**MINUTES OF THE**

**MBASIA LONG RANGE PLANNING MEETING**

**Thursday, October 20, 2011 at 9:30 A.M.**

**City of Monterey, CA**

**MEMBERS PRESENT**

Lisa Murphy, City of Capitola

Jaime Goldstein, City of Capitola

Rene Mendez, City of Gonzales

Daniel Dawson, City of Del Rey Oaks

Brent Slama, City of Greenfield

Michael Grzan, City of Hollister

Robert Galvan, City of Hollister

Michael Powers, City of King City

Anthony Altfeld, City of Marina

Kathy McFall, City of Marina

Steve Matarazzo, City of Sand City

Ezequiel Vega, City of Soledad

Steve Ando, City of Scotts Valley

**MEMBERS ABSENT**

None

**GUESTS AND CONSULTANTS**

Theresa Fernandez, JT2 Integrated Services

Ken Maiolini, Risk Management Services

Rebecca Lane, Bickmore Risk Services

Terrie Norris, Bickmore Risk Services

Conor Boughey, Alliant Insurance Services

Monica Sandbergen-Izo, Alliant Insurance Services

Michael Simmons, Alliant Insurance Services

**A. CALL TO ORDER**

President Rene Mendez called the meeting to order at 9:38 a.m.

**B. ORAL COMMUNICATIONS & PUBLIC COMMENTS**

None

**C. LONG RANGE PLANNING**

**C1. Introductions/Expectations**

Members gave a brief introduction to themselves and their roles at their respective city and their expectations of the meeting.

**C2.** **Reports**

**C2A. Financial Update**

Steve Ando provided a brief report on the financials as of June 30, 2011. He advised that the numbers have been consistent with respects to the Liability program and that the net assets are over $3,500,000. Mr. Ando further advised that claims payables are fluctuating between $1,700,000 and $2,000,000 and that with respects to the Workers Compensation program, net assets are increasing and the Authority’s deficit is slowly being reduced. Mr. Ando finished by advising that if any members would like to see additional numbers included on his report, to please let him know.

**C2B. Stewardship Report**

Conor Boughey discussed the Authority’s accomplishments over the past year. Some of the items that were noted were the creation of separate Liability and Workers Compensation Memorandum of Coverages, the development of MBASIA’s website, the reduction of the Workers Compensation Self Insured Retention in order to reduce the Authority’s exposure to large claims, the purchase of Employment Practices Liability coverage, and the reworking of the Liability and Workers Compensation Budgets. Michael Simmons concluded by reporting that MBASIA has conquered a lot in the past year compared to other pools he works with.

**C2C. Workers Compensation**

Theresa Fernandez from JT2 Risk Management Services provided the Board with an analysis of MBASIA’s Workers’ Compensation claims. She stated that there has been a substantial increase in the number of claims reported from 2009-2010 to 2010-2011. Ms. Fernandez advised that there were a total of 98 claims reported in 2009-2010 and a total of 140 claims reported in 2010-2011 and that the increase could be due to pending layoffs and the fact that people tend to report claims prior to this. Ms. Fernandez further reported that MBASIA’s average cost per indemnity claim has gone down and a very high percentage of the claims have been closed due to Janet Kirkpatrick’s work. It was also reported that the number of open claims increased only by 7, despite the increase in over 40 reported claims between 09-10 and 10-11. It should be evident by these numbers that a lot of claims are being closed. Ms. Fernandez said that overall in the industry, the number of claims have been decreasing and that even though MBASIA’s numbers increased last year, she believes that claims are still trending down. Theresa thinks that even though the numbers went up last year, she thinks that claims are still trending down. Theresa also stated that her analysis shows that 2009-2010 experienced a dip in the number of claims reported and that there is a possibility that the 140 claims reported in 2010-2011 may actually be a decrease in the number of claims.

Ms. Fernandez advised that there were 84 claims filed by 25 employees who are repeat claimants and that this is not unusual for cities due to the number of claims that are filed by safety officers. She stated that she would be more than happy to provide detailed reports later on these 84 claims. Mike Simmons reported that these claims need to be managed since $1,500,000 in claims costs since July, 2008 is stemming from these 25 claims. Ms. Fernandez further stated that the litigated claims are the ones that are costing MBASIA the most money. There are 14 claims that are in litigation and the costs for each of these claims averages $400,000.

