

**MBASIA
Board of Directors Meeting**

Monday, June 12, 2023 at 9:30 AM

**LOCATION:
City Hall Council Chambers
1 Pendergrass Way
Sand City, CA 93955**

MEMBERS PRESENT

Jamie Goldstein, City of Capitola

Paul Wood, City of Greenfield

Nina Aguayo, City of Greenfield Alternate

Veronica Contreras, City of King City Alternate (arrived at 9:43 AM)

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

Carmen Gil, City of Gonzales Alternate

Casey Estorga, City of Hollister Alternate

GUESTS & CONSULTANTS

Neil Callahan, George Hills Company

Rose Melchor, George Hills Company

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 9:37 AM.

B. ORAL COMMUNICATIONS & PUBLIC COMMENTS

There were no oral communications and public comments.

C. CONSENT CALENDAR

C1. Approval of Minutes – April 3, 2023 Board of Directors Meeting

C2. Service Calendar & Status of Deliverables

C3. Bills and Correspondence

C4. MBASIA APIP Notice of Non-Renewal of Insurance

A motion was made to approve the consent calendar.

MOTION: Mali LaGoe

SECOND: Paul Wood

MOTION CARRIED

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

D. GENERAL RISK MANAGEMENT ISSUES

There were no general risk management issues.

E. BOARD OF DIRECTORS

E1. COMMITTEE REPORTS

E1a. Executive and Finance Committee - None

E1b. Safety Committee - None

E1c. Coverage and Claims Committee

E1c1. Proposed Amendment to MBASIA’s Workers’ Compensation Memorandum of Coverage (MOC)

Conor Boughey and Marcus Beverly reported that at the April 2023 Board Meeting, the Board adopted language to the Workers’ Compensation MOC to exclude all indemnity/temporarily disability. Since then, to add further clarification to the process, a new ‘Procedure’ section has been added to outline the process and clearly document MBASIA’s intent. The proposed changes are included in a new “Procedures” section in the attached redlined draft MOC .

A motion was made to approve the language subject to amending payment voucher to “accounting voucher/record”.

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

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

E2. UNFINISHED BUSINESS

E2a. Property Program Renewal and Related Coverages Renewal

E2a1. Property Proposal

E2a2. Pollution Proposal

E2a3. APIP Cyber and Excess Cyber Proposals

E2a4. APIP Claims Reporting Acknowledgements

Conor Boughey reported that MBASIA has a group purchase property program through APIP that will renew on July 1, 2023. APIP includes pollution and cyber. In addition, MBASIA purchases excess cyber with a \$2,000,000 each Member Aggregate and \$3,000,000 Policy Aggregate.

This year the excess cyber carriers provided Option 1 at \$2,000,000 each Member Aggregate /\$3,000,000 Policy Aggregate and Option 2 at \$2,000,000 each Member Aggregate /\$5,000,000 Policy Aggregate.

The Program Administrators provided each Member a printed copy of the APIP the Claims Reporting Forms for Property, Cyber, Pollution and the APIP Claims Reporting Acknowledgement Receipt form. Alliant reminded the Members to provide these to their Department Heads. The APIP Claims Reporting Acknowledgement Receipt form was signed by each Member and collected by Alliant.

A motion was made to bind coverage for the APIP Property, Pollution, and Cyber as presented, and Option 1 for the Excess Cyber.

MOTION: Vibeke Norgaard

SECOND: Mali LaGoe

MOTION CARRIED

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

E2b. CARMA Program Renewal

Conor Boughey reported that CARMA’s budget increased dramatically due to the actuarial rates increased 23% for the \$4M x \$1M layer, and 28% for the \$5M x \$5M layer. The \$4M x \$1M and \$5M x \$5M rates are 1.398 and 0.584, respectively. Last year, they were 1.139 (\$4M x \$1M) and 0.456 (\$5M x \$5M). The state of the liability market is also challenged.

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

The Board gave direction to obtain more excess liability options, and bring back to the November 2023 Board Meeting.

E2c. ERMA Program Renewal & Training Compliance Survey

Conor Boughey reported that ERMA’s budget has a 7.7% premium increase from last year’s premium due to the ex-mod remaining at 125% and payroll increasing by 8.7%. No reportable action took place since MBASIA is a member of ERMA, the renewal will be automatic.

Conor reminded the Board to always quickly report Employment Practices Liability matters to George Hills who will then report to ERMA.

Lorissa Huey announced that all Members have completed the ERMA Training Compliance Survey for FY 23-24.

E2d. Excess Workers’ Compensation Renewal

Lorissa Huey reported that Excess Workers’ Compensation premium in the version 3 estimate is \$1,173,073 that includes a \$71,195 payroll audit due to the prior year’s payroll being underreported.

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

E2e. MBASIA Board’s Miscellaneous Insurance Renewals:

E2ei. E&O (APPL) Proposal

Lorissa Huey reported that the Pool Trustee’s Errors & Omissions Policy through the Alliant Public Pool Liability (APPL) Program renews July 1, 2023. This coverage is for defense cost for any decision that the Board makes. For example, if the Board denied a claim because of late reporting or interrupting the Memorandum of Coverage and the Board made an error or omission, this policy will defend the Board against the Member’s allegations.

A motion was made to bind coverage.

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

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

E2eii. Crime (ACIP) Proposal

Lorissa Huey reported that the Crime Policy through the Alliant Crime Insurance Program (ACIP) renews July 1, 2023. This coverage is for if Members falsify invoices that MBASIA pays.

A motion was made to bind coverage.

