

**MINUTES OF THE
MBASIA EXECUTIVE COMMITTEE
THURSDAY, JANUARY 22, 2015 at 1:15 PM
CITY OF SCOTTS VALLEY
ONE CIVIC CENTER DRIVE
SCOTTS VALLEY, CA 95066**

MEMBERS PRESENT

Jamie Goldstein, City of Capitola
Daniel Dawson, City of Del Rey Oaks
Rene Mendez, City of Gonzales
Steve Ando, City of Scotts Valley

MEMBERS ABSENT

GUESTS AND CONSULTANTS

Michael Simmons, Alliant Insurance Services
Conor Boughey, Alliant Insurance Services
Vadim Livshits, Alliant Insurance Services

A. CALL TO ORDER

Rene Mendez called the meeting to order at 1:15 p.m.

B. CONSENT CALENDAR

B1. Approval of the Minutes of the September 15, 2014 Meeting

A motion was made to approve the minutes.

Motion: Daniel Dawson **Second:** Rene Mendez **Motion Carried**

	Jamie Goldstein	Rene Mendez	Daniel Dawson	Steve Ando
Aye		X	X	X
Nay				
Abstain	X			

C. PUBLIC COMMENTS

None.

D. EXECUTIVE AND FINANCE COMMITTEE

D1. Loss Report

The MBASIA Board of Directors Entered into Closed Session Pursuant to Government Section Code 54956.95

A motion was made to enter into closed session at 1:16 p.m.

Motion: Daniel Dawson Second: Rene Mendez Motion Carried

	Jamie Goldstein	Rene Mendez	Daniel Dawson	Steve Ando
Aye	X	X	X	X
Nay				
Abstain				

A motion was made to come out of closed session at 1:55 p.m.

Motion: Daniel Dawson Second: Steve Ando Motion Carried

	Jamie Goldstein	Rene Mendez	Daniel Dawson	Steve Ando
Aye	X	X	X	X
Nay				
Abstain				

Direction was given to the Administrators by the Executive Committee regarding the agendized claim.

D2. ACCEL Pool Administration Agreement Renewal

Michael Simmons summarized the proposed agreement between MBASIA and Alliant, as well as the materials contained within the agenda packet regarding this item.

Michael explained that when Alliant took over the account from Kent Rice several years ago, the pricing was kept the same as what Kent charged to keep from upsetting the Board. He explained that in the last few years, Alliant has spent more on this account than it has collected. Alliant is asking for an increase of \$40,000 to bring this account into the black.

Michael reports that in the next few years, the hours contributed by Michael Simmons will decrease as Conor Boughey's hours will increase. Michael explained that the Administrators

compensation is supposed to be based on Consumer Price Index, but right now compensation needs are not keeping up with the CPI.

Jamie Goldstein asked if Alliant has been underwater the entire time. Michael Simmons explained that it wasn't exactly underwater, but it has been taking a hit. Pool administration has special needs that make it different than any of Alliant's other business.

Rene Mendez asked to go over the contract. Michael explained the changes on various pages, and explained that many of the changes are very minor wording, and have been vetted by attorney Vince Hurley. Conor explained that one major change in the contract is accounting. Accounting was previously done by Steve Ando, and when Tami Giovanni took over, the accounting section was added to the Pool Administration Contract by amendment. Accounting will now become an integral part of the contract.

Administrators were asked to step out of the room, while the Committee discussed.

Rene Mendez explained that the committee would like to see the increase spread over 1-3 years. Michael Simmons asked if the Committee is agreeable to a stepped increase that is slightly front-loaded. He would like to do 10-12.5% the first year and smaller steps distributed over the next years to get to the same dollar amount over 3 years. 12.5% 7.5% and 5%. Hourly rates will be adjusted to Alliant's needs. The Committee indicated that they are agreeable to this proposal.

Administrators were asked to provide a write-up that compares other pools' rates to MBASIA.

Motion to recommend that negotiated increased rates be accepted and rate structure be phased in at a rate of or similar to 12% in the first year, 8% in the second year, and 5% in the third year.

Motion: Daniel Dawson **Second:** Jamie Goldstein **Motion Carried**

	Jamie Goldstein	Rene Mendez	Daniel Dawson	Steve Ando
Aye	X	X	X	X
Nay				
Abstain				

D3. Workers Compensation Third Party Administrator Contract

Rene Mendez explained that the current Work Comp TPA, JT2, has been losing staff, including Tabatha Bettencourt, who was the primary contact assigned to work on the MBASIA account. Tabatha and others leaving JT2 have reached out to MBASIA, soliciting Denovo Risk Services, their new firm.

Daniel Dawson has proposed looking at some other options besides JT2 and Denovo. He believes the time is right since JT2 has been the TPA for many years, and their contract is “until cancelled.”

Rene Mendez explained that he is unhappy with the service he has been receiving from JT2 lately. He thinks MBASIA would be well served to issue an RFP. Michael Simmons explained that the RFP process takes 30 days, and JT2 requires a 60 day notice. Daniel Dawson indicated that he would like to issue an RFP.

Motion to invite JT2 to present to the Board at the February Board Meeting. Administrators will include an RFP for TPA services in the Board Agenda.

Motion: Daniel Dawson

Second: Jamie Goldstein

Motion Carried

	Jamie Goldstein	Rene Mendez	Daniel Dawson	Steve Ando
Aye	X	X	X	X
Nay				
Abstain				

D4. Approval of Change to LAIF Transfer Authority

Conor Boughey explained that in order to be able to make transfers into and out of LAIF, one has to be appointed by resolution. Conor believes that he should be allowed to make transfers, which would remove steps from the process.

Additionally, the current authorized representative for MBASIA is Steve Ando, but because he signs checks, a change should be considered so that proper controls can be maintained.

Motion to issue resolution making Conor Boughey and the Board President the authorized representatives of LAIF.

Motion: Daniel Dawson

Second: Steve Ando

Motion Carried

	Jamie Goldstein	Rene Mendez	Daniel Dawson	Steve Ando
Aye	X	X	X	X
Nay				
Abstain				

D5. Election of Officers

The election of officers is going to be held at the February Board Meeting as is outlined in the bylaws.

The Executive Committee believes that Daniel Dawson should be the President of the Board, and Jamie should be the Vice President. Steve should retain his position as Secretary/Treasurer.

D6. Excess Pool Representation

Conor Boughey explained that because Lisa Murphy has left the City of Capitola, a new Excess Pool Alternate Representative is needed to represent MBASIA at CARMA and ERMA meetings. The Executive Committee decides who will represent the will be.

Motion to appoint Jamie Goldstein as alternate representative to the CARMA and ERMA pools.

Motion: Daniel Dawson

Second: Rene Mendez

Motion Carried

	Jamie Goldstein	Rene Mendez	Daniel Dawson	Steve Ando
Aye	X	X	X	X
Nay				
Abstain				

E. CORRESPONDENCE/INFORMATION

None

F. GENERAL RISK MANAGEMENT ISSUES

None

ADJOURNMENT

Rene Mendez adjourned the meeting was adjourned at 2:50 p.m.