Ms. Fernandez informed the Board that there were 7 claims put on delay and 9 claims denied in the 10-11 year due to JT2’s work in investigating claims and making sure that non-legitimate claims aren’t being paid.

The Bill Review process was explained to the Board and Ms. Fernandez reported that this process helped save MBASIA a net amount of $2,400,000 in claims costs. Mike Simmons asked if the 61% net savings on bill review is a normal percentage for other JPA’s. Ms. Fernandez responded and said that the average is a 57% net savings. And that MBASIA’s savings percentage is a little higher than the norm which is favorable. Ms. Fernandez also reminded the members that MBASIA’s fee for bill review with JT2 is capped at 30% of the Admin Fee and that once this cap is reached JT2 performs the bill review service at no cost.

Jaime Goldstein asked if there would be an increase in savings for the pool if MBASIA were to spend additional money on bill review services. Ms. Fernandez advised that the next step in providing MBASIA with additional cost savings would be to establish a MPN – Medical Provider Network. Michael Simmons stated that having a MPN would be a challenge due to the remoteness of the member cities area and it would be hard to synchronize between all the members.

Kathy McFall brought up a question regarding Nurse Case Management and asked Ms. Fernandez to address this service and its benefits. Ms. Fernandez advised that JT2 does have this program available in case a member city has a complicated claim and confirmed that this type of service does save a lot of money in medical care. She further stated that it’s JT2’s decision to make a recommendation on when a case should be referred out to a Nurse Case Manager. She provided an example of a city employee getting injured who has uncontrolled diabetes as an example of a case in which having a Nurse Case Manager would be beneficial. Ms. Fernandez advised the members to contact Janet if they have any complicated cases.

Daniel Dawson asked for clarification on how bill review affects incurred costs. Ms. Fernandez stated that JT2 only reserves the amount based off of the fee schedule not off of what is stated on the hospital or doctor bill.

**C2D. Liability Program Overview**

**C2Da. Handling Liability Claims**

Ken Maiolini with RMS discussed the importance of members reporting claims in a timely manner and cited several benefits of this practice – to secure coverage, to enable his firm to conduct a proactive investigation, to allow for the discovery of loss prevention issues during the investigation, to avoid coverage issues if the claim needs to be reported to the excess carriers, to fulfill MBASIA’s reporting requirements, and lastly so that his firm can provide electronic documentation to the members. Mr. Maiolini further advised that it has been a challenge for him to obtain information that is needed to conduct his investigation from member cities, specifically the Police Departments and Public Works Departments. He stated that he attended a meeting at the City of Hollister and spoke to the Department heads about reporting claims and the importance of providing information in a timely manner. He advised that he is willing to do the same for all member cities and meet with the Dept. heads at each city to discuss claims reporting.

**C2Db. Employment Practices Claims Handling and Reporting**

Rebecca Lane from ERMA gave an in-depth presentation to the Board on ERMA’s claims handling and reporting practices.

Ms. Lane reported that there is a claim reporting mechanism available on the website for members to report claim and further emphasized that claims should be reported to ERMA within 30 days of the member’s receipt of the claim. She advised that if a member is unsure whether they have a claim that needs to be reported they should call her, Ruth or Ken Maiolini. Rene Mendez asked if the members are to report claims to Ken. Rebecca confirmed that yes, MBASIA is to report claims to Ken and that Ken will provide ERMA with a loss report every 30 days. She further reported that if a claim is not reported within 30 days, the member will have to apply to the ERMA Board for coverage.

Rebecca advised that MBASIA must use ERMA’s defense panel and that if a member chooses to use its own investigator, that investigator must be approved by Ruth. Rene Mendez asked if Vince Hurley and Ken Maiolini have been pre-approved by Ruth. Ken stated that he will be discussing MBASIA’s use of Vince Hurley and the approval process for him at Friday’s Board meeting. Once Ken sends ERMA a claim, ERMA will send an acknowledgement letter to the member or if appropriate, put the info in a "pending" file and notify the member per email.

