

**MINUTES OF THE
MBASIA BOARD OF DIRECTORS MEETING
MONDAY, JUNE 19, 2017 at 9:30 AM**

**Council Chambers of City Hall
1 Sylvan Park
Sand City, CA 93955**

MEMBERS PRESENT

Jamie Goldstein, City of Capitola
Rene Mendez, City of Gonzales
Nina Aguayo, Greenfield Alternate
Brett Miller, City of Hollister
Steve Adams, City of King City
Layne Long, City of Marina
Linda Scholink, City of Sand City
Jenny Haruyama, City of Scotts Valley
Francine Uy, Soledad Alternate

MEMBERS ABSENT

Dino Pick, City of Del Rey Oaks
Jaime Fontes, City of Greenfield
Michael McHatten, City of Soledad

GUESTS & CONSULTANTS

Michael Simmons, Alliant
Conor Boughey, Alliant
Lorissa Huey, Alliant
Ken Maiolini, RMS
Janine Bowman, AIMS
Karla Artist-Vilhauer, AIMS

A. CALL TO ORDER

Layne Long called the meeting to order at 9:40 AM.

B. CONSENT CALENDAR

B1. Approval of Minutes – April 24, 2017 Board of Directors Meeting

B2. Service Calendar & Status of Deliverables

B3. Bills and Correspondence

B3a. Ratification of Disbursements

B4. MBASIA’s Safety Grant Policy & Procedure

B5. MBASIA’s Travel & Training Expense Policy and Travel Expense Reimbursement Form

B6. Current LIBOR Rate – 1 Month: 0.98856% (at 5/10/2017)

A motion to approve the consent calendar.

MOTION: Rene Mendez **SECOND:** Linda Scholink **MOTION CARRIED**

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye		X	X	X	X	X	X	X	X
Nay									
Abstain									

C. ORAL COMMUNICATIONS & PUBLIC COMMENTS

No oral communications or public comments were made.

D. BOARD OF DIRECTORS

D1. Committee Reports

D1a. Executive and Finance Committee

D1a1. Updated Committee Assignments

At the June Board Meeting of each year, the Board reviews the proposed Committee assignments to the new fiscal year. The Board discussed the committee responsibilities and questions were addressed as they were raised.

A motion was made to appoint Layne Long, Linda Scholink and Steve Adams on the Coverage & Claims Committee while Jamie Goldstein, the Chairperson is automatically the Committee Chair and Rene Mendez, the excess representative is an automatic member.

Jenny Haruyama and Nina Aguayo were appointed to be on the Safety Committee, and Layne Long, the Vice Chairperson is automatically the Committee Chair.

MOTION: Linda Scholink **SECOND:** Rene Mendez **MOTION CARRIED**

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D1a2. Final 2017-18 Liability Budget

Conor Boughey presented to Board the Final FY 2017/18 Liability Budget. Conor walked through the details of the budget, noting the calculation methodology and reasoning behind an increase in funding.

A motion was made to approve the budget as presented.

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

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D1a3. Final 2017-18 Workers Compensation Budget

Conor Boughey presented to the Board the Final FY 2017/18 Workers Compensation Budget. Conor walked through the details of the budget, noting the calculation methodology and reasoning behind the decrease in funding.

A motion was made to approve the budget as presented.

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

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D1b. Safety Committee

D1b1. 2017/18 Safety Funds Budget

Conor Boughey noted that in 2011, MBASIA adopted a Grant Program Policy and Procedure which allows Members to apply for Grant Funds to address safety concerns at Member Agencies. Every year the Board must annually adopt the new amount of funds to be allocated to the Grant Program.

A motion was made to accept the \$75,000 budget as presented, allowing each member to request \$7,500.

MOTION: Nina Aguayo **SECOND:** Linda Scholink **MOTION CARRIED**

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D1c. Coverage and Claims Committee

None.

D1d. Ad Hoc Memorandum of Coverage Committee

D1d1. Suggested changes to the MBASIA Memorandum of Coverage

Conor Boughey reminded the Board that at the February Board meeting the Board took action to create an Ad Hoc Committee to discuss the Memorandum of Coverage (MOC) due to emerging risks and the MOC has not been updated since 2012. The Ad Hoc Committee met to discuss Drone Coverage; Employment Practices Wages, Cyber Liability and other exclusions that are unique to MBASIA. The Program Administrators presented the MOC with the changes highlighted in yellow in the Agenda Packet.

A motion was made to adopt the MOC effective 7/1/17.

MOTION: Brett Miller

SECOND: Rene Mendez

MOTION CARRIED

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D2. Unfinished Business

None.

D3. New Business

D3a. CARMA Insurance Renewal

Conor Boughey reported that CARMA provides Excess Liability coverage for MBASIA at a \$1,000,000 Attachment (SIR) to a limit of \$29,000,000. Conor walked through the details of the budget of why the premium has increased which was due to an increase in all members of CARMA’s payroll increasing and MBASIA’s ex-mod due to claims activity. Because MBASIA is a member of CARMA and we did not provide notice to terminate, the renewal will be automatic.

A motion was made to approve CARMA insurance renewal.

