

**MINUTES OF THE
MBASIA BOARD OF DIRECTORS MEETING**

Monday, January 29, 2018 at 9:30 AM

**Council Chambers of City Hall
1 Pendergrass Way
Sand City, CA 93955**

MEMBERS PRESENT

Jamie Goldstein, City of Capitola
Dino Pick, City of Del Rey Oaks
Rene Mendez, City of Gonzales
Jaime Fontes, City of Greenfield
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
Michael McHatten, City of Soledad

MEMBERS ABSENT – None.

GUESTS & CONSULTANTS

Francine Uy, City of Soledad Alternate
Michael Simmons, Alliant Insurance Services
Conor Boughey, Alliant Insurance Services
Lorissa Huey, Alliant Insurance Services
Ken Maiolini, Risk Management Services (*joined via teleconference from 9:45 AM to 10:10 AM*)
Lynn Cavalcanti, AIMS (*left at 10:40 AM*)

A. CALL TO ORDER

Jamie Goldstein called the meeting to order at 9:30 AM.

B. CONSENT CALENDAR

B1. Approval of Minutes – November 3, 2017 Board of Directors Meeting

B2. Service Calendar & Status of Deliverables

B3. Bills and Correspondence

B3a. Ratification of Disbursements

B4. Final Financial Audit as of June 30, 2017

A motion was made to approve the consent calendar.

MOTION: Rene Mendez **SECOND:** Dino Pick **MOTION CARRIED**

| | Jamie Goldstein | Dino Pick | Rene Mendez | Jaime Fontes | Brett Miller | Steve Adams | Layne Long | Linda Scholink | Jenny Haruyama | Michael McHatten |
|---------|-----------------|-----------|-------------|--------------|--------------|-------------|------------|----------------|----------------|------------------|
| Aye | X | X | X | X | X | X | X | X | X | |
| Nay | | | | | | | | | | |
| Abstain | | | | | | | | | | X |

C. ORAL COMMUNICATIONS & PUBLIC COMMENTS

There were no public comments.

D. BOARD OF DIRECTORS

D1. Committee Reports

D1a. Executive and Finance Committee

D1a1. Zions Bank Loan Payoff & WC Budget Level III Allocation

Conor Boughey reported that at the November 3, 2017 Board Meeting, the Board took action to authorize the Treasurer and Program Administrators to pay off the Zions Bank Loan. Also, direction was given to the Executive & Finance Committee to discuss whether the Level III Assessment should be kept naturally until the life of the loan. The Executive & Finance Committee met to discuss on December 20, 2017.

A motion was made to approve the recommendation from the Executive & Finance Committee which was to retain the same amount currently in the Level III funding of \$305,000 but to roll the funds into the Level II calculation. A rebate of 50% from the 17-18 Level III Assessment will be credited back to the Members next year, as the Debt was paid 50% through the year.

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

| | Jamie Goldstein | Dino Pick | Rene Mendez | Jaime Fontes | Brett Miller | Steve Adams | Layne Long | Linda Scholink | Jenny Haruyama | Michael McHatten |
|---------|-----------------|-----------|-------------|--------------|--------------|-------------|------------|----------------|----------------|------------------|
| Aye | X | X | X | X | X | X | X | X | X | X |
| Nay | | | | | | | | | | |
| Abstain | | | | | | | | | | |

D1b. Safety Committee

D1b1. Safety Grant Funds – Request Status and Budget to Date

Conor Boughey reminded the Board Members that the Grant Program is in place, and allows Member Agencies 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.

No reportable action took place.

D1c. Coverage and Claims Committee – None.

D2. Excess Risk Pool Report

D2a. Report from CARMA Long Range Planning & Board of Directors Meeting

Conor Boughey reminded the Board that at the November 2017 Board Meeting, CARMA (where MBASIA is a member for excess liability coverage) has over applied Administrative expenses to MBASIA due to an uncapped ex-mod in their formula. Rene Mendez, the CARMA representative for MBASIA and Conor has requested the CARMA Board to reconsider their budget allocation.

Conor verbally reported that at the CARMA Long Range Planning & Board of Directors Meeting in January 2018 the CARMA Board agreed to revise the calculation.

D3. UNFINISHED BUSINESS

D3a. Program Administrator’s Contract Renewal

Conor Boughey reported that the current contract for Program Administration is set to expire on July 1, 2018. The attached draft contract between MBASIA and Alliant contains proposed changes that include the following: (1) update to the term starting July 1, 2018 for 5 years; (2) corresponding update to the Annual Fee for the term of the agreement; (3) no change to the proposed Scope of Work.; (4) termination clause adjusted to 90 days (previously 60).; and (5) review and limited updates to language throughout.

A motion was made to accept the contract as proposed starting July 1, 2018 for 5 years.

MOTION: Rene Mendez **SECOND:** Dino Pick **MOTION CARRIED**

| | Jamie Goldstein | Dino Pick | Rene Mendez | Jaime Fontes | Brett Miller | Steve Adams | Layne Long | Linda Scholink | Jenny Haruyama | Michael McHatten |
|---------|-----------------|-----------|-------------|--------------|--------------|-------------|------------|----------------|----------------|------------------|
| Aye | X | X | X | X | X | X | X | X | X | X |
| Nay | | | | | | | | | | |
| Abstain | | | | | | | | | | |

D3b. Workers’ Compensation: Settlement Future Medical Claims Project Update

Lynn Cavalcanti from AIMS provided an update regarding the Workers’ Compensation Future Medical Claim Settlement Project, which aggressively closes out aging future medical workers compensation claims. The project started with 76 files to review and now currently at 56 files.

