

**MBASIA
Board of Directors Meeting**

Friday, November 8, 2024 at 9:00 AM

**LOCATION:
Dream Inn
175 W Cliff Drive
Santa Cruz, CA 95060
Room: Surf View**

MEMBERS PRESENT

Jamie Goldstein, City of Capitola
Paul Wood, City of Greenfield
Carmen Gil, City of Gonzales
Casey Estorga, City of Hollister Alternate
Veronica Contreras, City of King City Alternate
Belinda Varela, City of Marina Alternate
Vibeke Norgaard, City of Sand City
Mali LaGoe, City of Scotts Valley
Megan Hunter, City of Soledad

MEMBERS ABSENT

John Guertin, City of Del Rey Oaks

GUESTS & CONSULTANTS

Nina Aguayo, City of Greenfield Alternate
Francine Uy, City of Soledad Alternate
Neil Callahan, George Hills Company
Rose Melchor, George Hills Company
Lynn Cavalcanti, AIMS
Jim Marta, James Marta & Company LLP (*left at 9:20 AM*)
Conor Boughey, Alliant Insurance Services
Lorissa Huey, Alliant Insurance Services
Marcus Beverly, Alliant Insurance Services (*left at 10:00 AM*)

A. CALL TO ORDER

Jamie Goldstein called the meeting to order on Friday, November 8, 2024 at 9:01 AM.

B. ORAL COMMUNICATIONS & PUBLIC COMMENTS

There were no oral communications and public comments.

C. CONSENT CALENDAR

C1. Approval of Minutes – June 10, 2024 Board of Directors Meeting

C2. Service Calendar & Status of Deliverables

C3. Bills and Correspondence

C4. Evidence of Coverage and Disclosure:

C4i. Alliant Property Insurance Program (APIP)

C4ii. Alliant Crime Insurance Program (ACIP)

C4iii. Alliant Public Pool Liability (APPL)

C4iv. Excess Cyber

C5. MBASIA Accounting Guide

C5i. Redlined Version

C5ii. Clean Version

C6. Sedgwick Loss Control Contract for Driver and Fleet Safety and Vehicle Use Policy

C7. PRISM Programs Draw on Net Positions to Mitigate Impact of Reinsurer Commutation

A motion was made to approve the consent calendar.

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

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

D. PRESENTATIONS

D1. MBASIA’s Financial Audit

Jim Marta, MBASIA’s Financial Audit presented the Financial Audit as of June 30, 2024. Members asked questions, which were addressed.

A motion was made to receive and file the Financial Audit as of June 30, 2024.

MOTION: Megan Hunter **SECOND:** Paul Wood **MOTION CARRIED**

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

E. GENERAL RISK MANAGEMENT ISSUES

Casey Estorga, City of Hollister disclosed that the City will be having the Hollister Bike Rally on July 4, 2025.

Direction was given to bring back by the January 2025 Board Meeting, focused amendments to the MOC exploring options similar to other JPA’s Memorandum of Coverage language about special events, draft a Memo from MBASIA to the City that the Worker’s Compensation is not covered, there is great concern with the liability exposure and MBASIA is working on adding an exclusion.

F. BOARD OF DIRECTOR’S REPORTS

F1. COMMITTEE REPORTS

F1a. Executive and Finance Committee - None

F1b. Safety Committee

F1b1. Safety Grant Funds

Lorissa Huey provided the Board an update on which Members have requested Safety Grant Funds as of to date. The request form was included in the agenda packet.

No reportable action took place.

F1b2. Status of Driver and Fleet Safety Program and Vehicle Use Policy

Conor Boughey reported that MBASIA gave direction to the Program Administrators to enter into a contract with Sedgwick for loss control services to provide a Driver and Fleet Safety Program, and Vehicle Use Policy. The following policies were attached to the agenda packet.

1. Driver Safety and Vehicle Use Program
 - a. Business Use – Agency Owned Vehicles
 - b. Business Use – Personally Owned Vehicles
2. Large Capacity Van Safety Policy
3. Self-Assessment Vehicle Use and Operations
4. Sample Vehicle Backing Policy

Members discussed and want to review with their City Attorneys.

Direction was given to the Program Administrators to check with the Members to ask if they have implemented this in nine months, and to bring this item back in one year to provide the Board an update. Also, the Program Administrators will send a copy of each policy in an e-mail.

F1c. Coverage and Claims Committee

F1c1. Summary of Coverage

Lorissa Huey reported that on the agenda each 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.

This can be used to provide the City's Financial Auditor to verify insurance coverages.

