

MBASIA Board of Directors Meeting

Friday, November 3, 2023 at 9:00 AM

LOCATION:

Monterey Plaza Hotel & Spa

400 Cannery Row

Monterey, CA 93940

Room: Ocean Club

MEMBERS PRESENT

Jamie Goldstein, City of Capitola

John Guertin, City of Del Rey Oaks (*joined at 9:03 AM*)

Carmen Gil, City of Gonzales

Paul Wood, City of Greenfield

David Mirrione, City of Hollister

Veronica Contreras, City of King City Alternate

Layne Long, City of Marina (*left at 10:58 AM*)

Vibeke Norgaard, City of Sand City

Mali LaGoe, City of Scotts Valley

Francine Uy, City of Soledad Alternate

MEMBERS ABSENT

None

GUESTS & CONSULTANTS

Nina Aguayo, City of Greenfield Alternate

Casey Estorga, City of Hollister Alternate

Neil Callahan, George Hills Company

(excused from the meeting room from 9:25 AM to 9:40 AM, left at 12:41 PM)

Rose Melchor, George Hills Company

(excused from the meeting room from 9:25 AM to 9:40 AM, left at 12:41 PM)

Parmit Randhawa, George Hills Company

(excused from the meeting room from 9:25 AM to 9:40 AM, left at 12:41 PM)

Lynn Cavalcanti, AIMS (*left at 12:41 PM*)

Joe Pieksza, Crowe LLP (*joined via teleconference at 10:30 AM to 11 AM*)

Conor Boughey, Alliant Insurance Services (*excused from the meeting room from 12:41 PM to 12:55 PM*)

Lorissa Huey, Alliant Insurance Services (*excused from the meeting room from 12:41 PM to 12:55 PM*)

Marcus Beverly, Alliant Insurance Services (*excused from the meeting room from 12:41 PM to 12:55 PM*)

A. CALL TO ORDER

Jamie Goldstein called the meeting to order at 9:01 AM.

B. ORAL COMMUNICATIONS & PUBLIC COMMENTS

There were no oral communications and public comments.

C. CONSENT CALENDAR

- C1. Approval of Minutes – June 12, 2023 Board of Directors Meeting**
- C2. Approval of Minutes –September 26, 2023 Special Board of Directors Meeting**
- C3. Service Calendar & Status of Deliverables**
- C4. Bills and Correspondence**
- C4a. Ratification of Disbursements**
- C4b. Report of Investments - Pursuant to Gov't Section Code 53607**
- C5. Evidence of Coverage and Disclosure:**
 - C5i. Alliant Property Insurance Program (APIP)**
 - C5ii. Alliant Crime Insurance Program (ACIP)**
 - C5iii. Alliant Public Pool Liability (APPL)**
 - C5iv. Excess Cyber**
- C6. Concern EAP 2023-2025 Contract**
- C7. Precision Concrete Cutting 2023 Contract**

A motion was made to approve the consent calendar.

MOTION: Layne Long **SECOND:** Paul Wood **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

D. GENERAL RISK MANAGEMENT ISSUES

Conor Boughey explained that this portion of the meeting is for any risk management items you may want to discuss at your City, and hear feedback from other Members.

Layne Long, City of Marina reported that at the City Airport, it will be begin using hydrogen fueling. This is the first time ever done in the country.

E. BOARD OF DIRECTOR’S REPORTS

E1. COMMITTEE REPORTS

E1a. Executive and Finance Committee – None

E1b. Safety Committee

E1b1. Safety Grant Funds

Lorissa Huey reminded the Board that in June 2023, MBASIA adopted an annual budget for the Safety Grant Program used by Members for allocating available Safety Funds. The Board approved a \$75,000 allocation to the grant program so each Member can withdraw up to \$7,500 for city programs or projects. The Safety Grant Reimbursement Form was included in the agenda packet. Since it is a reimbursement program, all receipts must be submitted in batches, and no later than 90 days after the Program Year ends.

E1b2. Election of 2023-24 Safety Committee Member

Lorissa Huey reported that there is a vacancy on the Safety Committee.

A motion was to elect Carmen Gil, City of Gonzales.