Ms. Lane advised the members that they must be in compliance with AB1825 at time of loss. If a member is not in compliance, the SIR is doubled. Conor Boughey reminded the Board that there is an AB1825 training coming up in the City of Hollister. Rebecca stated that any member can attend any of the trainings and that there are 5 trainings withheld or put “on hold” each year for members that may have a special situation that arises during the year. Ruth will then put together a training seminar for that unique situation. Rebecca also reported that at the end of every year, ERMA analyzes the frequency of claims within a period of time to determine whether or not that city needs a special risk assessment. Ruth will also put together a report and may put together a special training if need be if it is determined that a member city has a claims frequency issue.

Ms. Lane discussed what type of claims need to be reported to ERMA and provided an example of a claim that should be reported. Ms. Lane concluded her report by mentioning that if a member receives a claim through their employee reporting line and the allegations fall within ERMA’s MOC coverage, it must be timely reported to ERMA. Employees should know that there is a number that they can call to report a claim. Members were advised that they can access the ERMA website to see what trainings their employees are doing.

**C2E. Equity Report**

Conor Boughey presented a report to the Board on Financial Equity Ratios. Conor reported that the last time the report was presented was two years ago at the Long Range Planning. Conor reported on the definitions of certain terms that are used to evaluate the ratios; such as Net Contributions, Confidence Level and other terms.

Conor walked through the reports for both the Liability and Workers Compensation programs. The reports for the Liability Program show a great improvement over prior years, and have several years of data so trends are now starting to come into view. The Liability Program continues to reach towards the ideal bench marking standards, but still slightly falls short. Conor further reported on the Workers Compensation Program which has a negative Net Asset position, so the ratios are not favorable. Because the ratios are designed to assist in the evaluations of a pool with positive Net Assets, the reports and ratios do not work for the Workers Compensation Program.

Conor concluded by reporting that the Authority as a whole is improving, but further steps need to be taken to consider the Authority in ideal standing compared to other pools in California.

**C2F. Safety Inspection**

Terrie Norris from Bickmore Risk Services discussed the recent safety inspections she conducted at the member cities. She advised that her summary report shows that the cities are doing well in most areas of her report but that there are areas that need some improvement on. She advised that there is a weakness in the area of IT – data is being backed up but it’s being kept on site at the member cities. Contractual risk transfer was another area cited by Ms. Norris on needing moderate improvement.

Areas cited by Ms. Norris that need strong improvement by all members were Cal OSHA Compliance, Fire Prevention, and Hearing Conservation. In addition to these 3 areas, the playground surface protection material at each city’s playgrounds did not meet standards at all. The following recommendations were provided by Ms. Norris as to improve these areas: 1) Contractual Risk Transfer Manual & Regional Training; 2) Program Templates and Regional Program Development Workshops; 3) Training Matrix and Regional Program Development Workshops; 4) Training Matrix and Regional employee Training; 5) Playground Inspections for all Members. Ms. Norris further advised that only one member city has a Certified Playground Safety Inspector – the City of Gonzales. She recommended the idea of the members borrowing Gonzales’ CPSI on a periodic basis to have their playgrounds inspected.

Mike Simmons advised that the reports needs to go back to the Safety Committee so that they can be analyzed and the common threads can been identified. The following action plan was decided on in regards to the Safety Inspection Reports: 1) The members will provide Bickmore Risk Services with their responses/comments to their safety inspection reports by October 31, 2011; 2) Alliant will provide Terrie with the final reports on November 4, 2011; 3) Terrie will respond to the final reports by November 25, 2011; 4) the Safety Committee will have an in-person meeting the week of December 1st to review the recommendations in each report and find the safety issues that are common at each city; and, 5) the Safety Committee will report back to the Board its recommendations at the February, 2012 Board Meeting

Rene Mendez stated that the members should take the reports and present them to the council with suggestions on how to improve the items/issues.

Michael Simmons concluded by stating the Safety Committee is going to hold the members accountable to respond to the reports.

**C3. STRATEGIC PLANNING**

**C3A. Risk/Loss Control Action Plan**

Conor Boughey advised that there is $100,000 budgeted in the 2011-2012 Budget for risk/loss control and that $25,000 has been spent so far on the safety inspections. $20,000 was also carved out for Travel & Training expenses but MBASIA does not utilize the full amount set aside for Travel & Training. Technically, there is $55,000 remaining in the budget that can be spent on safety/loss control.

