

**MINUTES OF THE
MBASIA LONG RANGE PLANNING AND
BOARD OF DIRECTORS MEETING**

Day 1 - Thursday, November 12, 2020 at 9:30 AM

Day 2 - Friday, November 13, 2020 at 9:30 AM

**LOCATION:
Video Teleconference**

Day 1

Link: <https://alliantinsurance.zoom.us/j/96583731520?pwd=K3ZKc3VBS0tIWkczdGxKdG9RT3Rsdz09>

Dial: (669) 900-6833: Meeting ID: 965 8373 1520#

Passcode: 812907#

Day 2

Link: <https://alliantinsurance.zoom.us/j/96581070876?pwd=KzFRZGNiTVc0b1VwYWN4d3hRd0N6dz09>

Dial: (669) 900-6833: Meeting ID: 965 8107 0876#

Passcode: 402584#

MEMBERS PRESENT

Jamie Goldstein, City of Capitola
Paul Wood, City of Greenfield
Brett Miller, City of Hollister
Steve Adams, City of King City
Layne Long, City of Marina (*left at 10:16 AM*)
Aaron Blair, City of Sand City
Tina Friend, City of Scotts Valley
Francine Uy, City of Soledad Alternate

MEMBERS ABSENT:

Dino Pick, City of Del Rey Oaks
Rene Mendez, City of Gonzales

GUESTS & CONSULTANTS

Nina Aguayo, City of Greenfield Alternate
Andrea Marble, City of King City Alternate
Lynn Cavalcanti, Acclamation Insurance Management Services
Lena Bowen, George Hills Company (*left at 10:56 AM*)
Greg Fox, Bertrand, Fox, Elliot, Osman & Wenzel (*left at 10:00 AM*)
Charles Raibley, Crowe LLP (*left at 10:30 AM*)

Joe Pieksza, Crowe LLP (*left at 10:30 AM*)
Conor Boughey, Alliant Insurance Services
Lorissa Huey, Alliant Insurance Services
Marcus Beverly, Alliant Insurance Services

A. CALL TO ORDER

Jamie Goldstein called the meeting to order at 9:32 AM.

B. ORAL COMMUNICATIONS & PUBLIC COMMENTS

There were no oral communications & public comments.

C. CONSENT CALENDAR

C1. Approval of Minutes – June 15, 2020 Board of Directors Meeting

C2. Approval of Minutes – July 20, 2020 Special Board of Directors Meeting

C3. Approval of Minutes – September 17, 2020 Special Board of Directors Meeting

C4. Service Calendar & Status of Deliverables

C5. Bills and Correspondence

C6. Evidence of Coverage and Disclosure

C6i. Alliant Property Insurance Program (APIP)

C6ii. Alliant Crime Insurance Program (ACIP)

C6iii. Alliant Public Pool Liability (APPL)

C7. George Hills Liability Claims Administration Contract with a 1 year Extension

C7i. Acknowledgment and Consent to Assignment

C8. LAIF Authorization for Transfer of Funds 8/25/2020

A motion was made to approve the consent calendar.

MOTION: Tina Friend

SECOND: Steve Adams

MOTION CARRIED

	Jamie Goldstein	Dino Pick	Paul Wood	Rene Mendez	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Francine Uy
Aye	X		X		X	X		X	X	X
Nay										
Abstain										

D. BOARD OF DIRECTOR’S REPORTS

D1. COMMITTEE REPORTS

D1a. Executive and Finance Committee

D1a1. Executive and Finance Committee – Slate of Officers

Conor Boughey reported that the Executive & Finance Committee (EC) Officer Elections is scheduled for the January 2021 Board Meeting. The EC met in September 2020 to discuss the proposed slate of officers for next year because the same set of EC Officers have served two full terms since 2017, and asked the Board if anyone is interested in participating in the Committee. The slate composes of Rene Mendez as the Chairperson, Layne Long as the Vice Chairperson, Brett Miller as the Secretary/Treasurer, and Jamie Goldstein as the Past Chairperson.

