

**MBASIA Executive & Finance Committee Meeting
Monday, March 12, 2018 at 11:30 AM**

**Jardines de San Juan
115 3rd Street
San Juan Bautista, CA 95045**

MEMBERS PRESENT

Jamie Goldstein, City of Capitola

Rene Mendez, City of Gonzales (*arrived at 11:54 AM*)

Brett Miller, City of Hollister

Layne Long, City of Marina

MEMBERS ABSENT - None

GUESTS & CONSULTANTS

Conor Boughey, Alliant Insurance Services, Inc.

Lorissa Huey, Alliant Insurance Services, Inc.

A. CALL TO ORDER

Jamie Goldstein called the meeting to order at 11:30 AM.

B. CONSENT CALENDAR

B1. Approval of Minutes for the December 12, 2017 Executive Committee Meeting

A motion was made to approve the consent calendar.

MOTION: Brett Miller

SECOND: Layne Long

MOTION CARRIED

	Jamie Goldstein	Rene Mendez	Brett Miller	Layne Long
Aye	X		X	X
Nay				
Abstain				

C. ORAL COMMUNICATIONS & PUBLIC COMMENTS

No public comments were made.

D. BOARD OF DIRECTORS

D1. Committee Report

D1a1. Proposed 2017-18 Liability Budget

Conor Boughey reported that the Program Administrators have prepared the FY 2018/19 proposed Liability Budget. The formula has been updated with the 2017 Calendar Year payroll as well as all new claims data as of December 31, 2017. The methodology is weighted 50% on exposure (payroll) and 50% on experience (6 years of paid losses capped at \$250,000 per claim), with a per member cap of 50% over prior year funding.

A motion was made to present the draft as presented at the April 2018 Board Meeting subject to the final adjustments of the actuarial rate, CARMA and ERMA premiums, and to modify the ERMA premium into the 6130.00 Insurance Expense category for next year.

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

	Jamie Goldstein	Rene Mendez	Brett Miller	Layne Long
Aye	X	X	X	X
Nay				
Abstain				

D1a2. Proposed 2017-18 Workers Compensation Budget

Conor Boughey reported that at the November 2017 Board Meeting, the Board took action to pay off the Zions Bank Loan. Then, at the January 2018 Board Meeting, the Board took action to retain the same amount currently in the Level III funding of \$305,000 but to roll the funds into the Level II calculation. A rebate of 50% from the 17-18 Level III Assessment will be credited back to the Members next year (18-19), as the Debt was paid 50% through the year.

The Program Administrators provided the Committee with four options which the Members asked questions and discussed.

A motion was made to recommend to the Board Option 3, which has 50% of the funds allocated in Level III and Level II.

MOTION: Rene Mendez

SECOND: Brett Miller

MOTION CARRIED

	Jamie Goldstein	Rene Mendez	Brett Miller	Layne Long
Aye	X	X	X	X
Nay				
Abstain				

D1a3. Acclamation Insurance Management Services (AIMS) Contract Renewal

Conor Boughey reported that AIMS has been MBASIA’s Third-Party Administrator for Workers’ Compensation Claims since July 1, 2015. The contract with AIMS is through June 30, 2018 and is up for renewal. AIMS has proposed a 5 year term, with small updates to the scope of work, and updated to the service fees as outlined in the financial impact section.

A motion was made to recommend to the Board to approve the 5 year contract as proposed with the condition that the termination clause be changed to 90 days from 60 days. Also, request AIMS to annually provide a revenue disclosure presentation: “What is applied to a claims file and what isn’t?” at the Long Range Planning.

MOTION: Rene Mendez

SECOND: Brett Miller

MOTION CARRIED

	Jamie Goldstein	Rene Mendez	Brett Miller	Layne Long
Aye	X	X	X	X
Nay				
Abstain				

E. CORRESPONDENCE / INFORMATION - None.

F. GENERAL RISK MANAGEMENT ISSUES - None.

ADJOURNMENT

Jamie Goldstein adjourned the meeting at 12:57 PM.