

**Minutes of the
MBASIA Executive & Finance Committee Meeting
Wednesday, March 23, 2022 at 11:30 AM**

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

MEMBERS PRESENT

Jamie Goldstein, City of Capitola
Rene Mendez, City of Gonzales
Brett Miller, City of Hollister
Layne Long, City of Marina

MEMBERS ABSENT: None

GUESTS & CONSULTANTS

Conor Boughey, Alliant Insurance Services
Lorissa Huey, Alliant Insurance Services

A. CALL TO ORDER

Rene Mendez called the meeting to order at 11:30 AM.

B. CONSENT CALENDAR

B1. Approval of Minutes – October 12, 2021 Executive Committee Meeting

A motion was made to approve the consent calendar.

MOTION: Brett Miller **SECOND:** Jamie Goldstein **MOTION CARRIED**

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

C. ORAL COMMUNICATIONS & PUBLIC COMMENTS

No public comments were made.

D. EXECUTIVE AND FINANCE COMMITTEE

D1. Proposed FY 22-23 Liability Budget

Conor Boughey reported that the Program Administrators have prepared the FY 22-23 proposed Liability Budget. The formula has been updated with the 2021 Calendar Year payroll as well as all new claims data as of December 31, 2021. 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.

At the October 2021 Board Meeting, the Board directed the Executive Committee to evaluate an increase in confidence level from 75% to 80% and deductible from \$10,000 to \$25,000 starting July 1, 2022.

Direction was given to the Program Administrators to obtain an informal PRISM GL quote and to present the proposed budget at the 80% confidence level and \$25,000 deductible as shown in the agenda packet to the Board at its April 4, 2022 Meeting.

D2. Proposed FY 22-23 Workers' Compensation Budget

Conor Boughey reported that the Program Administrators have prepared the FY 22-23 proposed Workers' Compensation Budget. The formula has been updated with the 2021 Calendar Year payroll, new claims data as of December 31, 2021, and Indemnity Payment Credit for CY 2021.

At the October 2021 Board Meeting, the Board gave direction to the Executive Committee to evaluate adding a 7 year claims history and moving the confidence level from 70% to 75%.

Included in the agenda packet was the budget showing a 7 years and 5 years claims history.

Direction was given to the Program Administrators to present to the Board at its April 4, 2022 Board Meeting, the budget showing the 5 years at the 75% confidence level. Then, 6 years for FY 23-24 and 7 years for FY 24-25, and look into whether to stop the indemnity credits. The indemnity credits will be a discussion for the Long Range Planning.

D3. MBASIA Major Contracts

D3i. Liability Claims Administrator – George Hills

D3ii. Worker's Compensation Claims Administrator – AIMS

D3iii. Program Administration and Brokerage – Alliant

First, Conor Boughey reminded the Executive Committee (EC) that the George Hills (GH) contract expires December 31, 2022 and Ken will be retired by 2023. The Executive Committee provided feedback and directed the Program Administrators to discuss with GH about reevaluating the team on the MBASIA account.

Secondly, Conor reported that AIMS failed its Claims Audit. The EC requested that this item be agendaized at the April 4, 2022 Board Meeting for discussion and to excuse AIMS during that Board Meeting.

Thirdly, Conor mentioned to the EC that Alliant's contract expires July 1, 2023 and has an option to extend two additional 1 year periods.

No reportable action took place.

D4. Investment Options

Conor Boughey reported that MBASIA's funds have increased and LAIF rates are low. MBASIA has considered what other investment service options exist. Both PFM and Chandler believe MBASIA's assets are not sufficient for a managed portfolio, but both offer investment alternatives. PFM recommends the CAMP program, while Chandler Asset Management recommends a Guided Portfolio Strategy fund.

Layne Long suggested that MBASIA look into the CARMA captive.

Direction was given to the Program Administrators to present the Chandler option to the Board and to ask Byrne Conley, MBASIA's Legal Counsel if a Request For Proposal Process is needed.

ADJOURNMENT

Rene Mendez adjourned the meeting at 1:26 PM.