No reportable action took place.

D1a2. Excess Pool Representatives

The Executive Committee met in September 2020 and discussed having other MBASIA Board Members participate in the excess pools, CARMA and ERMA. The goal was to have the current Alternates become the Primary Representatives and other MBASIA Board Members become the Alternates.

A motion was made to appoint Brett Miller as the ERMA primary representative and Tina Friend as the alternate representative, subject to confirming if Dino Pick is able to be the ERMA primary representative. For CARMA, Layne Long will be the primary representative and Paul Wood as the alternate.

MOTION: Steve Adams **SECOND:** Brett Miller **MOTION CARRIED**

	Jamie Goldstein	Dino Pick	Paul Wood	Rene Mendez	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Francine Uy
Aye	X		X		X	X		X	X	X
Nay										
Abstain										

D1a3. Accounting Guide Policy and Procedure: Proposed Changes

Conor Boughey reported that many of the Program Administrators accounting responsibilities are shifting to Conor Boughey as to address succession planning for Michael Simmons. The Executive Committee met in September 2020 to review the proposed changes to the Accounting Guide, which include changing any reference to Michael Simmons to Conor Boughey, rewording to clarify check handling, and creating new safety procedures for transfers between MBASIA’s accounts.

The Financial Auditors have reviewed the proposed changes and did not have any changes or other comments.

A motion was made to approve the changes as presented in the agenda packet.

MOTION: Brett Miller

SECOND: Tina Friend

MOTION CARRIED

	Jamie Goldstein	Dino Pick	Paul Wood	Rene Mendez	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Francine Uy
Aye	X		X		X	X		X	X	X
Nay										
Abstain										

D1b. Safety Committee

D1b1. Safety Grant Funds

Conor Boughey reminded the Board that at the June 2020 Board Meeting, MBASIA adopted an annual budget for the 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.

Included in the agenda packet is a chart of the Members that requested the safety grant funds to date.

No reportable action took place.

D1c. Coverage and Claims Committee

D1c1. Summary of Coverage

Every year at the November Board Meeting, 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.

D2. UNFINISHED BUSINESS

D3. NEW BUSINESS

D3a. Review of Items Discussed at Long Range Planning

D3a1. Funding for Long Term Success

Overall the Board had a consensus that funding should increase for both the Liability and Workers' Compensations Programs from 70% to 75% confidence level gradually overtime and not immediately due to COVID-19. The Board gave direction to the Executive Committee to focus on increasing the confidence level in the Liability Program first, and then the Workers' Compensation later. Also, the Board discussed issuing a Request for a Proposal (RFP) for a new actuary in the next year.

D3a2. Workers' Compensation Allocation

At the November 12, 2020 Long Range Planning held the previous day, Conor Boughey reminded the Board that the Workers' Compensation Budget was amended in 2019 to update the Level II assessment by establishing a \$75,000 minimum contribution (no current effect). If a Member were to reduce its 4 year claims history to nothing, or next to nothing, a very low percentage of the program would be allocated to that Member.

The Board agreed to not change the allocation at this time. Direction was given to the Program Administrators to agendized for the 2021 Long Range Planning to discuss adding more years to the calculation.

D3a3. Liability Allocation

Conor Boughey reported the last time the Liability Budget was majorly updated was in 2015 to refine the methodology of exposure experience basis of 6 years, weight of 50% exposure and 50% experience and capping at 150% of the prior year. Every year the Board reviews the methodology and during the November 12, 2020 Long Range Planning held the previous day the Board agreed to keep the allocation as is.

Direction was given to 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.

D3a4. Memorandum of Coverage: Communicable Disease

At the November 12, 2020 Long Range Planning held the previous day, Conor Boughey reported that Board discussed adding potential exclusions regarding communicable disease. Some potential options for considerations were to (1) make no changes to the MOC, (2) add an exclusion or (3) add a coverage restriction such as an aggregate limit or per member limit.

