

**MINUTES OF THE  
MBASIA SPECIAL BOARD OF DIRECTORS MEETING  
THURSDAY, JUNE 23, 2016 at 10:30 AM  
TELECONFERENCE PRIMARY LOCATION:  
100 Pine Street, 11<sup>th</sup> Floor San Francisco, CA 94111**

**MEMBERS PRESENT**

Jamie Goldstein, City of Capitola  
Daniel Dawson, City of Del Rey Oaks  
Rene Mendez, City of Gonzales  
Susan Stanton, City of Greenfield  
Brett Miller, City of Hollister  
Steve Adams, City of King  
Layne Long, City of Marina  
Linda Scholink, City of Sand City  
Adela Gonzales, City of Soledad

**MEMBERS ABSENT**

Chuck Comstock, City of Scotts Valley

**GUESTS & CONSULTANTS**

Conor Boughey, Alliant Insurance Services, Inc.  
Janine Bowman, AIMS  
Francine Uy, City of Soledad

**A. CALL TO ORDER**

Daniel Dawson called the meeting to order at 10:35 AM.

**B. CONSENT CALENDAR**

**B.1. Minutes of the May 2, 2016 Board of Directors Meetings**

**B.2. Service Calendar and Status of Deliverables**

**B3. Bills and Correspondence**

**MOTION:** Rene Gonzales

**SECOND:** Linda Scholink

**MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

**C. ORAL COMMUNICATION AND PUBLIC COMMENTS**

Jaime Goldstein reported that the City of Scotts Valley will have a new City Manager soon.

No further communications.

**D. BOARD OF DIRECTORS**

**D.1. COMMITTEE REPORT**

**D.1.a. Executive and Finance Committee**

**D.1.a.1 2016/17 Committee Assignments**

A motion was made to keep the same 2015/16 Committee assignments but to add Layne Long to the Coverage and Claims Committee and add Francine Uy to the Safety Committee in place of Adela.

**MOTION:** Linda Scholink

**SECOND:** Brett Miller

**MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

**D.1.b Safety Committee**

**D.1.b.1 2016/17 Safety Funds Budget**

Conor reported that the Safety Grant program has been around since 2011 and he reported on the budget over the last several years.

A motion was made to adopt a \$75,000 budget and convene the Safety Committee prior to the LRP to review the current policy structure.

**MOTION:** Jaime Goldstein

**SECOND:** Linda Scholink

**MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

**D.1.c Coverage and Claims Committee**

No Report.

**D.1.d Ad Hoc Budget Committee**

**D.1.d.1 Draft Liability Budget**

Conor reported that the Executive and Finance Committee met to review and propose the FY 2016/17 liability budget. Conor walked through the details of the budget, noting the calculation methodology and reasoning behind an increase in funding.

A motion was made to approve the 2016/17 Liability Budget as proposed.

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

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

**D.1.d.2 Draft Workers Compensation Budget**

Conor reported on the changed to the workers compensation budget, including the rationale behind the budget increases and walking through the calculation methodology.

A motion was made to approve the 2016/17 Workers Compensation Budget as proposed.

**MOTION:** Brett Miller      **SECOND:** Adela Gonzales      **MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

**D.2 UNFINISHED BUSINESS**

None.

**D.3. NEW BUSINESS**

**D.3.a Financial Audit Services Contract Renewal**

Conor reported that the agenda included a two year proposal from Crowe Horwath to continue audit services for the July 1, 2016 and 2017 audits that includes a small fee increase over the prior five year term.

A motion was made to approve the proposed services for a two year contract.

**MOTION:** Linda Scholink    **SECOND:** Adela Gonzales    **MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

**D.3.b CARMA Insurance Renewal**

Conor reported that CARMA provides excess liability coverage for MBASIA, and that Rene is MBASIA’s representative on the CARMA Board. Due to increases in payroll, funding requirements and MBASIA’s ex-mod, there is an 18% increase. Because MBASIA is a member of CARMA and we did not provide notice to terminate, the renewal will be automatic.

No action was taken.

**D.3.c ERMA Preliminary Budget**

Conor reported that ERMA provides excess employment practices liability coverage and training for MBASIA, and that Daniel Dawson is MBASIA’s representative on the ERMA Board. Unlike the CARMA budget, MBASIA is seeing a 12% reduction due to the health of the ERMA pool. Because MBASIA is a member of ERMA and we did not provide notice to terminate, the renewal will be automatic.

No action was taken.

**D.3.d CSAC EIA Excess Workers Compensation Preliminary Renewal**

Conor reported that CSAC-EIA provides Excess Workers Compensation coverage for MBASIA, attaching at our \$250,000 SIR. The excess workers compensation market continues to harden, and MBASIA is receiving a 17% increase due to market conditions, payroll increases and ex-mod calculations. Conor further reported that MBASIA is not in the new high safety category, which applies to agencies with more than 40% payroll associated to safety operations.

No action was taken.

### **D.3.e Property Renewal**

Conor reported that MBASIA has a group purchase property program through which most Members purchase their property insurance. There was an increase of 21%, 17% was due to an increase in TIV and the remaining 4% was a rate increase.

A motion was made to renew MBASIA’s property program with APIP.

**MOTION:** Jaime Goldstein **SECOND:** Rene Mendez **MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

### **D.3.f MBASIA APPL Proposal**

Conor reported that the 2016/17 renewal premium is flat, with no increase from the prior term.

A motion was made to renew coverage with the APPL program.

**MOTION:** Linda Scholink **SECOND:** Brett Miller **MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

### **D.3.g Crime Coverage for Member Agencies**

Conor reported that MBASIA provides Members with Liability, Workers Compensation and Property (those that participate) insurance coverage but not Crime coverage. Crime insurance is an important and relatively cheap line of coverage that protects the policy holder from their employee theft which could take many different forms.

Members were asked to contact Conor if they have any questions about Crime coverage.

**D.3.h 2016/17 Program Year Calendar of Meetings**

A motion was made to approve the calendar as presented, but changing the November meetings to the 17<sup>th</sup> and 18<sup>th</sup>.

**MOTION:** Linda Scholink    **SECOND:** Brett Miller    **MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

**D4. LOSS REPORTS**

**CLOSED SESSION – Pursuant to Gov’t Code 54956.95**

**D.4.a Workers’ Compensation Administrator’s Report**

**D.4.b Liability Administrator’s Report**

Motion to enter closed session.

**MOTION:** Adela Gonzales    **SECOND:** Brett Miller    **MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

The Board entered Closed Session at 11:25 AM

Motion to come out of closed session.

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

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Steve Adams	Layne Long	Linda Scholink	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

Nay									
Abstain									

The Board came out of Closed Session at 11:35 AM.

Daniel Dawson reported that direction was given to the Workers Compensation Administrator and approval was also provided to the Liability claims administrator.

**E. PROGRAM ADMIN REPORT**

**E.1. LRP Agenda Discussion**

The administrators surveyed the Board regarding items to add to the Long Range Planning Meeting. Adela requested that a presentation regarding the benefits of self-insuring voluntary benefits be provided.

**F. CORRESPONDENCE / INFORMATION**

There was a brief announcement regarding the upcoming meetings or training sessions.

**G. GENERAL RISK MANAGEMENT ISSUES**

**ADJOURNMENT**

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

**Meeting adjourned at 11:40 AM.**