Lisa Murphy expressed that she would like to see the remaining funds spent on the playground inspection services because the other items on Terrie's report can be satisfied by obtaining templates. Jaime Goldstein suggested hiring the CPSI from Gonzales. The CPSI from Gonzales is the Director of Parks and Recreation. She could train the Board on how to do the playground inspections, but to do the actual physical inspection, it would take about 1 hour per park, and then writing up the report will take additional time. Terrie Norris advised that she is a Certified Playground Inspector and Bickmore Risk Services has 3-4 CPSI's on staff. Ms. Norris stated that the inspections could be done by BRS within 2 months. Michael Simmons asked Terrie if all cities have issues with their playgrounds. She confirmed of the cities that asked her to look at their playgrounds, that yes, those playgrounds were in very poor shape. Ms. Norris stated that if a park was repaired (such as replacing surface protectant material) or modified, then a CPSI would need to come out and inspect the playground. Ms. Norris further advised that if the surface protectant is sand or engineered wood chips, those materials should be replenished. The recommended depth for sand is 12 inches. If a city only has 4 inches of sand, it was recommended replenishing the remaining material because it is something that is relatively easy to do.

With respects to the Contractual Risk Management and Regional Trainings, Mike offered to have Alliant conduct 2 training sessions on the IRIC manual, 2 hours per session at no cost to the members. Mike further suggested Alliant conducting 4 webinars, 2 hours per webinar or doing a combination of webinars and in-person trainings. It was decided that the trainings would be a great resource and the logistics will be worked out later if necessary.

Concerning the Regional Workshops on OSHA Compliance and ADT, Ms. Norris advised that she could have a template created and then a workshop available to answer questions from the members and then do the trainings regionally. Marina and Hollister volunteered to be hosts for the Regional Trainings. The Board members advised that they would like 2 trainings on OSHA Compliance at 2 locations. The Safety Committee will determine the cities to host the trainings.

Lisa Murphy advised that Terrie Norris sent her a Training Matrix that helps determine which trainings they need to do. The Training Matrix will be sent to Safety Committee and Lisa Murphy with work with committee on how to utilize the Training Matrix.

No action was taken, this item will be discussed further by the Safety Committee and further action may be taken.

**C3B. EPLI Training: 2012 & Beyond**

Conor Boughey reminded the members that they are part of the Liebert Cassidy Consortium and have access to their employment related trainings which the members pay a fee for. Mr. Boughey stated that MBASIA’s attendance to the trainings has been consistently low. Mr. Boughey posed the question to the members of whether they would like to utilize the free trainings offered through ERMA, or continue the trainings through Liebert Cassidy for a total cost of $28,200, or utilize a combined approach. The combined approach would involve each member paying a $2,820 fee for the trainings through Liebert Cassidy if they want to remain with Liebert Cassidy, and the other members going to ERMA for the free trainings. Liebert Cassidy’s deadline is December 31, 2011 to renew for 2012-2013; however, Alliant should notify them sooner than December 31st. Kathy McFall advised that she hasn't attended any of the Liebert Cassidy Trainings and some of the trainings are redundant. She also stated that her travel budget has been cut and she has a reduced staff. Michael Simmons reminded the members that Liebert Cassidy also has the legal service phone consultation service which is included in the cost if further research does not need to be conducted.

Lisa Murphy suggested taking a vote among the members. The City of Hollister and the City of Capitola both stated that they would like to continue with Liebert Cassidy.

**C3C. Workers Comp Loss Trends Leading to a Deficit**

Conor Boughey advised the members of the following issues involving the deficit in the Workers Compensation program: 1) claims issues; 2) frequency issue of claims costing $100,000; 3) insurance costs increasing if the claims frequency issue is not resolved; 4) MBASIA’s loan. Mr. Boughey reported that MBASIA could join CSAC-EIA as a primary member, but the cost would be very expensive and he would not recommend this until the claims issues have been resolved.