Direction was given to Lynn to attend the April 2018 Board Meeting to provide another update.

D3c. Police Risk Management Committee

Conor Boughey reported that MBASIA took action to move forward with the creation of a Police Risk Management Committee. The initial meeting will take place at 11:15 AM, following the conclusion of the January 29, 2018 Board Meeting.

Jenny Haruyama asked if the introduction of Body Worn Cameras (BWC) has had a corresponding effect on the number of the type of claims. Michael Simmons commented that data is still being collected on this. Jenny also commented that for Cities who have not implemented BWC, it would be advantageous for them to look at other cities' BWC policy and procedure for best practices.

No reportable action took place.

D3d. Volunteer Coverage: AD&D Policy

Conor reported that at the November 2017 Board Meeting, the Board gave direction to the Program Administrators to obtain a quote for AD&D coverage for the JPA. The Program Administrators obtained a quote from the Alliant Volunteer Insurance Program (VIP) included in the Agenda Packet.

Direction was given to the Program Administrators to resend the volunteers count chart to all the Members for any edits, and bring back a revised quote at the June 2018 Board Meeting that will be effective 7/1/18.

The Program Administrators will ask Jack Joyce, MBASIA's Actuary to come up with a rate for volunteers.

D3e. Ergonomics Contract Options

Conor Boughey reminded the Members that at the November 2017 Board Meeting, the Board directed the Program Administrators to bring back options for a group purchase ergonomic contract. The Program Administrators were able to obtain proposals from Bickmore and Excel Managed Care.

Members expressed that if there is a new employee who needs ergonomics consulting, then they would like to be able to call on an as needed basis.

A motion was made to go with Excel Managed Care’s ergonomics contract effective 7/1/18 and invite Ted Ursino to the April 9, 2018 Board Meeting.

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

| | Jamie Goldstein | Dino Pick | Rene Mendez | Jaime Fontes | Brett Miller | Steve Adams | Layne Long | Linda Scholink | Jenny Haruyama | Michael McHatten |
|---------|-----------------|-----------|-------------|--------------|--------------|-------------|------------|----------------|----------------|------------------|
| Aye | X | X | X | X | X | X | X | X | X | X |
| Nay | | | | | | | | | | |
| Abstain | | | | | | | | | | |

D3f. Excess Workers’ Compensation Renewal

Conor Boughey reported that the CSAC EIA Excess Workers’ Compensation (EWC) renewal estimate as of December 2017, Version 2 is included in the Agenda Packet, and that this is an information item, no action is necessary. MBASIA is a member of CSAC EIA’s Excess Workers’ Compensation program with a \$250,000 Self Insured Retention.

D4. NEW BUSINESS – None.

D5. LOSS REPORT

D5a. Workers' Compensation Administrator's Report

D5b. Liability Third Party Administrator's Report

A motion was made to enter into Closed Session at 9:49 AM.

MOTION: Rene Mendez **SECOND:** Dino Pick **MOTION CARRIED**

| | Jamie Goldstein | Dino Pick | Rene Mendez | Jaime Fontes | Brett Miller | Steve Adams | Layne Long | Linda Scholink | Jenny Haruyama | Michael McHatten |
|---------|-----------------|-----------|-------------|--------------|--------------|-------------|------------|----------------|----------------|------------------|
| Aye | X | X | X | X | X | X | X | X | X | X |
| Nay | | | | | | | | | | |
| Abstain | | | | | | | | | | |

A motion was made to come out of Closed Session at 10:19 AM.

MOTION: Rene Mendez **SECOND:** Dino Pick **MOTION CARRIED**

| | Jamie Goldstein | Dino Pick | Rene Mendez | Jaime Fontes | Brett Miller | Steve Adams | Layne Long | Linda Scholink | Jenny Haruyama | Michael McHatten |
|---------|-----------------|-----------|-------------|--------------|--------------|-------------|------------|----------------|----------------|------------------|
| Aye | X | X | X | X | X | X | X | X | X | X |
| Nay | | | | | | | | | | |
| Abstain | | | | | | | | | | |

The Program Administrators reported that authority was given to the Workers Compensation Claims Administrator on one claim and authority was given to the Liability Claims Administrator on the agendized claim, Ness v. Scotts Valley.

E. PROGRAM ADMINISTRATORS' REPORT

E1. 2018 State of the Insurance Market Report

This item will be deferred to a different Board Meeting.

E2. Quick Coverage Review

Conor reported that the agenda packet contains a brief summary of the coverage provided by MBASIA to the member agencies.

No action was taken, this is an information item.

F. CORRESPONDENCE / INFORMATION

F1. Next 2 Board Meetings & ERMA Training Schedule

The next two Board Meetings will be on Monday, April 9, 2018 in Salinas and Monday, June 18, 2018 in Sand City, both starting at 9:30 AM unless otherwise stated.

F2. PARMA Conference Information - There was no discussion on this item.

F3. Active Shooter Risk Management Resources - There was no discussion on this item.

G. GENERAL RISK MANAGEMENT ISSUES - There was no discussion on this item.

ADJOURNMENT

Jamie Goldstein adjourned the meeting at 11:18 AM.