

**MINUTES OF THE  
MBASIA BOARD OF DIRECTORS MEETING  
MONDAY, MAY 2, 2016 at 9:30 AM  
Council Chambers  
One Sylvan Park  
Sand City, CA 93955**

**MEMBERS PRESENT**

Jamie Goldstein, City of Capitola  
Daniel Dawson, City of Del Rey Oaks  
Rene Mendez, City of Gonzales  
Susan Stanton, City of Greenfield  
Brett Miller, City of Hollister  
Steve Adams, City of King  
Layne Long, City of Marina  
Linda Scholink, City of Sand City  
Adela Gonzales, City of Soledad

**MEMBERS ABSENT**

Chuck Comstock, City of Scotts Valley

**GUESTS & CONSULTANTS**

Conor Boughey, Alliant Insurance Services, Inc.  
Michael Simmons, Alliant Insurance Services, Inc.  
Janine Bowman, AIMS  
Francine Uy, City of Soledad

**A. CALL TO ORDER**

Daniel Dawson called the meeting to order at 9:35 AM.

**B. CONSENT CALENDAR**

**B.1. Minutes of the January 6, February 1 and March 21, 2016 Board of Directors Meetings**

**MOTION:** Adela Gonzales

**SECOND:** Jamie Goldstein **MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

**B.2. Service Calendar and Status of Deliverables**

**B3. Bills and Correspondence**

**MOTION:** Adela Gonzales

**SECOND:** Jamie Goldstein **MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

**C. ORAL COMMUNICATION AND PUBLIC COMMENTS**

Jaime Goldstein reported that the City of Scotts Valley will have a new City Manager soon.

No further communications.

**D. BOARD OF DIRECTORS**

**D.1. UNFINISHED BUSINESS**

None

**D.2. COMMITTEE REPORT**

**D.2.a. Executive and Finance Committee**

**D.2.a.1 Draft Liability Budget**

Conor reported that the Executive and Finance Committee met to review and propose the FY 2016/17 liability budget. Conor walked through the details of the budget, noting the calculation methodology and reasoning behind an increase in funding.

No action was taken, direction was given to bring back a final draft for the June Board meeting.

**D.2.a.2 Draft Workers Compensation Budget**

Conor reported on the changed to the workers compensation budget, including the rationale behind the budget increases and walking through the calculation methodology.

A motion was made to bring back the budget methodology to the Long Range Planning and present a final draft at the June Board meeting.

**MOTION:** Linda Scholink    **SECOND:** Jamie Goldstein    **MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

## **D.2.b Safety Committee**

### **D.2.b.1 Grant Funds**

Conor reported on the status of requested grant funds, and the amount remaining for further distribution. Members requested more information about how to make a request, and further discussion took place.

Conor further reported that additional requests could be made for the remaining budgeted funds. Upon review of requests discussed at the meeting, the total funds for the grant program have been requested.

No action was taken.

Jaime requested that the Grant Program be brought to the Long Range Planning meeting to discuss the apportionment of funds based on the size of entity requesting distribution.

## **D.3. NEW BUSINESS**

### **D.3.a. CARMA Preliminary Budget**

Conor reported that CARMA provides excess liability coverage for MBASIA, and that Rene is MBASIA’s representative on the CARMA Board. Due to increases in payroll, funding requirements and MBASIA’s ex-mod, there is an 18% increase.

No action was taken.

### **D.3.b. ERMA Preliminary Budget**

Conor reported that ERMA provides excess employment practices liability coverage and training for MBASIA, and that Daniel Dawson is MBASIA’s representative on the ERMA Board. Unlike the CARMA budget, MBASIA is seeing a 12% reduction due to the health of the ERMA pool.

No action was taken.

**D.3.c. CSAC EIA Excess Workers Compensation Preliminary Renewal**

Conor reported that CSAC-EIA provides Excess Workers Compensation coverage for MBASIA, attaching at our \$250,000 SIR. The excess workers compensation market continues to harden, and MBASIA is receiving a 17% increase due to market conditions, payroll increases and ex-mod calculations. Conor further reported that MBASIA is not in the new high safety category, which applies to agencies with more than 40% payroll associated to safety operations.

No action was taken.

**D.3.d. Liability Actuarial Report**

Conor reported that Jack Joyce, MBASIA’s Actuary, has completed the FY 2015/16 Liability Actuarial Report. The funding guidelines for MBASIA have increased 9% from the prior report, however the outstanding liabilities have decreased, which should help the financial position of the authority.

A motion was made to approve the Liability actuarial study.

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

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

**D.3.e. Workers Compensation Actuarial Report**

Conor reported that Jack Joyce, MBASIA’s Actuary, has completed the FY 2015/16 Workers Compensation Actuarial Report. The funding guidelines for MBASIA have decreased 6% from the prior report, and the outstanding liabilities have decreased, which should help the financial position of the authority.

A motion was made to approve the Worker Compensation actuarial study.

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

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X

Nay									
Abstain									

**D.3.f. Property Renewal**

Conor reported that MBASIA has a group purchase property program through which most Members purchase their property insurance. The program will renew on July 1, 2016. At the June Board Meeting, the administrators will present a final proposal for property coverage, and we expect rates to increase 8-10% due to MBASIA’s losses.

A further report was given on negotiations with underwriters due to losses at the City of Capitola.

No action was taken.

**D4. LOSS REPORTS**

**CLOSED SESSION – Pursuant to Gov’t Code 54956.95**

**D.4.a Workers’ Compensation Administrator’s Report**

**D.4.b Liability Administrator’s Report**

Motion to enter closed session.

**MOTION:** Adela Gonzales

**SECOND:** Brett Miller

**MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

The Board entered Closed Session at 10:05 AM

Motion to come out of closed session.

**MOTION:** Rene Mendez

**SECOND:** Brett Miller

**MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X

Nay									
Abstain									

The Board came out of Closed Session at 10:45 AM.

Direction was given to the Workers Compensation Administrator to work with Adela regarding a claim. No action was taken.

No report was provided for Liability Administrators report.

**E. PROGRAM ADMIN REPORT**

**E.1. State of the Insurance Market**

The administrators would like to table this discussion until the Long Range Planning Meeting.

**E.2. IRIC Manual**

Conor Boughey announced that the new IRIC manual is available on the Alliant website, and it is a great reference for writing and reviewing contract language.

**F. CORRESPONDENCE / INFORMATION**

There was a brief announcement regarding the upcoming meetings or training sessions.

**G. GENERAL RISK MANAGEMENT ISSUES**

Conor reported on crime insurance needs at each individual city, noting that not all cities purchase crime insurance through Alliant but Crime losses are an emerging risk. Conor reported he would be sending a follow up email to the Board requesting that members complete an application for coverage.

Susan reported that the City of Greenfield is considering taking over the Fire District providing services to the City of Greenfield. Michael Simmons requested that Susan work with him to be sure the contract is written a certain way, and that the cost of insurance is considered in budgeting.

No further items were discussed.

**ADJOURNMENT**

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

**Meeting adjourned at 11:25 AM.**