MOTION: David Mirrione SECOND: Vibeke Norgaard MOTION CARRIED

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

E1c. Coverage and Claims Committee

E1c1. Liability Deductible Recovery Invoices

Conor Boughey reported that after performing a reconciliation between RMS reports, GH reports and MBASIA's records we have invoiced all previously outstanding deductible recoveries for FY 22-23. In September 2023, Deductible Recovery Invoices were mailed to each Member. Once paid, the City will be current on all deductible recoveries to date.

Members commented that the new format with the summary of all the payment notification forms is an improvement from the prior process.

E1c2. Summary of Coverage

Lorissa Huey stated that every year at the Board Meeting after the July 1 renewal, Alliant creates a Summary of Coverage for each Member of the coverages it has with MBASIA and additional lines of coverages that Alliant places on behalf of the City.

E1c3. AIMS Client Notice Update

Lynn Cavalcanti, AIMS provided the Board a verbal update regarding the most recent client notice updates that were distributed to the Members.

Members asked questions, which were addressed.

Lynn will provide a report back to the Board about lessons learned.

E2. UNFINISHED BUSINESS

E2a. Liability Claims Administrator Contract Expiration

Conor Boughey reported that MBASIA's current contract with George Hills for Liability Claims Administration started January 1, 2023 and will expire on June 30, 2023, with two options to extend, 1) one year extension at a time or 2) both one year options for a combined two year extension.

George Hills was excused from the meeting room while the Board discussed this item.

A motion was made to direct the Program Administrators to negotiate with GH a proposal for a three year contract with two one-year options to extend, with an option for either a flat fee or time and expense. This item will be brought back at the January 2024 Board Meeting. Also, direction was to bring back data on what the prior and current fee is in relation to the claims activity.

MOTION: Mali LaGoe

SECOND: Layne Long

MOTION CARRIED

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

E2b. Chandler Investment Update of Transfers

Lorissa Huey reported that the Board’s goal was to fund the Chandler long term investment account with up to \$12M, staggering deposits to continue to purchase at higher yields as bond rates have risen. The account is funded with \$10M due to prior deposits.

A motion was made to transfer \$2M from LAIF to Chandler effectively immediately.

MOTION: Paul Wood

SECOND: Mali LaGoe

MOTION CARRIED

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

E2c. Concern EAP First Responder Program Update

Lorissa Huey report that since MBASIA added on the First Responder Program with Concern EAP, there has been utilization. Also, PRISM has partnered with Concern EAP First Responder Program.

E2d. Precision Concrete Cutting Update

Lorissa Huey report that MBASIA has been utilizing Joseph Ortega, Precision Concrete Cutting (PCC) to fix Member Cities’ sidewalks. Also, PRISM has partnered with PCC.

Members expressed that Joseph Ortega and team does great work.

Marcus Beverly added that this is a great defense when there is a claim against the City regarding sidewalks, and this addresses risk reduction.

E2e. Excess Coverage Options: CARMA’s Program and the Excess Market

Conor Boughey reported that the Board gave direction at the June 2023 Board Meeting to bring back excess liability coverage options to today’s meeting.

Members had a roundtable discussion.

A motion was made to give CARMA notice by 12/31/23, which gives MBASIA the option to leave CARMA by 7/1/24. The letter will be signed by Jamie Goldstein, MBASIA’s President.

MOTION: Layne Long **SECOND:** Paul Wood **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

E3. NEW BUSINESS

E3a. Feedback of 1st MBASIA Risk Summit

The first MBASIA Risk Summit was held the prior day, November 2, 2023 with many of the City staff in attendance.

Members agreed that overall was a great success and want to continue this every other year.

Members provided the Program Administrators feedback on suggestions for the 2025 Risk Summit.

E3b. Presentation of MBASIA’s Financial Trends

Conor Boughey presented a PowerPoint on the 10-year financial trends of MBASIA. The first part of the review focused on the entire program, and then focused on the Liability and Workers’ Compensation programs in more detail.

E3c. MBASIA’s Financial Audit

Joe Pieksha from Crowe LLP, MBASIA’s Financial Auditor presented the FY 22/23 Financial Audit to the Board.

A motion was made to receive and file the Financial Audit.

