

# FDAC EMPLOYMENT BENEFITS AUTHORITY

Board of Directors Teleconference Meeting  
700 R Street, Suite 200  
Sacramento, CA

Wednesday, November 1, 2017

2:30 p.m. – 3:30 p.m.

**Call-in Number:** 1-800-250-2600

**Participant PIN:** 451 9494

1364 Tavern Road, Alpine, CA  
630 Second St. West, Sonoma, CA  
5221 Deer Valley Road, Rescue, CA

7 Erba Lane, Scotts Valley, CA  
700 R Street, Sacramento, CA  
37 Jones Street, Murphys, CA

## *Agenda*

- | <u>Item</u> |   | <u>Action</u>      |
|-------------|---|--------------------|
| 1.          | <b>Call to Order and Introductions</b>  |                    |
| 2.          | <b>Approval of Agenda Items</b>   | <b>Action</b>      |
| 3.          | <b>Public Comment</b><br><i>At this time, members of the public may address the Board on any item that is not on the agenda. No action may be taken on items that are not on the agenda unless authorized by law. Comments are limited to three minutes per person.</i> | <b>Discussion</b>  |
| 4.          | <b>Consent Calendar</b><br><i>The Board will review and may approve the following:</i><br>A. Minutes – September 19, 2017   | <b>Info/Action</b> |
| 5.          | <b>Request to Withdraw</b><br><i>The Board will review and may approve the request by Deer Springs FPD to withdraw from the EBA healthcare effective January 1, 2018.</i>   | <b>Info/Action</b> |
| 6.          | <b>FDAC EBA Agreement with FDAC</b><br><i>The Board will review and may approve the renewal agreement between the FDAC EBA and its parent association.</i>  | <b>Info/Action</b> |
| 7.          | <b>Broker Report</b>  | <b>Info/Action</b> |
| 8.          | <b>Administrator Report</b><br>A. Bylaws Amendment Update<br>B. Board Elections   | <b>Information</b> |
| 9.          | <b>Director Comments</b>  | <b>Information</b> |
| 10.         | <b>Public Comments</b>  | <b>Information</b> |

**11. Next Meeting**

**Info/Action**

**12. Adjourn**

**Action**

## FDAC EBA Board of Directors Meeting

September 19, 2017

### **In Attendance**

Steve Kovacs, President  
Tom Keating, Vice President  
Bill Paskle  
Georgette Darcy

### **Consultants/Guests**

Melissa Dixon, FDAC EBA Administrator  
Bordan Darm, Keenan  
Chris Jordan, Keenan  
Stacey Comerchero, Keenan  
Mary Boyer, SETECH  
Lorrie Sato, SETECH  
Jeannine Morgan, SETECH  
David McMurchie, Legal Counsel

President Steve Kovacs convened the meeting at 10:02 a.m. President Kovacs welcomed everyone and established a quorum.

### **Approval of Agenda Items**

President Kovacs informed the Board that he would like to add an item C under the Administrator Report regarding the SMA Contract. Director Bill Paskle moved to approve the agenda with that edit; Director Tom Keating seconded.

Ayes: Steve Kovacs, Tom Keating, Bill Paskle, Georgette Darcy

Noes:

Absent:

### **Public Comment**

There was no public comment.

### **Consent Calendar**

The Board reviewed the consent calendar, which included the minutes from the August 10 meeting and the preliminary August 2017 financials. Director Paskle moved to approve the consent calendar; Director Keating seconded.

Ayes: Steve Kovacs, Tom Keating, Bill Paskle, Georgette Darcy

Noes:

Absent:

### **Final 2017-18 Budget**

Administrator Dixon reviewed with the Board the proposed final operating budget for 2017-18, noting a request to increase the SMA retainer for this year due to the increase in the workload since the contract had been negotiated. Broker Bordan Darm reviewed the rate decisions with the Board from the last meeting that informed the edits to the January-June portion of the 2017-18 budget. Director Paskle moved to approve the budget as presented, and Director Keating seconded.

Ayes: Steve Kovacs, Tom Keating, Bill Paskle

Noes:

Abstain: Georgette Darcy

Director Keating moved to approve the addendum to the SMA contract for July 2017 through June 2018, to allow for the increase in the fee. Director Paskle seconded.