F1d. Police Risk Management Working Group

F1d1. Topics to Discuss for Upcoming Police Risk Management Working Group Meeting

Conor Boughey asked the Board what topics the Board would like the Program Administrators to discuss with the Police Risk Management Working Group (PRMWG). The ideas that were explored were: 1) mass shooting for all City employees, not only the Police Departments, 2) drones as first responders, 3) continuation of the ABLE program, and 4) fitness for duty regarding restyling belts.

Vibeke Norgaard mentioned that a City of Carmel Police Sergeant held an active shooter training and will provide info.

F2. UNFINISHED BUSINESS

F2a. Feedback from Insurance Requirements in Contracts (IRIC) Parks and Recreation Webinar

Conor Boughey reminded the Board that it requested Alliant to host a live webinar regarding Insurance Requirements in Contracts (IRIC) Parks & Recs.

On August 28, 2024, Alliant hosted a Parks & Recs IRIC webinar. The webinar was not recorded at the request of the Board’s President. This was to allow a more interactive webinar for the City employees in Parks & Recs who were in attendance.

Members requested to record the webinar as there is high turnover at the Member Cities. Also, to host a live webinar annually and invite the Parks & Recs employees to join. The Board mentioned that late summer/early fall is a good time to host because that is before the Parks & Recs start to build out the next year’s summer program lists which is around November.

F2b. Chandler Investment Update of Transfers

Lorissa Huey reported that MBASIA has a long term investment account with Chandler and has funded \$12,000,000 to date. The Board discussed the various options of where to invest its money as there is an account receivable of \$7,884,459 from the January 1, 2025 second installment invoices.

A motion was made to transfer \$4,000,000 to Chandler after the January 1, 2025 deposits are received.

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

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

F2c. Next Year’s Risk Summit & Location

The Board discussed whether or not it wanted to host another Risk Summit because the first one was held in 2023 in lieu of the annual Strategic Planning. Positive feedback was provided and the Board requested to continue with the 2025 Risk Summit.

Members requested that the Risk Summit have more breakout sessions with a focused topic such as Insurance Requirements for Parks & Recs, David Patzer at DKF for Public Works, and an ERMA representative to discuss Employee Relations. Also, to have less topics overall and the Board would consider hiring a motivational speaker.

Direction was given to the Program Administrators to draft a schedule by the January 2025 Board Meeting and then create an Ad Hoc Committee to help with planning a mini conference. The Safety Committee which is composed of Carmen Gil, Layne Long, and Paul Wood would be a good group to be part of the Ad Hoc Committee.

F2d. Alternate Dispute Resolution (ADR) Member Program

Lynn Cavalcanti from AIMS, provided the Board a presentation about Alternate Dispute Resolution at a prior Board Meeting in November 2023. At that meeting, the City of Hollister volunteered to be the pilot city, and Sand City was interested.

Lynn provided the Board a verbal update. The Cities of Hollister and Sand City are still interested.

F3. NEW BUSINESS

F3a. Review of Items Discussed at Strategic Planning

F3ai. Liability Funding and Structure

At the November 7, 2024 Strategic Planning held the previous day, Conor Boughey reminded the Board that it updated the experience basis to cap at \$500,000 starting three years back, 7/1/19, 7/1/20, and 7/2/21. The Board did not want to increase the confidence level from 80%.

No reportable action took place. Direction was given to send Excel Spreadsheets of the budget.

F3aai. Workers' Compensation Funding and Structure

At the November 7, 2024 Strategic Planning held the previous day, Conor Boughey reminded the Board that the Workers' Compensation Budget was amended in 2022 to update the Level II assessment by increasing the number of claim years to 5 years starting with the 7/1/22 budget, 6 years starting with the 7/1/23 budget, 7 years with the 7/1/24 budget, and then reconsider further at that point.

A motion was made to move the excess coverage premium into the Level II assessment and increase the minimum contribution to \$125,000 from \$75,000. Direction was given to send Excel Spreadsheets of the budget.

F3aiii. Loss Control and Safety Discussion

During the Strategic Planning held the previous day on November 7, 2024, the following items were discussed:

Engage with David Patzer on the Basic Online Loss Control Package for \$4,000 (\$400 per Member) now. The Board requested a demo on a Zoom Webinar to be held in early December and will invite all applicable city staff.

The Safety Committee will discuss revising the Safety Grant Policy and Procedure to put parameters on the Wellness Programs such as there can only be the same request every two or three years. Also, the Board requested to increase the budget from \$75,000 (\$7,500 per Member) to \$150,000 (\$15,000 per Member).

Tani Corona is directed to ask PRISM to draft a best practices for youth instructors.

For the Members who want to “rent a safety officer”, the Program Administrators will work with those Members separately.

F3aiv. Other Topics Discussed from Strategic Planning

Direction was given to the Program Administrators to discuss with Jack Joyce, MBASIA’s Actuary to provide a cost allocation for the 10 Members by department such as Public Works, Police, Fire, City Manager’s Office. Also, to inquire what the fee would be to produce the cost allocation. This will be brought back to the January 2025 Board Meeting.

