

**MINUTES OF THE
MBASIA EXECUTIVE AND FINANCE COMMITTEE MEETING**

**MONDAY, AUGUST 30, 2010 AT 1:00 P.M.
PRIMARY TELECONFERENCE LOCATION: SAN FRANCISCO, CA**

MEMBERS PRESENT

Daniel Dawson, City of Del Rey Oaks
Rene Mendez, City of Gonzales
Robert Galvan, City of Hollister
Steve Ando, City of Scotts Valley

MEMBERS ABSENT

None

GUESTS & CONSULTANTS

Conor Boughey, Alliant Insurance Services, Inc.
Michael Simmons, Alliant Insurance Services, Inc.
Monica Sandbergen, Alliant Insurance Services, Inc.

A. CALL TO ORDER

Daniel Dawson called meeting to order at 1:08 p.m.

B. CONSENT CALENDAR

MOTION: Steve Ando **SECOND:** Robert Galvan **MOTION CARRIED**

C. PUBLIC COMMENTS

There were no public comments.

D. EXECUTIVE COMMITTEE

D.1 Workers Compensation Memorandum of Coverage

Michael Simmons reported that MBASIA's Liability and Workers Compensation MOC's have been a combined document and that this is no longer common practice. For this reason, the Liability and Workers Compensation MOC's have been proposed as two separated documents. Mr. Simmons advised that Alliant wrote the MOC's from scratch but incorporated language from the existing MBASIA MOC as well as CARMA and several other primary pools. Vince

Hurly was given 30 days to review each of the rewritten MOC's. His findings will be included in the next agenda packet.

Conor Boughey walked the Executive and Finance Committee members through the Workers Compensation MOC. Conor advised that the Workers Compensation MOC is not a standard document, but it is more standard than the Liability MOC which contains several unique exclusions.

A discussion for the Long Range Planning Session will be whether or not MBASIA would like to give coverage to Volunteers under the Workers Compensation MOC. Currently the Authorities MOC excludes volunteers. Conor Boughey advised that the Coverage & Claims committee recommended addressing volunteers' coverage at the Long Range Planning Session.

A motion was made to recommend to the Board the adoption of the Workers Compensation Memorandum of Coverage.

MOTION: Steve Ando **SECOND:** Robert Galvan **MOTION CARRIED**

D2. Liability Memorandum of Coverage

Michael Simmons reviewed the general layout of the proposed Liability MOC. Michael further reported on the exclusions section of the MOC. Michael also reported that the exclusions related to fire ranges and skate parts were found to be unique to MBASIA as these exclusions are not found in other JPA's.

Robert Galvan recommended bringing the skateboard exclusion up to all members to see if everyone is on the same board as respects to excluding it.

A motion was made to recommend to the Board the adoption of the Liability Memorandum of Coverage.

MOTION: Steve Ando **SECOND:** Robert Galvan **MOTION CARRIED**

D3. Workers Compensation Accounting – Custodial Account

Conor Boughey and Michael Simmons discussed the details associated with MBASIA moving to a custodial account maintained by JT2, MBASIA's Workers Compensation Third Party Administrator. They advised that a typical custodial account is managed by the TPA and would involve JT2 sending the Program Administrator a request to fund the account at \$100,000. The Program Administrator would transfer this amount into the account and that would allow JT2 to write checks and make claims payments. \$100,000 was recommended as the monthly fund amount to be transferred because the average weekly fund request is approximately around \$25,000. Michael Simmons advised that the advantage of moving to a custodial account is that it places the reconciliation responsibility with the people (JT2) who are capable of doing this.

A motion was made to give direction to the Program Administrators to enter discussions with JT2 to revise the accounting agreement between MBASIA and JT2.

MOTION: Steve Ando **SECOND:** Daniel Dawson **MOTION CARRIED**

D4. Training Agreement with Global Compliance

Conor Boughey reported that MBASIA was in a one year agreement with Global Compliance to satisfy the AB 1825 training requirements for supervisors. MBASIA prepaid for 100 uses of training at \$3,661. The authority only utilized 20 uses. Now that MBASIA joined CSAC, they have access to training for AB 1825. CSAC has a much larger training program through Target Safety, and access is offered at a discounted rate. Target Safety also offers more training opportunities than Global Compliance.

A motion made to grant the Program Administrator the authority to non-renew/cancel agreement with Global Compliance as part of transition to CSAC-EIA.

MOTION: Steve Ando **SECOND:** Robert Galvan **MOTION CARRIED**

D5. Notice from CSAC – Welcome to CSAC-EIA

Conor Boughey advised that CSAC-EIA has already started working on the renewal applications for the 2011-12 Program Year. Renewal applications are due on October 5th. The applications will be started by the Program Administrator and then will be forwarded to the members for completion.

No action was taken.

D6. Board of Directors Meeting Schedule

Michael Simmons advised that he would like MBASIA to consider putting together an agenda of five in-person Board meetings on the calendar. Mr. Simmons recommended conducting Executive and Claims Committee meetings via teleconference on an as needed basis. Rene Mendez advised that he is in favor of quarterly meetings and the strategic planning meeting being the 5th in-person meeting.

It was decided that the Program Administrators will propose a calendar of five in-person meetings and send to the Board for approval. It was also decided that the Board meetings will continue to be held in Sand City.

No action was taken.

E. CORRESPONDENCE/INFORMATION

None

F. GENERAL RISK MANAGEMENT ISSUES

Steve Ando wanted to know if there is someone that goes out and looks at playgrounds and the safety of the playgrounds.

A motion was made to adjourn the meeting at 2:30

MOTION: Steve Ando **SECOND:** Rene Mendez **MOTION CARRIED**