

**MINUTES OF THE
MBASIA BOARD OF DIRECTORS
TELECONFERENCE MEETING**

Monday, April 6, 2020 at 9:30 AM

**PRIMARY LOCATION:
Alliant Insurance Services, Inc.
100 Pine Street, 11th Floor
San Francisco, CA 94111**

MEMBERS PRESENT

Jamie Goldstein, City of Capitola
Dino Pick, City of Del Rey Oaks
Rene Mendez, City of Gonzales
Paul Wood, City of Greenfield
Nina Aguayo, City of Greenfield Alternate
Brett Miller, City of Hollister
Steve Adams, City of King City
Andrea Marble, City of King City Alternate
Layne Long, City of Marina
Aaron Blair, City of Sand City
Tina Friend, City of Scotts Valley
Tony McFarlane, City of Scotts Valley Alternate

MEMBERS ABSENT

Michael McHatten, City of Soledad

GUESTS & CONSULTANTS

Lynn Cavalcanti, AIMS (*left at 11:10 AM*)
Ken Maiolini, Risk Management Services (*left at 11:10 AM*)
Jack Joyce, Bay Actuarial (*left at 10:20 AM*)
Conor Boughey, Alliant Insurance Services
Lorissa Huey, Alliant Insurance Services
Michael Simmons, Alliant Insurance Services

A. CALL TO ORDER

The meeting was called to order at 9:30 AM.

B. CONSENT CALENDAR

- B1. Approval of Minutes – January 27, 2020 Board of Directors Meeting**
- B2. Service Calendar & Status of Deliverables**
- B3. Bills and Correspondence**
- B4. APIP Cyber Liability Binder**

A motion was made to approve the consent calendar.

MOTION: Rene Mendez **SECOND:** Brett Miller **MOTION CARRIED**

	Jamie Goldstein	Dino Pick	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Andrea Marble	Layne Long	Aaron Blair	Tina Friend	Michael McHatten
Aye	X	X	X	X	X	X		X	X	X	
Nay											
Abstain											

C. ORAL COMMUNICATIONS & PUBLIC COMMENTS

There were no oral communications and public comments.

D. BOARD OF DIRECTORS

D1. COMMITTEE REPORTS

D1a. Safety Committee

Conor Boughey reminded the Board that on May 1st of a Program Year, all Members will have access to the unrequested funds, regardless of the Member’s previous use of their allocated share of the budget. A Member’s annual requests may not exceed 1/5 of the Grant Program Budget, and will be processed in the order they are received (and approved) until the funds are exhausted. Also, he reminded the Board that Members must submit all receipts no later than 60 days after the Program Year closes.

D1b. Coverage and Claims Committee – None.

D2. UNFINISHED BUSINESS

D2a. Excess Workers’ Compensation Program

Conor Boughey reminded the Board that at the November 2019 Board Meeting, the Board requested the Program Administrators to obtain higher Excess Workers’ Compensation self-insured retention (SIR) options. Included in the agenda packet were options for \$300,000 and \$350,000 SIRs.

A motion was made to bind the Excess Workers’ Compensation Program at the current SIR of \$250,000.

MOTION: Rene Mendez **SECOND:** Paul Wood

MOTION CARRIED

	Jamie Goldstein	Dino Pick	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Andrea Marble	Layne Long	Aaron Blair	Tina Friend	Michael McHatten
Aye	X	X	X	X	X	X		X	X	X	
Nay											
Abstain											

D3. NEW BUSINESS

D3a. Liability Actuarial Report

Jack Joyce, MBASIA’s Actuary presented the draft FY 19/20 Liability Actuarial Report, which was included in the agenda packet.

Members asked questions which were addressed.

A motion was made to accept and file the report, and accept the 0.05 discounted interest rate.

MOTION: Brett Miller **SECOND:** Dino Pick **MOTION CARRIED**

	Jamie Goldstein	Dino Pick	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Andrea Marble	Layne Long	Aaron Blair	Tina Friend	Michael McHatten
Aye	X	X	X	X	X		X	X	X	X	
Nay											
Abstain											

D3b. Workers’ Compensation Actuarial Report

Jack Joyce, MBASIA’s Actuary presented the draft FY 19/20 Workers’ Compensation Actuarial Report, which was included in the agenda packet.

Members asked questions which were addressed.

A motion was made to accept and file the report, and recognize the one percent discounted interest rate.