The Program Administrators were requested to create a contact list of the Members’ Human Resources, Safety Officers, Risk Management staff. Once the list is completed, the Program Administrators will send the MBASIA Resource Guide and Quarterly Training Announcement that points out all the training available to MBASIA Members to the everyone on that list in addition to the Board Members. Members discussed the NorCal HR Group. Lynn wants to join this as the MBASIA WC Claims Administrators and to provide info on the call center telehealth.

Also, to ask ERMA if there is a job evaluation training, or employee review process training to document performance reviews better.

George Hills (GH) is directed to provide an Employment Practices Liability Loss Run to its individual Members by department, and claim type. Also, for offer quarterly claim file reviews.

Direction was given to the MBASIA Members to stop engaging with Worksite International, and the Program Administrators will explore alternate ergonomic options.

A motion was made to approve all the items discussed during the Strategic Planning.

MOTION: Vibeke Norgaard **SECOND:** Carmen Gil

MOTION CARRIED

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

F3b. Proposed Changes to MBASIA’s Investment Policy and Procedure

Conor Boughey reported that after Santa Cruz County Bank agreed to provide MBASIA LAIF plus 25 basis points, the bank suggested adding a reference to IntraFi Cash Services to the MBASIA Investment Policy. Then, Chandler reviewed the MBASIA Investment Policy and has proposed changes in redlined, which was included in the agenda packet.

A motion was made approve the proposed changes.

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

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

F3c. Excess Workers’ Compensation Renewal

Conor Boughey reported that MBASIA’s Excess Workers’ Compensation Program renews July 1, 2025 with PRISM. Attached in the agenda packet was the premium indication as of October 2024. The next premium indication will be as of February 2025.

F3d. Non-Safety Volunteers

Conor Boughey reported that MBASIA does not provide Workers’ Compensation (WC) for non-safety volunteers. Safety volunteers are statutorily covered under California WC code.

MBASIA purchases an Accidental Death & Dismemberment (AD&D) policy through the Volunteers Insurance Program (VIP) to address smaller more typical injuries. If no WC coverage is provided by MBASIA, and a large loss arises, the volunteer will likely make a claim as a third-

party liability claim. MBASIA would like each Member to confirm its agency has not passed a resolution to cover non-safety volunteers under their WC program. If a Member has passed a resolution, this puts its position against MBASIA’s coverage intent. In essence, the city would be self-insuring this WC exposure.

The Program Administrators will send out an email asking each Member to confirm that it has not passed the resolution.

F3e. Liability Claims Administration Contract Term

Conor Boughey reported that the current contract with George Hills (GH), MBASIA’s Liability Claims Administrator term expires on June 30, 2025.

Neil Callahan reported that GH is not proposing any hourly rate increases. There is an annual escalator fee in the contract based on CPI.

A motion was made to direct GH to bring back to the Board a three-year contract for consideration.

MOTION: Megan Hunter **SECOND:** Paul Wood **MOTION CARRIED**

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

F4. LOSS REPORT

F4a. Workers’ Compensation Administrator’s Report

F4b. Liability Third Party Administrator’s Report

CLOSED SESSION – Pursuant to Gov’t Code 54956.95

A motion was made to enter into Closed Session at 11:32 AM.

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

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

A motion was made to come out of Closed Session at 11:59 AM.

MOTION: Megan Hunter **SECOND:** Paul Wood **MOTION CARRIED**

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

Jamie Goldstein reported out of closed session that no final action took place.

G. PROGRAM ADMINISTRATOR’S REPORT

G1. MBASIA Exposures and Coverages Review: Earthquake & Flood

Conor Boughey stated that today’s Board Meeting exposure and coverage review topic is Earthquake and Flood. Conor explained to the Board that parametric insurance is when the claims payment is based on a pre-agreed trigger rather than a more “traditional” actual loss sustained claims adjustment.

Direction was given to Alliant to obtain a quote for parametric.

H. CORRESPONDENCE / INFORMATION

H1. Next Two Board Meetings & ERMA Training Schedule

The next two Board Meetings will be held on January 27, 2025 virtually via Zoom and April 14, 2025 virtually via Zoom. The Board Meetings will start at 9:00 AM, unless otherwise stated.

H2. PARMA Conference Information – There was no discussion on this item.

H3. MBASIA Service Team Contact List & Claims Reporting – There was no discussion on this item.

H4. MBASIA Schedule of Service Agreements – There was no discussion on this item.

H5. Evident Third-Party Risk Management for the Public Sector – There was no discussion on this item.

ADJOURNMENT

Jamie Goldstein adjourned the meeting at 12:11 PM.