Ayes: Steve Kovacs, Tom Keating, Bill Paskle, Georgette Darcy  
Noes:  
Absent:

### **EBS/Workterra Update**

Administrator Dixon relayed to the Board that EBS/Workterra confirmed receipt of the termination effective September 30, 2017, and will not contest the Board's decision.

### **Hourglass/ASi Implementation**

Broker Darm and Chris Jordan provided an update on the transition to Hourglass/ASi, noting that EBS/Workterra was being cooperative. Hourglass will go live on October 1, but webinar invites to the agencies will be going out this week, so administrators will have the opportunity to review their accounts prior to the date of implementation.

### **Broker Report**

Broker Darm provided an experience report, noting that through July 2017 the entire FDAC EBA portfolio had netted just over \$310,000, compared to \$220,000 in the entire 2016 program year. Darm noted that were the EBA to self-fund vision, we could have saved nearly \$9,000; however, he suggests that the additional administrative workload would make such a move unattractive.

Darm informed the Board that the City of Pittsburg would not be joining the pool after all, but that Ebbetts Pass Fire is considering rejoining in January.

### **Administrator Report**

Administrator Dixon informed the Board that the Bylaws amendment mailing to the membership had been distributed for approval. Voting is due by October 15, 2017. She also informed the Board that the call for nominations had gone out for the two Board seats that are up at the end of 2017. The two expiring seats belong to Rescue and Scotts Valley; both agencies are eligible for reelection. Nominations are due October 13, with ballots being distributed no later than November 1 in the event the election is contested.

Administrator Dixon also informed the Board that the SMA contract expires on June 30, 2018. Dixon suggested that the Board might want to consider not renewing with SMA, and instead moving its administration to Bickmore, which currently manages FASIS. The Board has discussed the possibility of a fire pool merger, in which case having both pools managed by the same firm could be desirable. No decision was made, but Legal Counsel David McMurchie confirmed that the Board would not be required to do an RFP, should it choose not to renew with SMA.

### **Director Comments**

There were no director comments.

### **Next Meeting**

The next meeting will be scheduled as needed.

### **Adjourn**

Director Keating moved to adjourn the meeting at 10:44 a.m. Director Paskle seconded.

Ayes: Steve Kovacs, Tom Keating, Bill Paskle, Georgette Darcy  
Noes:  
Absent:

Respectfully submitted,

Melissa Dixon



# Deer Springs Fire Protection District

8709 Circle R Drive • Escondido, CA 92026 • tel 760-749-8001 • fax 760-749-6572

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October 2, 2017

FDAC  
700 R Street, Suite 200  
Sacramento, CA 95811

FDAC/EBA Board of Directors:

I would like to withdraw my health insurance through FDAC, effective end of calendar year December 31, 2017. I was not aware that in order to cancel my health insurance, the notice expiration date was August 15, 2017. I misunderstood and thought I had 3 months prior to beginning of fiscal year to withdraw. I would like to request a Bylaws exception and allow me to terminate my health insurance through FDAC/EBA.

Thank you,

A handwritten signature in blue ink, appearing to read "Liz Heaton".

Liz Heaton

**AGREEMENT BETWEEN FIRE DISTRICTS ASSOCIATION  
OF CALIFORNIA AND FIRE DISTRICTS ASSOCIATION OF CALIFORNIA  
EMPLOYMENT BENEFITS AUTHORITY**

THIS AGREEMENT (“Agreement”) is made and entered into as of July 1, 2017 by and between the Fire Districts Association of California, a California non-profit public benefit corporation (“FDAC”), and the Fire Districts Association of California Employment Benefits Authority (“FDAC EBA”), a joint powers authority, organized and existing under the provisions of the Joint Exercise of Powers Act (Government Code 6500, et. seq.) and with respect to terms and conditions of certain services and consideration to be exchanged between FDAC EBA and FDAC.

WHEREAS, FDAC EBA desires FDAC to promote the insurance services of FDAC EBA with respect to existing and prospective members of FDAC; and,

WHEREAS, local agency members of FDAC EBA are required to be members of FDAC;

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement, the parties agree as follows:

1. Term

1.1 The parties ratify the obligations as set forth hereinafter in the Agreement from and after July 1, 2017, the agreement effective date, through June 30, 2020. The parties agree to review the terms of the Agreement annually for possible notification and if modification is sought then give written notice of such proposed modification consistent with Agreement, Section 4, at least thirty (30) days prior to July 1 of any calendar year that the Agreement is in effect.

