

## MBASIA Board of Directors Meeting

Monday, January 29, 2024 at 9:00 AM

### LOCATION:

Video Teleconference

### Link:

<https://alliantinsurance.zoom.us/j/94078074770?pwd=N2ZnUUUp1VUdubmdrd3FOa3NBd1kxdz09>

**Meeting ID: 940 7807 4770**

**Passcode: 773117**

**Dial: (669) 900-6833**

### MEMBERS PRESENT

Jamie Goldstein, City of Capitola

John Guertin, City of Del Rey Oaks

Carmen Gil, City of Gonzales

Paul Wood, City of Greenfield

David Mirrione, City of Hollister *(left at 9:20 AM)*

Casey Estorga, City of Hollister Alternate

Veronica Contreras, City of King City Alternate

Layne Long, City of Marina

Vibeke Norgaard, City of Sand City *(joined at 11:32 AM)*

Mali LaGoe, City of Scotts Valley

Megan Hunter, City of Soledad *(joined at 9:11 AM)*

### MEMBERS ABSENT

None

### GUESTS & CONSULTANTS

Nina Aguayo, City of Greenfield Alternate *(left at 11:42 AM)*

Belinda Varela, City of Marina *(joined at 9:11 AM and left at 11:42 AM)*

Audrey Cray, City of Sand City *(left at 11:42 AM)*

Neil Callahan, George Hills Company

John Chaquica, George Hills Company *(left at 9:30 AM)*

Lynn Cavalcanti, AIMS

Brent Dunton, Santa Cruz County Bank *(joined at 10 AM and left at 10:49 AM)*

Shamara van der Voort, Santa Cruz County Bank *(joined at 10 AM and left at 10:49 AM)*

Chris van Zanen, Santa Cruz County Bank *(joined at 10 AM and left at 10:49 AM)*

Conor Boughey, Alliant Insurance Services

Lorissa Huey, Alliant Insurance Services

Marcus Beverly, Alliant Insurance Services

**A. CALL TO ORDER & ROLL CALL**

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 – November 3, 2023 Board of Directors Meeting**

**C2. Service Calendar & Status of Deliverables**

**C3. Bills and Correspondence**

**C3a. Ratification of Disbursements**

**C3b. Report of Investments - Pursuant to Gov't Section Code 53607**

**C3c. Quarterly Financial Report as of December 31, 2023**

**C4. CARMA – Notice of Intent to Withdraw**

A motion was made to approve the consent calendar.

**MOTION:** Layne Long **SECOND:** Mali LaGoe **MOTION CARRIED**

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

**D. GENERAL RISK MANAGEMENT ISSUES**

Marcus Beverly commented that the League of California Cities has an article about “What to do When First Amendment Auditors Come to Town”. The Program Administrators will distribute to the Board.

## **E. BOARD OF DIRECTORS**

### **E1. COMMITTEE REPORTS**

#### **E1a. Executive and Finance Committee**

##### **E1a1. Budget Planning Process**

Lorissa Huey announced that the Executive and Finance Committee will be starting the budget process for the July 1, 2024 renewal. The Committee will meet in early March 2024 to review the Liability and Workers' Compensation Budgets. The changes to the Liability Budget will be a new year will be added to the 6-year history and will be capped at \$500K. Program years 2019/20 and forward will be capped at \$500K instead of \$250K. The changes to the Workers' Compensation Budget will be that a 7<sup>th</sup> year will be added to the claims history, and that will complete the Board's goal to use 7 years instead of 4 years.

##### **E1b. Safety Committee**

###### **E1b1. Safety Grant Funds – Request Status and Budget to Date**

Lorissa Huey reminded the Board Members that the MBASIA has a Safety Grant Program, and allows Member Agencies to request up to \$7,500 to use towards (includes but not limited to) sidewalk repairs, purchase of a police drone, or ergonomics. Also, the Members must make their requests prior to May 1st, at which time the remaining funds can be requested by another Member.

No reportable action took place.

