

MBASIA Board of Directors Meeting

Monday, April 5, 2021 at 9:00 AM

LOCATION:

Video Teleconference

Link: <https://alliantinsurance.zoom.us/j/92037653070?pwd=RlRtYzcxMINqRk1SZzUyZFFBUVkzQT09>

Meeting ID: 920 3765 3070

Passcode: 304664

Dial: (669) 900-6833

MEMBERS PRESENT

Jamie Goldstein, City of Capitola
Jeff Hoyne, City of Del Rey Oaks Alternate
Rene Mendez, City of Gonzales
Paul Wood, City of Greenfield
Brett Miller, City of Hollister
Steve Adams, City of King City
Layne Long, City of Marina
Aaron Blair, City of Sand City
Tina Friend, City of Scotts Valley
Brent Slama, City of Soledad

MEMBERS ABSENT: None

GUESTS & CONSULTANTS

Nina Aguayo, City of Greenfield Alternate
Andrea Marble, City of King City Alternate
Jack Joyce, Bay Actuarial (*joined at 9:45 AM and left at 10:15 AM*)
Lynn Cavalcanti, Acclamation Insurance Management Services
Lena Bowen, George Hills
Michael Simmons, Alliant Insurance Services (*left at 10:15 AM*)
Conor Boughey, Alliant Insurance Services
Lorissa Huey, Alliant Insurance Services
Marcus Beverly, Alliant Insurance Services

A. CALL TO ORDER & ROLL CALL

Rene Mendez 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 – January 25, 2021 Board of Directors Meeting

C2. Approval of Minutes – March 1, 2021 Special Board of Directors Meeting

C3. Service Calendar & Status of Deliverables

C4. Bills and Correspondence

C5. Liability Claims Settlement Authority and Defense Panel – Amended January 25, 2021

A motion was made to approve the consent calendar.

MOTION: Aaron Blair

SECOND: Brett Miller

MOTION CARRIED

	Jamie Goldstein	Jeff Hoyne	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Brent Slama
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

D. BOARD OF DIRECTORS

D1. COMMITTEE REPORTS

D1a. Safety Committee

D1a1. Safety Grant Funds – Request Status and Budget to Date

Conor Boughey reminded the Board Members that the Safety Grant Program is in place and it allows Members to request up to \$7,500 to use towards risk control efforts. Also, the Members must make their requests prior to May 1st, at which time the remaining funds can be requested by another Member.

At each Board Meeting, a list of what Members have requested so far is included in the agenda packet.

No reportable action took place.

D1b. Coverage and Claims Committee - None

D1c. Ad Hoc Committee

D1c1. Service Provider Feedback: AIMS

Conor Boughey reminded the Board that at the November 2020 Long Range Planning Meeting the Board created an Ad Hoc Committee whose goal was to set expectations with the new AIMS Workers' Compensation Claims Examiner and assist in a smooth transaction. The first Ad Hoc Committee Meeting was held on January 7, 2021 to discuss feedback.

The second Ad Hoc Committee Meeting was held on February 10, 2021, which AIMS attended and responded to the feedback raised by the Committee.

D1c2. Proposed Changes to Workers' Compensation Settlement Policy and Procedure with Attorney Defense Panel

Conor Boughey reported that the Ad Hoc Committee met on February 10, 2021 to review the resumes for two attorneys not part of Witzig, Hannah, Sanders & Reagan, LLP that AIMS recommended for the attorney defense panel. Also, included in the agenda packet were proposed changes to the Workers' Compensation Settlement Authority Policy and Procedure to reference the attorney defense panel.

A motion was made to approve the proposed changes and attorney defense panel as presented in the agenda packet.

MOTION: Jamie Goldstein **SECOND:** Tina Friend

MOTION CARRIED

	Jamie Goldstein	Jeff Hoyne	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Brent Slama
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

D2. UNFINISHED BUSINESS

D2a. Excess Workers' Compensation Program

D2a1. Renewal Update

Conor Boughey reported that the Version 3 PRISM renewal estimate as of March 2021 is included in the agenda packet. MBASIA is a member of PRISM's Excess Workers' Compensation Program with a \$250,000 Self Insured Retention (SIR). The proposals will be available at the June 2021 Board Meeting.

No reportable action took place.

D2a2. PRISM Memorandum of Coverage Proposed Amendments

Conor Boughey reported that the pandemic has created new opportunities for remote work to the point that some entities have or may ultimately have employees residing in other states. An employee who is injured while working for a California public entity and residing in another state can either file a Workers' Compensation claim in California or in the state in which the employee resides. The proposed change to the coverage grant would make it clear that the PRISM Memorandum of Coverage intends to provide coverage for a Member's remote worker who resides in another state.

D2b. Worksite International Proposal

Conor Boughey reminded the Board that it requested a new option for ergonomics services. Alison Heller-Ono from Worksite International attended the January 2021 Board Meeting to present the services that Worksite International offers. Alison has provided a cover letter and proposal for the Board's consideration.

A motion was made to approve the proposal as presented in the agenda packet and set a budget limit of not to exceed \$15,000.

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

MOTION CARRIED

	Jamie Goldstein	Jeff Hoyne	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Brent Slama
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

D2c. Feedback of Police Trainings by Greg Fox

Conor Boughey requested feedback from the Board about the two Police Trainings on Use of Force by Greg Fox.

The Board provided positive feedback and suggested an annual training for the Police Departments. The Program Administrators will reach out to Greg and schedule a Police Risk Management Committee Meeting.

D2d. Feedback of City Council State of the Market Report

At the November 2020 Long Range Planning Meeting the Board requested that Alliant present the State of the Market Report to the Members’ City Councils if desired.