Conor further stated that the frequency issue could be due to an aging work force within the cities and that the claims frequency is higher than the average. Robert Galvan recommended having the loss runs coded so that all members have consistent reports that can be analyzed and so that a determination can be made on where the claims are stemming from. He also suggested mandating that each member have a Safety Standards Best Practices Manual.

Daniel Dawson suggested that in order to be a part of MBASIA, the prospective member must have a safety program, training matrix, light duty program, safe equipment, consistent accident investigation, standard pre-employment training.

The Board continued to review the claims and discuss ways to address large claims.

**C3D. Workers Compensation Budget Allocation**

Conor Boughey walked the board through the new the new formula used in the Workers Compensation Budget. He advised that premiums that MBASIA paid for 2011-2012 were based on the new formula.

Conor reported on several different changes to the formula. The new formula’s exposure is based on payroll rather than number of employees. The experience base is now based on total incurred claims for 4 years, which each claim being capped at $250,000, whereas the old formula was based on two years of paid claims. The formula’s ratio of exposure base and experience base remains unchanged, and heavily weights experience (claims).

The board discussed the philosophy of the budget allocation and reviewed whether or not there are any further changes they would like to consider. After further discussion, no changes are desired.

**C4. CONTRACTOR REVIEW**

**C4A.** **Review of Contractors**

**C4A1. Liability Third Party Administrators (RMS)**

All members agreed that that they are very pleased with Ken Maiolini’s performance and no further action is necessary.

**C4A2. Workers’ Compensation Administrator**

Lisa Murphy likes working with Janet Kirkpatrick at JT2 and feels she is strong in managing Workers Compensation claims. Kathy McFall reported that JT2 met with the City of Marina and discussed additional services available to them but Marina hasn't experiences any of those services.

Members were adjourned for the rest of the day and the continuation of this item will take place tomorrow morning.

President Rene Mendez called the meeting to order at 9:00 a.m. on Friday, October 21, 2011.

**C4A2. Workers’ Compensation Administrator (continuation)**

Ezequiel Vega stated that the City of Soledad has requested to have a claims review with JT2 and that JT2 has not setup a meeting with them yet. Michael Simmons reminded the members that Alliant meets with JT2 monthly to review claims. He also advised that members should be having claims reviews with JT2 individually, either monthly or quarterly.

Rene suggested that the members articulate to JT2 what the improvements are that they would like to see and then have a follow-up conversation in 6 months as a Board to see how things are going.

Mike Simmons stated that Alliant will ask that JT2 meet with the Board and discuss the additional services that are available to them that they are not receiving. Conor advised that Alliant will need to ask JT2 if there is a cost associated with the additional services. Alliant will contact JT2 and set up a meeting.

Daniel Dawson stated that he feels like JT2 is not advocating as strongly as they should be for the city and instead advocating more for the employee. He expressed a desire for a TPA who is aggressive and actively soliciting for the city.

Anthony Altfeld asked if it’s common for pools to have an internal claims review. Mike Simmons stated that CSAC audits MBASIA’s claims annually and that it is not common for pools to have an internal committee review claims.

The Board further discussed their satisfaction with Janet’s performance as well as their desire to learn more about the services being offered by JT2. After some discussion the Board asked what other firms would charge MBASIA for Workers Compensation Third Party Administration. Mike Simmons advised that Alliant will work on obtaining two to three indications from other Third Party Administrators for claims adjusting services.

**C4A3. Program Administrators (Alliant)**

Alliant was dismissed for the review.

Alliant was asked to rejoin the meeting.

Daniel Dawson reported that the Board is very pleased with the service Alliant is providing to MBASIA. He reported on good communication, Alliant’s persistence in pushing items forward and the ability to dive into coverage issues and offer assistance.

Jaime Goldstein stated his disappointment in the question of whether there is Property Coverage for the flood losses.

**D1. CONSENT CALENDAR**

**D1a. Approval of Minutes from June 13, 2011 Meeting**

Ezequiel Vega advised that his introduction to the Board in the minutes should state that he is a representative from the City of Soledad, not the City of Gonzales.

A motion was made to approve the consent calendar with a minor revision to the June 13, 2011 Meeting Minutes.