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

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

E2eiii. AD&D (VIP) Proposal

Lorisa Huey reported that MBASIA’s AD&D policy through the Volunteer Insurance Program (VIP) renews July 1, 2023. Alliant collected updated volunteer counts from each Member to report accurate exposures to the carrier.

A motion was made to bind coverage.

MOTION: Mali LaGoe **SECOND:** Vibeke Norgaard **MOTION CARRIED**

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

E2f. Final 23-24 Liability Budget

Conor Boughey reported that the Executive Committee met on May 31, 2023 to review the budget prior to the Board’s adoption at the June Board Meeting. Since the April 2023 Board Meeting, in the FY 23-24 proposed budget, the CARMA and ERMA premiums were updated, and the year over year payroll chart was added.

A motion was made to approve the Liability Budget.

MOTION: Vibeke Norgaard **SECOND:** Megan Hunter **MOTION CARRIED**

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

E2g. Final 23-24 Workers’ Compensation Budget

Conor Boughey reported that the Executive Committee met on May 31, 2023 to review the budget prior to the Board’s adoption at the June Board Meeting. Since the April 2023 Board Meeting, the PRISM Excess Workers’ Compensation (WC) Premium was updated using the Version 3 estimate and the year over year payroll chart was added. Also, the Board agreed to start using a 5 year claims history at the 75% confidence level, then next year move to 6 years history, and the following year will end the update including a 7 year history. The 23-24 WC Budget reflects a 6 year history.

A motion was made to approve the WC budget.

MOTION: Mali LaGoe

SECOND: Paul Wood

MOTION CARRIED

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

E3. NEW BUSINESS

E3a. 2023-24 Program Year Calendar of Meetings

Lorissa Huey reported that at the June Meeting each year, the Board sets the meeting calendar for the following fiscal year. Also, MBASIA’s Claims Committee will begin meeting quarterly to review claims and discuss claim issues with the Liability and Workers Compensation TPAs.

A motion was made to approve the meeting calendar as presented in the agenda packet. The Claims Committee meeting dates will be either on Tuesday or Wednesday each quarter before the Board meeting. The Program Administrator will survey the Claims Committee Members on which dates are optimal.

MOTION: Megan Hunter **SECOND:** Belinda Varela **MOTION CARRIED**

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

E3b. Concern EAP Renewal Terms and First Responder Program

Lorissa Huey reported that Concern Eap contract is up for renewal and Concern EAP proposal’s is a two-year renewal with a 4% rate increase for general employees. The new rate will \$4.30 per employee per month from August 1, 2023 through July 31, 2025.

If MBASIA elects to move forward with the Public Safety enhancement, we will remove the headcount of officers from the traditional EAP, and assign officers to the Public Safety option that has a higher rate of \$9.50 per employee for up to 10 counseling visits per case.

A motion was made to renew the contract with Concern EAP and add the First Responder Program, along with adding Scotts Valley to the MBASIA contract. Also, direction was given to the Program Administrators to schedule a Police Risk Management Work Group meeting and invite the City of Scotts Valley Police Sergeant Drozek to provide information to the group.

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

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

F. PROGRAM ADMINISTRATOR’S REPORT

F1. MBASIA Risk Summit Location and Agenda Discussion

The Program Administrators announced to the Board that the first annual MBASIA Risk Summit will be held on November 2, 2023 from 9 AM to 4 PM, with lunch provided. The location is still to be determined, and it will likely be around or in the City of Marina. Included in the agenda packet is a flyer for the Board Members to share with their City Staff. It includes a list of topics to be discussed.

Lorissa Huey will distribute to the Board the flyer and asked that the Board provide her a list of names of those attending.

F2. MBASIA Exposures and Coverages Review: Special Events

Marcus Beverly reported that at the June 2018 Board Meeting, Alliant proposed a new item be added to each Board meeting that summarizes the different coverages provided to each Member Agency. Today’s topic was Special Events and included in the agenda packet was information about Alliant’s Special Events Program (SEP).

The Board requested to discuss SEP at the Risk Summit again.

G. LOSS REPORT

CLOSED SESSION – Pursuant to Gov’t Code 54956.95

Ga. Workers’ Compensation Administrator’s Report – None

Gb. Liability Third Party Administrator’s Report

A motion was made to enter into Closed Session at 12:01 PM.

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

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

A motion was made to come out of Closed Session at 12:45 PM.

MOTION: Paul Wood **SECOND:** Vibeke Norgaard **MOTION CARRIED**

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

RECONVENE – DISPOSITION OF CLOSED SESSION ITEMS

Jamie Goldstein reported out of closed session that the Board reviewed the closed session material and no reportable action took place.

H. CORRESPONDENCE / INFORMATION

H1. Next Board Meeting & ERMA Training Schedule

The next Board Meeting will be held on November 3, 2023 from 8:30 AM to Noon in the Monterey Area. The prior day, November 2, 2023 will be the Risk Summit from 9 AM to 4 PM.

The agenda packet contained a weblink to the ERMA training schedule.

H2. Wildland Fire Season: 2023 Risk Outlook and Preparation Guide – There was no discussion on this item.

H3. 2023 CAJPA Conference Preliminary Agenda – There was no discussion on this item.

H4. 2024 PARMA Conference – 50th Anniversary – There was no discussion on this item.

H5. MBASIA Service Team Contact List & Claims Reporting – There was no discussion on this item.

H6. MBASIA Schedule of Service Agreements – There was no discussion on this item.

ADJOURNMENT

Jamie Goldstein adjourned the meeting at 12:50 PM.