MOTION: Paul Wood **SECOND:** John Guertin **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

E3d. MBASIA Financial Audit Contract Renewal – Crowe LLP

Lorissa Huey reported that Crowe provided a two-year proposal to continue audit services for the June 30, 2024 and 2025 audits, with a 10% increase in fees from \$27,300 to \$30,000 each year. Also, an additional 5% travel fee will be imposed if Crowe is required to present the Financial Audit in person.

A motion was made to issue a Request for Proposal (RFP) and delegate authority to Mali LaGoe, MBASIA’s Treasurer to approve the RFP template.

Members are requested to send suggestions of Financial Audit firms.

MOTION: David Mirrione **SECOND:** Vibeke Norgaard **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X		X	X	X
Nay										
Abstain										

E3e. Excess Workers’ Compensation Renewal

Marcus Beverly reported that the PRISM Excess Workers’ Compensation estimates assume a 5% payroll increase, and the reinsurance rates are projected to increase 10 to 20%. Premiums are also increasing due to medical/benefits inflation.

The next set of estimates will be provided in February 2024.

E3f. Alternate Dispute Resolution Member Programs

Lynn Cavalcanti presented to the Board the Alternate Dispute Resolution Members Program. Included in the agenda packet was a PowerPoint presentation.

Hollister volunteered to be the pilot. Sand City is also interested. Del Rey Oaks does not qualify because there is no union.

A motion was made to approve \$10,000 per MBASIA City if a Member chooses to pursue.

MOTION: Mali LaGoe **SECOND:** Carmen Gil **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X		X	X	X
Nay										
Abstain										

E4. LOSS REPORT

CLOSED SESSION – Pursuant to Gov’t Code 54956.95

E4a. Workers’ Compensation Administrator’s Report

E4b. Liability Third Party Administrator’s Report

A motion was made to enter into Closed Session at 12:07 PM

MOTION: Mali LaGoe

SECOND: Vibeke Norgaard **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X		X	X	X
Nay										
Abstain										

A motion was made to come out of Closed Session at 12:21 PM.

MOTION: John Guertin

SECOND: Mali LaGoe **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	David Mirrione	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X		X	X	X
Nay										
Abstain										

RECONVENE – DISPOSITION OF CLOSED SESSION ITEMS

Conor Boughey reported out of closed session that the Board reviewed the closed session items and gave direction to the Workers’ Compensation Claims Administrators.

F. PROGRAM ADMINISTRATOR’S REPORT

F1. MBASIA Banking Partners

Conor Boughey reported that Santa Cruz County Bank (SCCB) is now willing to match LAIF rates either in the money market or in a consortium of banks under FDIC insurance and can match up to \$200M.

The Board wants to know if SCCB will give more basis points on the interest rate and provide benefits to its Members such as small business/housing loans and workshops.

Direction was given to invite SCCB to the January 2024 Board Meeting to provide a virtual pitch.

F2. MBASIA Exposures and Coverages Review: Property Valuation

Marcus Beverly and Conor Boughey reported that if any of your locations on the property schedule is valued over \$5M, there is an automatic appraisals. If the Cities want to appraise any locations under \$5M, they could too.

Hollister is interested in getting appraisals for all their locations.

G. SERVICE PROVIDERS REVIEW

Alliant, George Hills, and AIMS were excused from the meeting room while the Board discussed Service Provider Reviews.

The Board also discussed Worksite International, Precision Concrete Cutting, Crowe, Bay Actuarial, Chandler, Jackson Lewis, Liebert Cassidy Whitmore, and the Liability and WC Attorney Panels.

H. CORRESPONDENCE / INFORMATION

H1. Next Two Board Meetings & ERMA Training Schedule

The next two Board Meetings will be held on January 29, 2024 virtually via Zoom and April 8, 2024 virtually via Zoom. The Board Meetings will start at 9:30 AM, unless otherwise stated.

H2. 2024 PARMA Conference – 50th Anniversary – There was no discussion on this item.

H3. MBASIA Service Team Contact List & Claims Reporting – There was no discussion on this item.

H4. MBASIA Schedule of Service Agreements – There was no discussion on this item.

ADJOURNMENT

Jamie Goldstein adjourned the meeting at 1:01 PM.