

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

**Monday, June 15, 2020 at 9:30 AM**

**LOCATION:  
TELECONFERENCE**

**MEMBERS PRESENT**

Jamie Goldstein, City of Capitola

Dino Pick, City of Del Rey Oaks

Paul Wood, City of Greenfield

Rene Mendez, City of Gonzales *(left the teleconference at 11:45 AM)*

Brett Miller, City of Hollister

Andrea Marble, City of King City Alternate

Layne Long, City of Marina

Aaron Blair, City of Sand City

Tina Friend, City of Scotts Valley

Francine Uy, City of Soledad Alternate

**MEMBERS ABSENT:** None

**GUESTS & CONSULTANTS**

Nina Aguayo, City of Greenfield Alternate

Tony McFarlane, City of Scotts Valley Alternate

Lynn Cavalcanti, AIMS

Ken Maiolini, Risk Management Services

Michael Simmons, Alliant Insurance Services *(left the teleconference at 11:45 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. CONSENT CALENDAR**

**B1. Approval of Minutes – April 6, 2020 Board of Directors Meeting**

**B2. Service Calendar & Status of Deliverables**

**B3. Bills and Correspondence**

**B4. MBASIA – 2020 CARMA Claims Audit**

**B5. MBASIA Bay Actuarial Consultants Engagement Letter 2021 & 2022**

A motion was made to approve the consent calendar.

**MOTION:** Dino Pick

**SECOND:** Paul Wood

**MOTION CARRIED**

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

**C. ORAL COMMUNICATIONS & PUBLIC COMMENTS**

There were no oral communications and public comments.

**D. BOARD OF DIRECTORS**

**D1. COMMITTEE REPORTS**

**D1a. Executive and Finance Committee**

**D1a1. Updated Committee Assignments**

Conor Boughey reported that at the June Board Meeting each year, MBASIA’s Committee Assignments are made for the following Program Year.

A motion was made to approve the Committee Assignments in the chart below.

2020 - 2021
<b>COVERAGE &amp; CLAIMS COMMITTEE:</b>
<i>Per bylaws Chairperson will act as Committee Chair; Excess Coverage Representative is an automatic member</i>
Jamie Goldstein – Committee Chair
Rene Mendez ( <i>Excess Coverage Representative</i> )
Brett Miller ( <i>Excess Coverage Representative</i> )
Steve Adams
Layne Long
<b>SAFETY COMMITTEE:</b>
<i>Per bylaws Vice Chairperson will act as Committee Chair</i>
Layne Long – Committee Chair
Francine Uy
Paul Wood

**MOTION:** Rene Mendez

**SECOND:** Dino Pick

**MOTION CARRIED**

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

**D1b. Safety Committee**

**D1b1. Safety Grant Program – Receipts Extension**

Conor Boughey reminded the Board that per the Safety Grant Program Policy and Procedure Members must submit receipts 60 days after the Program Year closes. All receipts must be submitted in batches. The purpose of this time window was to allow the Program Year to close and prevent a City from accruing bills and approvals over several years. This year, due to the impact of the COVID-19 health orders a couple of Members asked for an extension to submit receipts.

A motion was made to approve the 6 month extension to submit receipts.

**MOTION:** Layne Long

**SECOND:** Tina Friend

**MOTION CARRIED**

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

**D1c. Coverage and Claims Committee – None**

**D2. UNFINISHED BUSINESS**

**D2a. CARMA Insurance Renewal**

Conor Boughey presented CARMA’s budget. There is a 20% premium increase from last year’s premium. The primary drivers of this increase are that the liability markets continue to harden and MBASIA’s ex-mod is 24% above average. CARMA will be applying a \$32,793 dividend credit to MBASIA’s premium invoice.

No reportable action took place since MBASIA is a member of CARMA, the renewal will be automatic.

**D2b. ERMA Insurance Renewal**

Conor Boughey presented ERMA’s budget. There is a 6.1% premium decrease from last year’s premium due to the ex-mod decreasing to 104.4% and a 2/3 available retrospective adjustment of \$17,599 is deducted from the overall premium.