The Board chose Option 1: make no changes.

D3b. Police Training Services Engagement Letter

Greg Fox at Bertrand, Fox, Elliot Osman & Wenzel has provided an engagement letter for the Board’s consideration to provide training for the Members’ Police Departments. Greg briefly discussed about the PowerPoint “Use of Force & AB 392” he uses to present.

A motion was made to direct the Program Administrators to schedule a Police Risk Management Committee Meeting so that the Police Chiefs can decide if they are interested in the training, and afterwards have the patrol officers take the training too. The Board approved the funding for 2 Zoom Meetings (not in person meeting) if the Police Chiefs agreed to do the training.

MOTION: Steve Adams **SECOND:** Tina Friend **MOTION CARRIED**

	Jamie Goldstein	Dino Pick	Paul Wood	Rene Mendez	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Francine Uy
Aye	X		X		X	X	X	X	X	X
Nay										
Abstain										

D3c. Crowe LLP New Signing Partner Introduction

Charles Raibley, Crowe LLP introduced Joe Pieksza as the New Signing Partner for MBASIA’s Financial Audit. Joe gave an introduction about himself.

D3d. MBASIA’s Financial Audit

Charles Raibley from Crowe LLP, MBASIA’s Financial Auditor, presented the FY 19/20 Financial Audit to the Board and reported that there were no significant findings.

A motion was made to approve the financial audit as presented.

MOTION: Brett Miller

SECOND: Paul Wood

MOTION CARRIED

	Jamie Goldstein	Dino Pick	Paul Wood	Rene Mendez	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Francine Uy
Aye	X		X		X	X	X	X	X	X
Nay										
Abstain										

D3e. Excess Workers’ Compensation Renewal

Conor Boughey reported that MBASIA’s Excess Workers’ Compensation Program renews July 1, 2021 with PRISM. Attached in the agenda packet was the premium indication as of October 2020. The next premium indication will be December 2020 and will be presented at the January 2021 Board Meeting.

D4. LOSS REPORT

D4a. Workers’ Compensation Claims Administrator’s Report

D4b. Liability Claims Administrator’s Report – None

A motion was made to enter into Closed Session at 10:56 AM.

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

	Jamie Goldstein	Dino Pick	Paul Wood	Rene Mendez	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Francine Uy
Aye	X		X		X	X		X	X	X
Nay										
Abstain										

A motion was made to come out of Closed Session at 11:45 AM.

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

	Jamie Goldstein	Dino Pick	Paul Wood	Rene Mendez	Brett Miller	Steve Adams	Layne Long	Aaron Blair	Tina Friend	Francine Uy
Aye	X		X		X	X		X	X	X
Nay										
Abstain										

Jamie Goldstein reported out of Closed Session that direction was given to the Workers’ Compensation Administrator and no final action was taken.

E. PROGRAM ADMINISTRATOR’S REPORT

E1. MBASIA Exposures and Coverages Review: Fiduciary Liability

At the end of each Board Meeting, Alliant presents a new topic aimed at providing coverage information. At today’s meeting, Fiduciary Liability was discussed. Included in the agenda packet was an application.

Members asked questions, which were addressed.

F. CORRESPONDENCE / INFORMATION

F1. Next Two Board Meetings & ERMA Training Schedule

The next two Board Meetings will be held on January 25, 2021 in Sand City or Virtually via Zoom and April 5, 2021 in Salinas or Virtually via Zoom. The Board Meetings will start at 9:30 AM, unless otherwise stated.

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

F3. CAJPA Tort Liability Data Analysis Project – Phase 1 Final Report - There was no discussion on this item.

F4. “Up next: hyper social inflation?” Article – There was no discussion on this item.

G. GENERAL RISK MANAGEMENT ISSUES

There were no general risk management issues.

ADJOURNMENT

Jamie Goldstein adjourned the meeting at 12:09 PM