

**EXECUTIVE COMMITTEE MEETING**

April 7, 2021 at 12:00 P.M.

Via Teleconference and Videoconference

**MINUTES**

Attendees:

Reina Schwartz, *City of Clayton, President, Executive Committee*  
Sukari Beshears, *City of Brentwood, Vice President, Executive Committee*  
Tracy Robinson, *City of Lafayette, Past President, Executive Committee*  
Tim Przybyla, *City of Oakley, Member-at-Large, Executive Committee, Board Treasurer*  
Paul Rankin, *City of Orinda, Member-at-Large, Executive Committee*  
Linda Cox, *MPA Chief Administrative Officer\**  
Victoria Thomas, *MPA Administrative Services Supervisor/Board Clerk\**  
Frank Williamson, *MPA Finance Manager\**  
Erwin Chang, *MPA General Liability Claims Manager\**  
Barbara Esquivel, *MPA Workers' Compensation Claims Manager\**  
Jasmin Intravaia, *MPA Administrative Assistant\**  
Dennis Mulqueeney, *Alliant Insurance Services\**  
Mike Harrington, *Bickmore Actuarial\**  
Becky Richards, *Bickmore Actuarial\**

(\*Non-voting attendee)

All members present will be recorded in the minutes.

I. Vice President, Sukari Beshears called the meeting to order at 12:02pm.

II. INTRODUCTIONS

Board Clerk Thomas took roll call.

III. APPROVAL OF THE AGENDA AS POSTED

Cox asked that Informational Item 8, Property, Crime, Cyber, and Deadly Weapons Market Update, be moved and placed before Action Item 6 on the agenda.

*Motion made by Tim Przybyla to move the topic before Action Item 6 on the agenda. Seconded by Sukari Beshears. Unanimous vote of all members present and represented herein. (5-0).*

IV. TIME RESERVED FOR MEMBER OF THE PUBLIC

Board Clerk Thomas reported that she had not received any written communications from the public.

V. APPROVAL OF THE CONSENT CALENDAR

*Motion made by Sukari Beshears to approve the Consent Calendar. Seconded by Tim Przybyla. Approved by roll call vote. (5-0).*

VI. ACTION ITEM

1. Strategic Planning Workshop Date and Topics

Cox asked if the Executive Committee had an interest in having the workshop in January and presented potential topics. Przybyla stated the workshop would be beneficial and proposed that one of the topics be the status of MPA's building. Cox replied this topic was discussed at the last workshop and direction was given to develop a Building Committee. Cox reported that the Committee recently met and this topic may be brought back to the workshop.

Schwartz asked if the Pool has a strategic plan. Cox said MPA's Pool does not have Board driven strategic goals, like other Pools. Staff creates one internally that ensures better service to the Members. She added that some of the internal goals could be translated to the Pool's goals; for example, moving to self-insured dental and vision plans. Cox said that developing a Pool Strategic Plan could be a topic at the workshop. Schwartz directed Cox to create a survey to send to Board Members on suggested topics and bring back the results of the survey to the June Board meeting.

*Motion made by Reina Schwartz to add the funds for the workshop to the budget and move this topic to the Board of Directors to schedule the date for the workshop and determine the topics. Seconded by Tim Przybyla. Approved by roll call vote. (5-0).*

2. Proposed Changes to the General & Auto Liability Memorandum of Coverage (MOC) for Program Year 2021-22

Chang reported that the Coverage & Governance Committee met and proposed to add an exclusion to the MOC on Parkour parks and change language clean up in Exclusion 22.

*Motion made by Tim Przybyla to approve the proposed changes to the General & Auto Liability Memorandum of Coverage for Program Year 2021-22. Seconded by Paul Rankin. Approved by roll call vote. (5-0).*

Rankin questioned the language in the exclusion as it combines Parkour and obstacle courses, and is concerned that it may be misinterpreted from how it is intended because those were are combined. Rankin suggested that the language be more specific and not combine the two as they are considerably different.

Rankin suggested changing the language to 'ownership maintenance for use of an obstacle course, park, or other facility designated for use of a Parkour'. Murphy replied that she would provide Staff with different language on the topic to present to the Board of Directors.

*An amended motion was made by Paul Rankin to allow Staff to revise the Parkour language and move forward to the Board of Directors for approval. Seconded by Tim Przybyla. Approved by roll call vote. (5-0).*

3. Proposed Renewal of the Workers' Compensation Memorandum of Coverage (MOC) for Program Year 2021-22

There was no discussion.