No reportable action took place since MBASIA is a member of ERMA, the renewal will be automatic.

**D2c. Excess Workers’ Compensation Renewal**

Conor Boughey reported that Excess Workers’ Compensation (EWC) premium has increased about 31% due to an increase in payroll. However, last year’s payroll was underreported and the payroll audit resulted in additional premium of \$80,448. When taken into consideration, the year-over-year costs increased from \$733,307 to \$962,000, which is a nominal increase due primarily to payroll increase of 11%, and an ex-mod increase. This will lead to a renewal premium of about \$1,042,448. The version 4 estimates were provided to the Board as a handout.

**D2d. Property and Excess Cyber Program Renewal**

**D2d1. APIP and Excess Cyber Insurance Renewal**

**D2d2. APIP Claims Reporting Acknowledgements**

Conor Boughey reported that MBASIA has a group purchase property program through which all Members purchase. The program will renew on July 1, 2020 and MBASIA’s proposal is attached. He pointed out that 1) the all-risk limit has been reduced to \$500,000,000 and 2) the communicable disease endorsement is no longer offered.

In addition, the excess cyber quote was presented with various options.

The Program Administrators will send to the Members the APIP the Claims Reporting Forms for Property, Cyber, Pollution and the APIP Claims Reporting Acknowledgement Receipt form. The APIP Claims Reporting Acknowledgement Receipt form needs to be signed by each Member and sent back to Alliant.

A motion was made to bind the cyber quote, option #3. Direction was given to Alliant to send to each Member a premium cost comparison of a higher deductible versus the expiring deductible.

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

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

**D2e. MBASIA Board E&O (APPL) Proposal**

Conor Boughey reported that the Pool Trustees’ Errors & Omissions Policy through the Alliant Public Pool Liability (APPL) Program renews July 1, 2020. The renewal premium this year is flat.

A motion was made to approve as presented.

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

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

**D2f. MBASIA Crime (ACIP) Proposal**

Conor Boughey reported that the Crime Policy through the Alliant Crime Insurance Program (ACIP) renews July 1, 2020. The renewal remains flat with the same limits and deductibles.

A motion was made to approve as presented.

**MOTION:** Tina Friend      **SECOND:** Brett Miller      **MOTION CARRIED**

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

**D2g. MBASIA AD&D Policy**

Conor Boughey reported that MBASIA’s AD&D policy through the Volunteer Insurance Program (VIP) renews July 1, 2020. Alliant collected updated volunteer counts from each Member to report accurate exposures to the carrier.

A motion was made to approve as presented.

**MOTION:** Rene Mendez

**SECOND:** Brett Miller

**MOTION CARRIED**

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

**D2h. Final 2020-21 Liability Budget**

Conor Boughey presented the final 2020-21 Liability Budget. The budget is presented at the April Board Meeting as a draft and is annually adopted at the June Board Meeting. The Executive & Finance Committee met on May 27, 2020 to review the budget a second time and made a motion to recommend to the Board to approve as proposed.

A motion was made to approve the budget as presented.

**MOTION:** Rene Mendez

**SECOND:** Brett Miller

**MOTION CARRIED**

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

**D2i. Final 2020-21 Workers' Compensation Budget**

Conor Boughey presented the final 2020-21 Workers' Compensation Budget. The budget is presented at the April Board Meeting as a draft and is annually adopted at the June Board Meeting. The Executive & Finance Committee met on May 27, 2020 to review the budget a second time and made a motion to recommend to the Board to approve as proposed.

A motion was made to approve the budget as presented.

**MOTION:** Dino Pick

**SECOND:** Brett Miller

**MOTION CARRIED**

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

**D2j. Liability Claims Settlement Policy and Procedure: Proposed Changes**

Conor Boughey reminded the Board that at the January 2020 Board Meeting, the Board approved the Attorney Defense Panel. Included in the agenda packet are redlined changes to the Liability Claims Settlement Policy and Procedure that includes wording about the Attorney Defense Panel.