**MOTION:** Daniel Dawson **SECOND:** Michael Powers **MOTION CARRIED**

**D1b. Service Calendar and Status of Deliverables**

Conor Boughey advised that instead of the transition milestone report, Alliant will be presenting at each Board Meeting an action item list created from the discussions at each prior meeting. Conor ran through the current action item list that was created from the June 13th Board meeting with the members and gave a status report on each item.

**D2a. Bills and Correspondence**

A report of disbursements was presented and no discussion was necessary.

A motion was made to ratify the disbursements for the months ending July 31, 2011, August 31, 2011 and September 30, 2011.

**MOTION:** Robert Galvan **SECOND:** Daniel Dawson **MOTION CARRIED**

**D3. UNFINISHED BUSINESS**

**D3A. Review of Items Discussed at Long Range Planning Meeting**

Mike Simmons brought back to the Members the question of how they would like to allocate the remaining safety funds. Mr. Simmons asked the board if they would like to hire a safety person for 3 years for the 10 cities to have access to as suggested in yesterday’s Long Range Planning Meeting. The Board advised that they would like to suspense this item for next year’s meeting.

Jaime Goldstein asked if the Board could be presented with a case study analysis of other JPA’s who have utilized the approach of hiring a dedicated safety person. Mike Simmons advised that Alliant will handle this project and will also bring a safety inspector to next year’s Long Range Planning Meeting to discuss with the Board what their job entails and the different activities involved with assigning MBASIA a dedicated safety/risk manager.

Mr. Simmons reminded the Board of the Liebert Cassidy/ERMA training item and asked for feedback from the members. Lisa Murphy stated that she looked into ERMA’s trainings and advised that they only had 6 to choose from. After some discussion among the member, a motion was made to have MBASIA pay the cost of any members who want to continue with the services provided by Liebert Cassidy.

**MOTION**: Jaime Goldstein **SECOND**: Michael Powers **MOTION CARRIED**

Kathy McFall advised that Liebert Cassidy is conducting a planning session next month to plan out the next trainings and stated that members can attend this meeting and provide them with specific feedback on ideas for trainings, etc.

The cities of Capitola, Soledad, and Hollister all reported that they that they would like to continue with the services provided by Liebert Cassidy. Mike Simmons confirmed that Alliant will send out an email to all members in December to formalize which members would like to continue with Liebert Cassidy. It was also requested that Alliant ask ERMA to assign Liebert Cassidy as the contact for phone consultations regarding legal matters, not Jackson Lewis. Mike also stated that the MBASIA website will be update with links to Liebert Cassidy and ERMA.

It was confirmed that the Training Matrix provided to the City of Capitola from Bickmore will be turned over to the Safety Committee. The Safety Committee will have an in-person meeting on or around December 1st to review those reports and will provide recommendations to the Board at the February, 2012 Board Meeting. Steve Matarazzo stated that he would like to submit the Executive Summary report to Sand City’s City Council versus the entire report.

Alliant will ask JT2 if they can do a loss run analysis, or someone will be hired outside of JT2 to conduct an analysis of claims to see if a distinct trend can be identified. A motion was made to authorize the spending of $5,000 to hire someone to analyze MBASIA’s loss runs.

**MOTION:** Kathy McFall **SECOND:** Steve Matarazzo **MOTION CARRIED**

Safety Committee is to look over city policies and procedures and to consider adding a financial penalty component for non-compliance. The Board agreed to have two 2 location Regional trainings (confined spaces, etc). Conor reminded the members that CSAC also has a loss control dept. that members can call.

A motion was made for MBASIA to commit to two 2 location regional trainings.

**MOTION**: Kathy McFall **SECOND**: Daniel Dawson **MOTION CARRIED**.

It was decided that Alliant will send the members the IRIC manual and that the members are to submit the manual to their city attorneys. The members will provide feedback by January 1, 2012 on whether the city attorneys would like additional trainings on the manual or if there are other city employees who would like to attend the training.

Daniel Dawson stated that he doesn't see the playgrounds as a big cost factor for MBASIA and expressed concern over the high cost WC claims that the pool is experiencing.

Rene Mendez stated that he will make available his city's CPSI to all members to go to each city and inspect each playground. Members are to contact Rene if they would like his city's CPSI to

inspect their playgrounds.

A motion was made to fund MBASIA’s Grant Program up to $5,000 per city with the decision on how to spend the funds to be left up to the city.