*Motion made by Paul Rankin to approve the renewal of the Workers' Compensation Memorandum of Coverage for Program Year 2021-22. Seconded by Tim Przybyla. Approved by roll call vote. (5-0).*

4. Proposed Changes to the Vehicle Physical Damage Memorandum of Coverage (MOC) for Program Year 2021-22

Chang reported on the proposed changes to the Vehicle Physical Damage Memorandum of Coverage (MOC) for Program Year 2021-22.

*Motion made by Sukari Beshears to approve the proposed changes to the Vehicle Physical Damage Memorandum of Coverage (MOC) for Program Year 2021-22. Seconded by Tim Przybyla. Approved by roll call vote. (5-0).*

5. Premium Allocation Consideration

Cox reported that some of the Members are experiencing large swings in their premiums due to significant claims exposure. In addition to that, the excess Pool, CARMA, is experiencing a significant increase in their insurance claims and it is estimated to come in at 35% above last year with a premium increase of 25%. Cox said that MPA is the largest component of the increase, adding that it would be even higher if not for the smoothing that was built into those premium calculations.

Cox explained that Members report to MPA their DE9 payroll on a quarterly basis. In the past, Members also reported their workers' compensation payroll, which caused an inconsistency with total payroll for each Member. Staff changed it to only accept DE9 payroll, which Cox stated that the data also has flaws. Cox said that in the past year, due to the pandemic, there were some Members that had to lay off employees or had employees do into an early retirement, and at times employees are given lumpsum cash outs for vacation, which is included in the DE9 payroll, making it falsely inflated actual payroll. Members are paying a premium on that inaccurate dollar amount.

Cox and Mike Harrington presented alternative options for premium distribution: Members report their actual estimate of payroll for the Fiscal Year 2020-21 by April 30<sup>th</sup> rather than applying the standard percentage increase, allow Members the option of a reduction of 5% or 10% from the current payroll estimates, reduce all payroll by 3% or 1.5%, apply a cap on premium increases, apply a cap on experience-modification increases, or consider a combination of the options. Staff would also request the additional step to the premium allocation process by including an annual reconciliation of payroll.

Schwartz proposed implementing a one-time cap of the percentage change in the experience-modification as part of the premium allocation process to better assist the Members that will experience a wide swing in their premium this fiscal year.

Schwartz also proposed that Staff bring this topic back to the Board for further discussion. Adding that this would be a good topic for the Strategic Planning Working in January 2022.

After a lengthy discussion, Staff was directed to get updated 2020-21 payroll numbers before the final week of April and those numbers be used in the final report.

*Motion made by Paul Rankin for Staff to get updated 2020-21 payroll numbers from Members before the final week of April. Seconded by Tim Przybyla. Approved by roll call vote. (5-0).*

Agenda Topic moved to Informational Item 8

8. Property, Crime, Cyber, and Deadly Weapons Market Update

Dennis Mulqueeny was in attendance and presented a market update on the Property, Crime, Cyber, and Deadly Weapons Programs.

Agenda Topic moved to Action Item 6

6. Proposed Draft Spending Plan for Fiscal Year 2021-22

Cox reported that the presented budget is in its preliminary stage and does not reflect some of the premium shifts, and CARMA is still reported as an estimated number.

1:57pm - Due to Committee Members schedule conflicts the meeting recessed into Closed Session.

Report Out from Closed Session:

On Closed Session Agenda Item 1, Klein vs. Town of Danville, the Executive Committee voted to approve a settlement reached in the amount of \$250,000.00. The matter involves a personal injury lawsuit brought by Lawrence Klein and Gregory Klein against the Town of Danville arising out of an auto & bicycle accident and alleging a dangerous condition of public property on Diablo Road. The following members voted to approve the settlement: Clayton; Brentwood; Lafayette; Oakley; and Orinda. Martinez was absent.

*Motion made by Tim Przybyla to approve the settlement. Seconded by Paul Rankin. Unanimous vote of all members present and represented herein. (5-0).*

2:02pm - Staff resumed to Open Session

6. Proposed Draft Spending Plan for Fiscal Year 2021-22 - Continued

Frank presented the budget.

*Motion made by Tim Przybyla to approve additional positions requested and the 2% COLA and directed Staff to include it in the budget that will be presented to the Board of Directors. Seconded by Reina Schwartz. Approved by roll call vote. (5-0).*

2:30pm - Due to Committee Members' schedule conflicts the rest of the topics on the agenda were not discussed, and the meeting was adjourned.