##### **E1c. Coverage and Claims Committee**

###### **E1c1. Liability Claims Administrators – Proposed Renewal Contract**

Conor Boughey reminded the Board that MBASIA's current contract with George Hills for Liability Claims Administration started January 1, 2023, and will expire on June 30, 2024, with two options to extend, 1) one year extension at a time or 2) both one-year options for a combined two-year extension.

At the November 2023 Board Meeting, and the Board took action 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.

John Chaquica from George Hills was present to answer any questions from the Board. Included in the agenda packet was an option for a flat fee.

A motion was made to exercise the option of a one-year extension on the current contract that started January 1, 2023, expiring on Jun 30, 2024 with George Hills.

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

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	Casey Estorga	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X	X	X	X	X	X	X		X	X
Nay										
Abstain										

**E2. EXCESS RISK POOL REPRESENTATIVE REPORTS**

**E2a. Report from CARMA Annual Workshop & Board of Directors Meeting**

Conor Boughey and Layne Long, CARMA’s Representative reported that CARMA had its Annual Workshop & Board of Directors Meeting on January 11 and 12, 2024.

Conor and Layne discussed the following key points, 1) cost of the program, 2) CARMA membership, 3) Inverse Condemnation/Subsidence Coverage Language, and 4) Excess Loss Control Efforts.

**E2b. Report from ERMA Annual Workshop & Board of Directors Meeting**

Conor Boughey and Paul Wood, ERMA’s Representative reported that the Annual Workshop and Board Meeting will be held on February 1 and 2, 2024.

Conor reminded the Board that ERMA requires each Member to complete the AB 1825 and SB 1343 Training Compliance Self Survey by June 30<sup>th</sup> each year.

**E3. UNFINISHED BUSINESS**

**E3a. Excess Liability Coverage Options**

Conor Boughey reminded the Board that it took action at the November 2023 Board Meeting to give notice to withdraw from CARMA effective June 30, 2024. The notice was provided on November 8, 2023. Alliant has been working with PRISM to present an option to MBASIA for consideration.

Members are requested to provide the information needed for the PRISM application in a timely fashion.

Direction was given to schedule a Special Board Meeting to discuss this item once Alliant hears more about PRISM’s application.

**E3b. Financial Auditor Request for Proposal (RFP)**

Lorissa Huey reported that at the November 2023 Board Meeting, the Board took action to issue a Request for Proposal (RFP) for independent financial audit services. Mali LaGoe, MBASIA’s Treasurer was delegate authority to approve the RFP template. The RFP was issued on January 3, 2024. The Board is asked whether it wants to delegate authority to the Executive Committee or form an Ad Hoc Committee to review the responses, which are due February 16, 2024.

A motion was made to appoint an Ad Hoc Committee comprised of Carmen Gil, Mali LaGoe, Paul Wood, and John Guertin.

**MOTION:** Megan Hunter    **SECOND:** Carmen Gil                    **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	Casey Estorga	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X	X	X	X	X	X	X		X	X
Nay										
Abstain										

**E3c. Santa Cruz County Bank Presentation**

Conor Boughey reported that at the November 2023 Board Meeting, the Board requested that Santa Cruz County Bank (SCCB) attend today’s meeting to discuss providing more basis points than LAIF along with benefits to the members and its community.

Brent Dunton and Shamara van der Voort from SCCB were present at today’s meeting to answer questions from the Board.

Direction was given to SCCB to provide MBASIA a formal agreement to confirm that it will pay 25 basis points more than LAIF. The Program Administrators will send the bank MBASIA’s Investment Policy for review.

If there are any issues, the Program Administrators will bring it back to the Board at a Special Board Meeting and if not, will provide a status update at the April 2024 Board Meeting.

**E4. NEW BUSINESS**

**E4a. Liebert Cassidy Whitmore Employment Relations Consortium 2024 Agreement**

Lorissa Huey reported that the contract for the Liebert Cassidy Monterey Bay Area Employment Relations Consortium is up for renewal. The Cities of Capitola, Greenfield, Hollister, King City, Marina, Sand City, Scotts Valley, and Soledad are members of the Liebert Cassidy Employment

Consortium and have direct access to their representatives. A copy of the utilization report was included in the agenda packet.