In addition, there are redlined proposed changes regarding the Claims Committee Chairperson’s and Claims Administrator’s authority level for settlement amounts.

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

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

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

**D3. NEW BUSINESS**

**D3a. MBASIA Banking**

**D3ai. Santa Cruz County Bank Positive Pay**

Conor Boughey suggested that MBASIA should consider adding Positive Pay with Santa Cruz County Bank, a feature designed to reduce fraud to MBASIA’s checking accounts. This feature reduces the risk of fraud from altered, lost, stolen, or counterfeit checks. The process also simplifies the check reconciliation process and reduces the risk of debit fraud by providing the bank with a list of valid checks to screen against.

A motion was made to implement Positive Pay.

**MOTION:** Brett Miller

**SECOND:** Paul Wood

**MOTION CARRIED**

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

**D3aii. Liability Third Party Administrator George Hills Trust Checking**

Conor Boughey reported that MBASIA’s Liability Third Party Administrator, George Hills is suggesting that MBASIA utilize California Bank and Trust (CB&T) for the Liability Trust Checking Account with Positive Pay instead of MBASIA’s current bank, Santa Cruz County Bank (SCCB).

A motion was made to approve using CB&T with Positive Pay.

**MOTION:** Rene Mendez

**SECOND:** Paul Wood

**MOTION CARRIED**

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

**D3b. COVID-19 Resources**

Conor Boughey stated that included in the agenda packet are many resources available to entities to obtain information about COVID-19 and the process of reestablishing operations safely.

No reportable action took place.

### **D3c. PRISM Excess Workers' Compensation – Communicable Disease Amendatory Endorsement**

Conor Boughey reported that the 19/20 PRISM Excess Workers' Compensation (EWC) Memorandum of Coverage (MOC) provides that an occupational disease sustained by one or more employees, as a result of an outbreak of the same communicable disease, shall be deemed to arise from a single occurrence.

This applies to COVID-19-related claims. The COVID-19 claims for all EWC Program Members roll up into one occurrence, with each Tower (Core and ED) being treated as separate occurrences. Coverage in this manner is unique and something the PRISM Workers' Compensation Programs have benefitted from over the years, without having to pay any additional premium.

For most employers across the country, coverage for communicable disease is typically provided on a per-employee basis, meaning that each incident of an employee contracting a communicable disease is a separate occurrence.

Included in the agenda package is an Endorsement U-7 that makes a change to the 2020/21 EWC MOC's definition of occurrence. Pursuant to this endorsement, communicable disease will continue to be covered under the 2020/21 EWC MOC, but it will be on a per-employee basis, so that each employee's claim is a separate occurrence rather than having all outbreaks of the same communicable disease across all members constitute one occurrence.

No reportable action took place.

### **D3d. MBASIA Memorandum of Coverage: Communicable Disease**

The Program Administrators have discussed the communicable disease liability exposure related to the current COVID-19 pandemic with coverage counsel and other pool administrators to determine if changes should be made at the primary JPA coverage level.

Included in the agenda packet were a few options for the Memorandum of Coverage: (1) make no changes, (2) add an exclusion, or (3) add a coverage restriction such as an aggregate limit or per Member limit.

Rene Mendez proposed a higher deductible.

A motion was made to bring this item back to the Long Range Planning for further discussion, except if MBASIA were to receive a COVID-19 claim, then an Executive Committee will be held before the Long Range Planning.

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

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

**D3e. Liability Claims Administrator Contract Term**

Conor Boughey reported that MBASIA’s contract with Risk Management Services (RMS)/George Hills Company (GHC) for Liability Claims Administration ends on December 31, 2020 and contains (2) one-year extension options, to December 31, 2021 and December 21, 2022, contingent upon Board approval.

A motion was made to delegate authority to the Executive Committee to authorize a contract extension.

