No reportable action took place.

F3. Development of Equity Distribution Plan

Conor Boughey reported that MBASIA is on a path of financial success and may want to develop a plan to return accrued positive net position. Equity distribution plans take all different forms, and MBASIA's Board may want to delegate authority to create a plan to a Committee. A plan should be developed and implemented within the next few fiscal years.

A motion was made to appoint an Ad Hoc Committee composed of Jamie Goldstein, City of Capitola, David Mirrione, City of Hollister and Megan Hunter, City of Soledad. The goal will be to complete by the April 2026 Board Meeting.

MOTION: Mali LaGoe **SECOND:** Carmen Gil **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X		X	X	X	X	X	X	X	X
Nay										
Abstain										

G. LOSS REPORT

CLOSED SESSION – Pursuant to Gov’t Code 54956.95

Ga. Workers’ Compensation Administrator’s Report – None

Gb. Liability Third Party Administrator’s Report

A motion was made to enter into Closed Session at 11:40 AM.

MOTION: Megan Hunter **SECOND:** Mali LaGoe **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X		X	X	X	X	X	X	X	X
Nay										
Abstain										

A motion was made to come out of Closed Session at 11:50 AM.

MOTION: Megan Hunter **SECOND:** Mali LaGoe **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X		X	X	X	X	X	X	X	X
Nay										
Abstain										

RECONVENE – DISPOSITION OF CLOSED SESSION ITEMS

Lorissa Huey reported out of Closed Session that direction was given to the Liability Claims Administrators and no reportable final action took place.

H. PROGRAM ADMINISTRATORS' REPORTS

H1. MBASIA's Governing Documents Review:

H1i. JPA Agreement

H1ii. Bylaws

H1iii. Liability Memorandum of Coverage

H1iv. Worker's Compensation Memorandum of Coverage

Conor Boughey reported that the Board may want to assign the Governing Documents Review to an Ad Hoc Committee or the Executive Committee.

The Liability MOC will be reviewed to address special events language and the Bylaws needs to address changing the elections of the Executive Committee from the January Board Meeting to align with the fiscal year and be held at the June Board Meeting instead.

A motion was made to form an Ad Hoc Committee composed of Jamie Goldstein, City of Capitola, Layne Long, City of Marina, and Vibeke Norgaard, City of Sand City.

MOTION: Megan Hunter **SECOND:** Carmen Gil **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Carmen Gil	Paul Wood	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X		X	X	X	X	X	X	X	X
Nay										
Abstain										

H2. MBASIA Exposures and Coverages Review: Volunteers

Marcus Beverly reported that at each Board Meeting, Alliant provides the Board an exposures and coverages review that summarizes the different coverages provided to each Member Agency. Today's topic was about volunteers and how MBASIA purchase the Volunteers Insurance Program. Also, on the January 2025 Board Meeting Consent Calendar, a letter that states all Members of MBASIA have confirmed that they have not passed a City resolution to cover volunteers under the Workers' Compensation Program.

I. CORRESPONDENCE / INFORMATION

II. Next Board Meeting & ERMA Training Schedule

The next Board Meeting will be held in person on Monday, June 9, 2025 at 9:30 AM at the City of Sand City.

II.2. PRISM Annual Report – There was no discussion on this item.

II.3. 2025 CAJPA Conference – There was no discussion on this item.

II.4. MBASIA Service Team Contact List & Claims Reporting – There was no discussion on this item.

II.5. MBASIA Schedule of Service Agreements – There was no discussion on this item.

ADJOURNMENT

Paul Wood adjourned the meeting at 12:05 PM.