A motion was made to renew the contract and individual Members are directed to let the Program Administrators know by Friday, February 2, 2024 if they want to change their status. The Cities of Gonzales and Del Rey Oaks want to join the agreement.

**MOTION:** Mali LaGoe    **SECOND:** Megan Hunter    **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	Casey Estorga	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X	X	X	X	X	X	X		X	X
Nay										
Abstain										

**E4b. Bay Actuarial Consultants Engagement Letter**

Conor Boughey reported that MBASIA’s actuary, Jack Joyce from Bay Actuarial Consultants has provided an engagement letter for the Board to choose to engage in actuarial services annually for 2024, 2025 and 2026.

A motion was made to enter into a one-year engagement with Bay Actuarial Consultants for the 2024 year.

**MOTION:** Paul Wood    **SECOND:** Mali LaGoe    **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	Casey Estorga	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X	X	X	X	X	X	X		X	X
Nay										
Abstain										

**E4c. Worksite International Ergonomics Contract Renewal**

Conor Boughey reported that the ergonomics contract with Worksite International (WI) was renewed in January 2023 for one year. The contract is set to expire January 31, 2024. Alison at WI has expressed interest in continuing the services and has proposed another two years from January 2024 to January 2026. One of the new services is developing an ergonomics process policy and procedure.

The Board did not want to move forward with the master policy for the Ergonomics Process Policy Development Consultation. The Board asked the City of Hollister to be the pilot, and report back to the Board the outcome.

A motion was made to renew the contract without the Ergonomics Process Policy Development Consultation portion.

**MOTION:** Mali LaGoe    **SECOND:** John Guertin    **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	Casey Estorga	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X	X	X	X	X	X	X		X	X
Nay										
Abstain										

**E4d. July 1, 2024 Property Insurance Renewals**

Conor Boughey reported that the state of the property market is persistently challenging, inflation is driving valuation concerns, amplifying size of losses, and demand for higher premiums. Currently, Vacancy, Habitational, Flood, Builders Risk and Course of Construction (COC) coverages are in the carrier spotlight.

**E5. LOSS REPORT**

**E5a. Workers' Compensation Administrator's Report**

**CLOSED SESSION – Pursuant to Gov't Code 54956.95**

A motion was made to enter into Closed Session at 11:42 AM.

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

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	Casey Estorga	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

A motion was made to come out of Closed Session at 12:05 PM.

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

	Jamie Goldstein	John Guertin	Paul Wood	Carmen Gil	Casey Estorga	Veronica Contreras	Layne Long	Vibeke Norgaard	Mali LaGoe	Megan Hunter
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

Jamie Goldstein reported out of Closed Session that direction was given to the Workers' Compensation Claims Administrators and no final reportable action was taken.

**F. PROGRAM ADMINISTRATORS' REPORT**

**F1. MBASIA Exposures and Coverages Review: Ransomware**

This item will be tabled to the next Board Meeting.

**F2. High Level Coverage Summary**

This is an informational item.

**F3. MBASIA Resource Guide**

This is an informational item.

**F4. Announcement of Quarterly Training Opportunities**

This is an informational item.

**G. CORRESPONDENCE / INFORMATION**

**G1. Next Two Board Meetings & ERMA Training Schedule**

The next two Board Meetings will be on Monday, April 8, 2024 via teleconference and Monday, June 10, 2024 in Sand City. The April Meeting will start at 9 AM and the June Meeting will be at 9:30 AM unless otherwise stated.

**G2. PARMA Conference Information –** There was no discussion on this item.

**G3. MBASIA Service Team Contact List & Claims Reporting -** There was no discussion on this item.



**G4. MBASIA Schedule of Service Agreements** - There was no discussion on this item.

**ADJOURNMENT**

Jamie Goldstein adjourned the meeting at 12:19 PM.