**MOTION:** Tina Friend      **SECOND:** Rene Mendez      **MOTION CARRIED**

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

**D3f. CAJPA Public Entity Tort Liability Data Collection Feasibility Project**

Conor Boughey reported that CAJPA authorized a Tort Liability Data Collection Feasibility Study to gather and analyze large General Liability (GL) losses from Joint Powers Authorities and entities across California. With GL losses on the rise and the GL insurance market hardening, various CAJPA Members believe now is the time to evaluate what is collectively driving losses and to look for solutions. CAJPA is requesting funding for this project of \$5,000.

A motion was made to contribute a max of \$1,000.

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

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

**D3g. 2020-21 Program Year Calendar of Meetings**

A motion was made to approve the calendar as presented.

**MOTION:** Rene Mendez

**SECOND:** Dino Pick

**MOTION CARRIED**

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

**D3h. Conflict of Interest Code – Biennial Review**

Conor reported that MBASIA is required by the Fair Political Practices Commission (FPPC), as the code reviewing body for multi-county agencies to submit a Conflict-of-Interest Code Biennial Notice.

A motion was made to approve the submission of the Biennial Notice indicating no changes needed.

**MOTION:** Rene Mendez

**SECOND:** Dino Pick

**MOTION CARRIED**

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

## **E. PROGRAM ADMINISTRATOR'S REPORT**

### **E1. Concern EAP: Luma**

Conor Boughey stated that at the January 2020 Meeting, the Board wanted to learn more about Concern EAP's web platform, LUMA. MBASIA has been considering the use of the Cordico app for safety officers, but due to the cost, MBASIA wanted to review LUMA. The Program Administrators set up a webinar with Karla, at Concern EAP and the City staff/safety officers in late April 2020.

The Board agreed that it would like to continue to use LUMA and not pursue Cordico unless any Member brings it up again and if so, to agendize it for the Long Range Planning.

### **E2. Long Range Planning Location and Agenda Discussion**

Conor Boughey reported that the next regularly scheduled in person meetings will be the Long Range Planning on November 12, 2020 and the Board Meeting on November 13, 2020 at the Monterey Plaza Hotel & Spa or a hotel in Santa Cruz, depending on hotel availability. Also, Conor asked the Board if there was anything it would like to add to the Long Range Planning list of topics to discuss that is included in the agenda packet.

The Board requested that for whichever hotel is chosen, MBASIA can get a refund if the Long Range Planning is cancelled due to COVID-19's health orders.

### **E3. MBASIA Exposures and Coverages Review: Fiduciary Liability**

This item was deferred to the next Board Meeting.

### **E4. AB 1825/SB 1343 Sexual Harassment Training Tracking Implementation**

Conor Boughey reminded the Board that since MBASIA is a Member of ERMA, ERMA has passed a resolution requiring its Members to comply with the mandated sexual harassment training of AB 1825 which is for supervisors and SB 1343 which is for all employees. Included in the agenda packet were available training resources.

**F. LOSS REPORT**

**F1. CLOSED SESSION – Pursuant to Gov’t Code 54956.95**

**F1a. Workers’ Compensation Administrator’s Report**

**F1b. Liability Third Party Administrator’s Report**

A motion was made to enter into Closed Session at 11:45 AM.

**MOTION:** Dino Pick                      **SECOND:** Brett Miller                      **MOTION CARRIED**

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

A motion was made to come out of Closed Session at 12:14 PM.

**MOTION:** Dino Pick                      **SECOND:** Paul Wood                      **MOTION CARRIED**

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

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

**G. CORRESPONDENCE / INFORMATION**

**G1. Next Board Meeting & ERMA Training Schedule**

The next meetings will be the Long Range Planning held on November 12, 2020 and the Board meeting will be held the following day, November 13, 2020 at the Monterey Plaza Hotel & Spa in Monterey or Santa Cruz.

## **H. GENERAL RISK MANAGEMENT ISSUES**

There were no general risk management issues.

## **ADJOURNMENT**

Jamie Goldstein adjourned the meeting at 12:16 PM.