MOTION: Rene Mendez **SECOND:** Brett Miller **MOTION CARRIED**

	Jamie Goldstein	Dino Pick	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Andrea Marble	Layne Long	Aaron Blair	Tina Friend	Michael McHatten
Aye	X	X	X	X	X		X	X	X	X	
Nay											
Abstain											

D3c. Excess Pool Renewal Indications

D3c1. California Affiliated Risk Management Authorities (CARMA)

D3c2. Employment Risk Management Authority (ERMA)

Conor Boughey reported that CARMA provides excess liability and ERMA provides excess employment practices liability coverage and training for MBASIA. MBASIA is seeing about a 20% increase for the CARMA premium due to increase in claim trends throughout California. The premium estimate for ERMA is not available until the April 28, 2020 ERMA Board Meeting.

Direction was given to the CARMA representative, Rene Mendez to discuss different admin allocations to reduce MBASIA's admin cost of the CARMA premium.

No reportable action took place.

D3d. APIP Property Renewal

Conor Boughey reported that the APIP (Alliant Property Insurance Program) renews July 1, 2020 and is in the process of being marketed. The state of California had a lot of property losses in the recent years and the overall renewal rate increases of 15-20% are expected.

No reportable action took place.

D3e. ERMA Resolution No. 2020-1, Proof of Compliance with Training Mandated by State Law

Conor Boughey reported that ERMA recently passed at the Board of Directors Meeting on February 7, 2020, Resolution 2020-1, Requiring Members to Provide Proof of Compliance with Training Mandated by State Law. The deadline to receive training has been extended to January 1, 2021 for all employers with five or more employees. Included in the agenda packet were different training options available.

Direction was given to the Program Administrators to find out from ERMA if planning commissioners, volunteer fire, and seasonal employees need to complete this training. Also, to follow up with the Board to confirm their Cities' compliance percentage so far to date.

D4. LOSS REPORT

D4a. Workers' Compensation Administrator's Report

D4b. Liability Third Party Administrator's Report

A motion was made to enter into Closed Session at 10:42 AM.

MOTION: Rene Mendez **SECOND:** Dino Pick **MOTION CARRIED**

	Jamie Goldstein	Dino Pick	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Andrea Marble	Layne Long	Aaron Blair	Tina Friend	Michael McHatten
Aye	X	X	X	X	X		X	X	X	X	
Nay											
Abstain											

A motion was made to come out of Closed Session at 11:10 AM.

MOTION: Brett Miller **SECOND:** Dino Pick **MOTION CARRIED**

	Jamie Goldstein	Dino Pick	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Andrea Marble	Layne Long	Aaron Blair	Tina Friend	Michael McHatten
Aye	X	X	X	X	X		X	X	X	X	
Nay											
Abstain											

Jamie Goldstein reported out of Closed Session that Board reviewed the agendized claims and gave direction to the Third Party Administrators but no reportable action took place.

E. EXECUTIVE AND FINANCE COMMITTEE'S REPORT

E1. Draft Liability Budget

Conor Boughey reported that the Executive & Finance Committee met on March 5, 2020 to review the draft FY 2020/21 Liability Budget. At that time, the Committee was in favor of increasing the current confidence level at 70% to 75%. However, after recent COVID-19 events, the Board agreed to keep the current confidence level at 70%.

The budget is presented at the April Board Meeting as a draft and is annually adopted at the June Board Meeting.

Direction was given to the Program Administrators to bring the budget back at the June 2020 Board Meeting showing 70% confidence level.

E2. Draft Workers' Compensation Budget

Conor Boughey reported that the Executive & Finance Committee met on March 5, 2020 to review the draft FY 2020/21 Workers' Compensation Budget. He noted that the Indemnity Payment Credit for CY 2019 has been provided by AIMS.

The budget is presented at the April Board Meeting as a draft and is annually adopted at the June Board Meeting.

Direction was given to the Program Administrators to bring the budget back at the June 2020 Board Meeting at the current SIR of \$250,000.

F. PROGRAM ADMINISTRATORS' REPORTS

F1. MBASIA EXPOSURES AND COVERAGES REVIEW: PANDEMIC COVERAGE

Conor Boughey reported that included in the Alliant Property Insurance Program (APIP) is an endorsement for Communicable Disease. This endorsement provides limits of \$500,000 per occurrence and annual aggregate per named insured subject to an aggregate of \$10,000,000.

Members asked questions which were addressed.

Direction was given to send the Board the APIP property claim form.

G. CORRESPONDENCE / INFORMATION

G1. Next Board Meeting & ERMA Training Schedule

The next Board Meeting will be on June 15, 2020 at 9:30 AM in Sand City.

G2. CAJPA Conference

There was no discussion on this item.

G3. MBASIA 2019 CSAC EIA Member Annual Report

There was no discussion on this item.

H. GENERAL RISK MANAGEMENT ISSUES

There were no general risk management issues.

ADJOURNMENT

The meeting was adjourned at 12:08 PM.