**MOTION:** Steve Ando **SECOND:** Kathy McFall **MOTION CARRIED**

**D4. COMMITTEE REPORTS**

**D4a. Executive and Finance Committee**

**D4a1. MBASIA’s Actuarial Reports**

Conor Boughey advised that Jack Joyce will provide the Board with an Engagement Letter each year. Mike Simmons advised that some pools pay $25,000 for these same actuarial services.

A motion was made to approve the Liability and Workers Compensation Actuarial Reports.

**MOTION**: Michael Powers **SECOND**: Brent Slama **MOTION CARRIED**

**D4a2. Financial Audit - MBASIA’s FY 11-12 Audit Firm**

Conor Boughey reported that the Authority released a Request for Proposal for Financial Audit services and several responses were received. The Executive and Finance Committee reviewed the proposals and invited three firms to present at Oral Interviews. After that meeting, the Committee met to review the results of the discussion and action was taken to appoint Perry-Smith as the new Financial Auditor.

Steve Ando reported that the Financial Audit has begun and that he was very pleased with the communication between his staff and Perry-Smith.

No action was taken.

**D4b. Safety Committee**

The Safety Committee reported that they will be scheduling a meeting to discuss the items assigned to them.

**D4c.** **Coverage and Claims Committee**

Conor Boughey presented the members with their Summaries of Insurance and advised that this is something that is provided to them every year and can be submitted to their respective city’s financial auditors.

**D5. NEW BUSINESS**

 **D5a.** **Demonstration of MBASIA Website**

Conor Boughey advised that Alliant is trying to continually update the website and to make it something that the Authority will get good use out of. Mr. Boughey further stated that the website is being updated to provide the members with site that is friendlier and easier to use. The website is still being designed and still running on Alliant’s network and was supposed to be completed by today, but the project is running a behind due to Alliant’s IT Department’s workload.

Conor reported that links to CSAC, Target Safety, ERMA and Liebert Cassidy will be posted on the front page of the new website for easy access.

**D5b. Lexipol New Services – Fire Policy Manual**

Conor Boughey reported that Lexipol has provided safety manuals for Police Departments for many years and that MBASIA participates in this service and pays for the service as an Authority. Mr. Boughey further advised that Lexipol recently rolled out a very similar service for Fire Departments and now has Fire Policy Manual and Daily Training Bulletins for Fire Services available for a fee. Lexipol now has a Fire Policy Manual and Daily Training Bulletins for Fire Services. Michael Powers advised that his city has volunteer fire department and has been provided with some sample material from Lexipol. He stated that some of the information that was provided to them was not applicable to their volunteer department and that he would like to see what the full time fire departments think of the new manual before any commitment is made.

After some discussion, it was decided that there aren’t enough members with fire service exposures to support the cost of purchasing the manuals. Conor Boughey will direct Lexipol to contact the City of Hollister independently because the City expressed interest in the program.

**D6. LOSS REPORT**

**D6a. Workers’ Compensation Administrator’s Report**

Nothing to report.

**D6b. Liability Third Party Administrator’s 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 10:59 AM pursuant to Government Section Code 54956.95.

**MOTION**: Daniel Dawson **SECOND**: Kathy McFall **MOTION CARRIED**

A motion was made to come out of closed session at 11:18 a.m..

**MOTION**: Lisa Murphy **SECOND**: Daniel Dawson **MOTION CARRIED**

Direction was given to RMS to draft a letter appointing Vince Hurley as legal counsel to ERMA.

**D7. PROGRAM ADMINISTRATORS REPORT**

Nothing to report.

**D8. CORRESPONDENCE/INFORMATION**

**D8a. PARMA Conference Information**

Conor Boughey reported that the PARMA conference will be held in Monterey in February, 2012. Conor reminded that the members that the cost to attend the conference or any trainings is paid for out of MBASIA’s Travel & Training fund. He further stated that if any members would like to attend PARMA, they should register through the PARMA website, pay any registration costs up front, and then submit any receipts to us after attending the conference for reimbursement.

**D9. GENERAL RISK MANAGEMENT ISSUES**

None.

President Rene Mendez adjourned the meeting at 11:23 a.m.