2. Obligations of FDAC EBA

2.1 FDAC EBA shall, on or before January 15 of each calendar year in which this Agreement is in effect, pay to FDAC the amount of \$15,000 as a sponsorship fee, after being invoiced for that amount by FDAC.

2.2 FDAC EBA shall promote and encourage membership in FDAC to prospective members of FDAC EBA.

3. Obligations of FDAC

3.1 FDAC shall allow the use, name and logo of FDAC to FDAC EBA.

3.2 FDAC shall invoice FDAC EBA a fee of \$15,000 on or before January 1 of each calendar year that FDAC received the sponsorship fee as set forth in this Agreement.

3.3 FDAC shall exclusively promote and encourage membership in FDAC EBA to all new and prospective members of FDAC and to current members of FDAC not currently members of FDAC EBA.

3.4 FDAC shall maintain as current its membership database and share the same with FDAC EBA for promotional services and shall maintain a link to the web site for FDAC EBA from the FDAC web site.

3.5 FDAC shall provide FDAC EBA a vendor booth at no cost at the annual conference of FDAC and other FDAC sponsored programs where vendor booths are provided and a half-page advertisement in every issue of the *FDAC Report* or similar newsletter published by FDAC.

3.6 FDAC shall provide to FDAC EBA legislative advocacy and tracking, as well as an FDAC EBA-appointed voting representative on the FDAC Legislative Committee.

3.7 It shall be the policy of the FDAC Board of Directors that FDAC EBA's insurance program shall be the exclusive medical, dental, vision and life insurance program to receive the sponsorship, services and obligations described hereinabove in Sections 3.1 through 3.6 of this Agreement by FDAC.

4. Notices

4.1 Any notices relating to this Agreement shall be given in writing and shall be deemed sufficiently given and served for all purposes when delivered

personally or by generally recognized overnight courier service, or three (3) business days after deposit in the United States Mail, certified or registered, return receipt requested with postage prepaid addressed as follows:

If to FDAC EBA:

Administrator  
FDAC Employment Benefits Authority  
700 R Street, Suite 200  
Sacramento, CA 95814

If to FDAC:

Executive Director  
Fire Districts Association of California  
700 R Street, Suite 200  
Sacramento, CA 95814

5. Indemnification

5.1 FDAC EBA agrees to indemnify, defend and hold harmless FDAC, its officers, agents and employees from any and all claims for losses accruing or resulting to any person or entity arising out of FDAC EBA's sole negligence in FDAC EBA's performance of this Agreement.

5.2 FDAC agrees to indemnify, defend and hold harmless FDAC EBA, its officers, agents and employees from any and all claims for losses accruing or resulting to any person or entity arising out of FDAC's sole negligence in FDAC's performance of this Agreement.

6. Entire Agreement. The terms and conditions and covenants of this Agreement are intended by the parties as a final expression of their agreement with respect to such terms, conditions and covenants that are included in this Agreement and may not be contradicted by evidence by any prior or contemporaneous agreements. This Agreement specifically supersedes any prior written or oral agreements between the parties.

7. Amendment. This agreement may be amended from time-to-time only by the mutual written agreement of the parties, when preceded by the notice provisions of Agreement Section 1.

8. Governing Law. This Agreement shall be governed by the laws of the State of California, and the rights and obligations of the parties set forth shall be construed and enforced in accordance with the laws of the State of California.

9. Waiver. Any waiver at any time by any party of its rights with respect to default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any other default or matter. The exercise by a party of any remedy provided in the Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

10. Severability. If any terms, provisions, conditions and covenants of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and thereby shall be valid and enforceable to the fullest extent permitted by law.

11. Neutral Interpretation. The provisions of this Agreement shall be construed as to their fair meaning, and not for or against any party based on any attribution to such party as the source of the language in question. Headings used in this Agreement are for the convenience of reference only and shall not be used in construing this Agreement.

12. Counterparts. This Agreement is executed in two (2) duplicate originals, each of which shall be deemed an original, but each of which together shall constitute one in the same instrument. This Agreement consists of five (5) pages, which constitutes the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement with the intent to be bound thereby as of the date first written above, ratifying performance, which has occurred since the Agreement Effective Date.

“FDAC EBA”

FDAC EMPLOYMENT BENEFITS AUTHORITY

Dated: By:

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Steve Kovacs, President

“FDAC”

FIRE DISTRICTS ASSOCIATION OF CALIFORNIA

Dated: By:

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Steve Hall, President