Conor Boughey has virtually presented to a few City Councils as of today’s meeting date and those Members provided positive feedback.

D3. NEW BUSINESS

D3a. Liability Actuarial Report

Jack Joyce, MBASIA’s Actuary presented the draft Liability Actuarial Report, which was included in the agenda packet.

A motion was made to accept the Liability Actuarial Report as final.

MOTION: Brett Miller **SECOND:** Tina Friend **MOTION CARRIED**

	Jamie Goldstein	Jeff Hoyne	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Brent Slama
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

D3b. Workers’ Compensation Actuarial Report

Jack Joyce, MBASIA’s Actuary presented the draft Workers’ Compensation Actuarial Report, which was included in the agenda packet.

A motion was made to accept the Workers’ Compensation Actuarial Report as final.

MOTION: Brett Miller **SECOND:** Tina Friend **MOTION CARRIED**

	Jamie Goldstein	Jeff Hoyne	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Brent Slama
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

D3c. Excess Pool Renewal Indications:

D3c1. California Affiliated Risk Management Authorities (CARMA)

D3c2. Employment Risk Management Authority (ERMA)

Conor Boughey reported that CARMA provides excess liability and ERMA provides excess employment practices liability coverage and training for MBASIA. MBASIA is seeing about a 20% increase for the CARMA premium due to increase in claim trends throughout California and new Members joining the excess liability pool. The premium estimate for ERMA is not available until the April 27, 2021 ERMA Board Meeting.

No reportable action took place.

D3d. APIP Property Renewal & Excess Cyber

Conor Boughey reported that the APIP (Alliant Property Insurance Program) and Excess Cyber renews July 1, 2021 and is in the process of being marketed. The state of California had a lot of property losses in the recent years and the overall renewal rate increases of at least 30% are expected. For cyber, the markets have been experiencing dramatic increases in notice of loss events and paid losses, and Alliant recommends a budget between a 100% and 500% renewal increase.

A motion was made to quote the Members that currently have a \$5K property deductible with a \$10K deductible.

MOTION: Steve Adams

SECOND: Brett Miller

MOTION CARRIED

	Jamie Goldstein	Jeff Hoyne	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Brent Slama
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

D3e. MBASIA Service Team Contact List

Included in the agenda packet was a MBASIA Service Team Contact List of who to ask specific questions to at Alliant and who to report claims to.

Conor Boughey suggested to the Board to print the list and keep it in a visible place.

D4. LOSS REPORT

D4a. Workers’ Compensation Administrator’s Report

D4b. Liability Third Party Administrator’s Report – NONE

A motion was made to enter into Closed Session at 11:01 AM.

MOTION: Jamie Goldstein **SECOND:** Paul Wood **MOTION CARRIED**

	Jamie Goldstein	Jeff Hoyne	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Brent Slama
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

A motion was made to come out of Closed Session at 11:26 AM.

MOTION: Brett Miller **SECOND:** Paul Wood **MOTION CARRIED**

	Jamie Goldstein	Jeff Hoyne	Rene Mendez	Paul Wood	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Brent Slama
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

Rene Mendez reported out of Closed Session that direction was given to the Workers’ Compensation Administrator and there was no reportable action.

E. EXECUTIVE AND FINANCE COMMITTEE'S REPORT

E1. Draft Liability Budget

Conor Boughey reported that the Program Administrators have prepared the FY 2021-22 proposed Liability Budget. The formula has been updated with the 2020 Calendar Year payroll as well as all new claims data as of December 31, 2020. 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 November 2020 Board Meeting, the Board directed the Executive Committee to evaluate a gradual increase in the confidence level from 70% to 75% over the next 5 years or a 5% increase at one time.

The Executive Committee met on March 3, 2021 to review the budget and it made a motion to present the budget with the 75% confidence level if the federal stimulus was provided to the Cities, which it was.

No reportable action took place.

E2. Draft Workers' Compensation Budget

Conor Boughey reported that the Program Administrators have prepared the FY 2021-22 proposed Workers' Compensation Budget. The formula has been updated with the 2020 Calendar Year payroll, new claims data as of December 31, 2020, and Indemnity Payment Credit for CY 2020. At the November 2020 Board Meeting, the Board did not want to change the allocation and to keep funding at the 70% Confidence Level.

The Executive Committee met on March 3, 2021 to review the budget and it made a motion to present the budget to the Board as shown in the agenda packet.

No reportable action took place.

F. PROGRAM ADMINISTRATORS' REPORTS

F1. MBASIA Exposures and Coverages Review: Program Overview and Alliant Deadly Weapons Response Program (ADWRP)

Conor Boughey stated that included in the agenda packet is a summary of coverages reviewed to date and Alliant is seeking feedback on the Board's interest for the next topic of discussion.

Also, Alliant discussed with the Board the Alliant Deadly Weapons Response Program (ADWRP).

There was no specific feedback so Alliant will go through the various coverages again.

G. CORRESPONDENCE / INFORMATION

G1. Next Board Meeting & ERMA Training Schedule

The next Board Meeting will be held on Monday, June 14, 2021 via teleconference (Zoom) at 9:30 AM, unless otherwise stated.

Depending on COVID-19 travel restrictions, the Board discussed that future meetings such as the Long Range Planning, Budget Meetings, and some of the Board Meetings can be in person, while the others can be held via teleconference (Zoom).

G2. PRISM Annual Report - There was no discussion on this item.

H. GENERAL RISK MANAGEMENT ISSUES - There were no general risk management issues.

ADJOURNMENT

Rene Mendez adjourned the meeting at 11:27 AM.