MOTION: Layne Long **SECOND:** Rene Mendez **MOTION CARRIED**

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D3b. ERMA Insurance Renewal

Conor Boughey reported that ERMA provides excess employment practices liability coverage that attaches at \$500,000 and training for MBASIA. Conor walked through the details of the budget of why the budget for MBASIA decreased which was due to a decrease in MBASIA’s ex-mod.

Because MBASIA is a member of ERMA and we did not provide notice to terminate, the renewal will be automatic.

A motion was made to approve the ERMA insurance renewal.

MOTION: Brett Miller **SECOND:** Linda Scholink **MOTION CARRIED**

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D3c. CSAC EIA Insurance Renewal

Conor Boughey reported that CSAC EIA provides Excess Workers Compensation coverage for MBASIA, attaching at MBASIA’s \$250,000 SIR. CSAC EIA issues several rounds of estimates and has now issued the proposal that is attached in the Agenda Packet. For the 17-18 renewal there is no longer a public entity fee going forward.

A motion was made to bind coverage.

MOTION: Linda Scholink **SECOND:** Nina Aguayo **MOTION CARRIED**

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D3d. Property Program Renewal

D3d1. APIP Insurance Renewal

MBASIA has a group purchase property program (Alliant Property Insurance Program – APIP) through which most Members purchase their property insurance and it renews on July 1, 2017. Conor Boughey reported the coverage enhancements of the program and gave a status update for members seeking to join the program.

A motion was made to bind coverage subject to individual members joining and reject TRIA.

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

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D3d1. APIP Claims Reporting Acknowledgements

Michael Simmons discussed the importance of reviewing and acknowledging receipt of the Claims Reporting Requirements for the Alliant Property Insurance Program (APIP).

Lorissa Huey will send to the individual members who participate in APIP, (1) How to report a Property Loss form; (2) How to report a Cyber Loss form; (3) How to report a Pollution Loss so members can forward over to their staff, and (4) the APIP Claims Reporting Acknowledgement Receipt form. The APIP Claims Reporting Acknowledgement Receipt form needs to be signed by the member, scanned and emailed back to Alliant.

D3e. MBASIA Board E&O (APPL) Proposal and Crime Disclosure

Conor Boughey presented the proposal for MBASIA's Trustee's Errors & Omissions Policy that renews July 1, 2017. The renewal premium is flat. Conor reminded the Board does not purchase a Crime policy for theft for MBASIA. Coverage has been proposed, but the Board did not choose to purchase coverage.

A motion was made to bind the E&O policy and delegate authority to Jamie Goldstein, Chairperson to purchase crime coverage up to \$3,000.

MOTION: Rene Mendez

SECOND: Linda Scholink

MOTION CARRIED

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D3f. Crime Coverage for Member Agencies

Conor Boughey advised the Board that Crime coverage is an important and relatively cheap line of coverage that protects the policyholder from their employee theft which could take many different forms. Conor encouraged the members who do not have Crime coverage and are interested in purchasing to please contact Alliant and fill out an application that is included in the Packet.

Conor mentioned the crime policy covers faithful performance and names the city members who are required to be bonded by government code satisfies the requirement for the bond. He will send out the language about the bonds.

No reportable action took place.

D3g. 2017/18 Program Year Calendar of Meetings

A motion was made to approve the calendar of meetings as presented, change the location for the November Long Range Planning and Board Meeting to Santa Cruz, and delegate authority to the Program Administrators to work with Jamie Goldstein and Layne Long on finding a rate of \$200/night in Santa Cruz (possibly the Dream Inn).

MOTION: Rene Mendez **SECOND:** Nina Aguayo **MOTION CARRIED**

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D4. LOSS REPORT - CLOSED SESSION – Pursuant to Gov’t Code 54956.95

D4a. Workers’ Compensation Administrator’s Report

D4b. Liability Third Party Administrator’s Report

Motion to enter Closed Session pursuant to Government Code 54956.95

MOTION: Linda Scholink **SECOND:** Brett Miller **MOTION CARRIED**

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X		X	X	X
Nay									
Abstain									

The Board entered closed session at 11:06 AM.

A motion was made to come out of closed session at 12:05 PM.

MOTION: Nina Aguayo

SECOND: Linda Scholink

MOTION CARRIED

	Jamie Goldstein	Rene Mendez	Nina Aguayo	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Jenny Haruyama	Francine Uy
Aye	X	X	X	X	X		X	X	X
Nay									
Abstain									

Conor Boughey reported that the Board took action to give the Workers Compensation Claim Administrator settlement authority for two claims and gave the Liability Claim Administrator direction on the Garcia, R v King City claim.

E. PROGRAM ADMINISTRATORS REPORT

E1. Long Range Planning Agenda Discussion

The Board gave direction to the Program Administrators to invite PFM or Chandler Asset Management to the November 2, 2017 Long Range Planning.

F. CORRESPONDENCE / INFORMATION

F1. Next Board Meeting & ERMA Training Schedule

The next meeting will be the Long Range Planning held on November 2, 2017 and the Board meeting will be held the following day, November 3, 2017 in Santa Cruz, CA.

F2. CAJPA Conference

G. GENERAL RISK MANAGEMENT ISSUES

There was no discussion on this item.

ADJOURNMENT

Jamie Goldstein adjourned the meeting at 12:11 PM.