

Board Members:  
Darren Brugmann  
Lynn Moody  
Darlene Riley  
Larry Stuckart  
Karl Johanson  
Madelyn Carlson

BOARD MEETING – Conference Call  
Canfield Office, Ephrata, WA  
January 8, 2013 at 10:00 a.m.

## MINUTES

The Non Profit Insurance Program Board of Directors conducted its quarterly board meeting on Tuesday, January 8, 2013 at 10:10 a.m.

### ITEM 1: INTRODUCTION & ROLL CALL

#### PRESENT WERE:

##### Board Members

Darren Brugmann, Senior Services of Snohomish Co.  
Madelyn Carlson, People for People  
Karl Johanson, Council on Aging & Human Services (joined at 10:25am)  
Lynn Moody, Hopelink  
Darlene Riley, Paratransit Services  
Larry Stuckart, Spokane Neighborhood Action Partners

##### Canfield Staff

Paul Harrison  
Eric Homer  
Dave Kosa  
Ellen Kosa  
Sarah McDonnell  
Rich Moore  
Brian Turnbull

##### Guests:

None

Chairman Darren Brugmann welcomed all in attendance and noted that a quorum is present.

### ITEM 2: PUBLIC COMMENT

None.

### ITEM 3: CHANGES TO THE AGENDA

None.

### ITEM 4: COMMITTEE REPORTS

ITEM 4(A) – Fiscal Committee (Darlene, Lynn, Karl): The fiscal committee has reviewed the vouchers and addressed questions with claims staff prior to the meeting. The committee recommended that Voucher #12/13-06, #12/13-07, and #12/13-08 be approved by the board, as part of the consent agenda. Darlene Riley reported that the fiscal committee had reviewed the A/R Aging report and write-off report prior to the board meeting and would discuss them under item 4(ii).

(i) *Program Premium.* Sarah McDonnell provided an update of total written program premium to the full board and noted additions to the membership.

(ii) *Write-off report.* Darlene Riley reported that both the write-off report and the A/R look very clean. She reported that there were no write-offs to report to the board for this month. Riley reminded the full board on the July 2012 report that the fiscal committee had approved a write-off of \$2,758.28 for Allen Renaissance, former NPIP Member, as it is uncollectable.

(iii) *Investment Policy.* Rich Moore reviewed the policy with the board; the draft was presented originally at the October 2012 board meeting. Staff had made adjustments to the draft, as requested. There was a brief discussion and it was determined that this would be discussed further with Item 6, before action is taken.

(iv) *5/31/12 Balance Sheet & Income Statement.* Darlene Riley reviewed the corrected 5/31/12 balance sheet and income statement with the full board. Ellen Kosa reported that during the December fiscal committee call, the committee was notified that the previous financials did not include a reimbursement from Munich, due to timing. Lynn Moody updated the board on the discussion with the fiscal committee and staff regarding the processes that were implemented to ensure that these are booked timely in the future. There was a brief discussion on the details of the reimbursement. Ellen Kosa reported that this corrected version was submitted to the State Auditor's Office as the final financials for the year.

ITEM 4(B) – Legislative Committee (Darren, Karl, Larry): Darren Brugmann provided a report on the December 13, 2012 WRAC committee meeting. He summarized the meeting discussions which included: a presentation on NPIP and other Canfield pools by staff, audits and the timing of audits, funding requirements (confidence levels), leadership model of NPIP, and felt it was overall more positive than the last meeting. He noted that DES said NPIP would receive equal treatment to the other pools organized under RCW 48.62. There was discussion on the proposed change in confidence level and audit timing requirements and how they would affect NPIP.

Brugmann also reported to the board that Majken Ryherd and Jim Richards, of Waypoint Consulting, were in attendance at the WRAC meeting, and discussed their involvement. Brugmann noted that at the last sit down, the legislative committee was going to look into pooling outside of 48.62, but he felt that this could be revisited at a later time, if necessary, since it doesn't appear that NPIP will have further issues this session.

ITEM 4(C) – Executive Committee (Darren, Lynn, Darlene): Darren Brugmann reported that the State Auditor's Office will be holding an entrance conference call on January 14, 2013 and the executive committee will be calling in and report any issues back to the remainder of the board, if necessary.

ITEM 4(D) – Transportation Standards Committee (Madelyn, Karl): No report.

ITEM 4(E) – Nomination Committee (Darlene, Larry, Lynn): No report.

ITEM 4(F) – Broker Agent Group / Peer Committee (Darren): Darren Brugmann reported that the Broker Committee group had met on a conference call to plan the first sit down meeting. Some of the areas of focus will be broker responsibilities, commissions, and requests for renewal. Eric Homer reminded the board that the group was formed as an advisory group of brokers, to provide input to the board. The sit down meeting is scheduled for the week of January 23. There was discussion of the broker involvement with renewal discussions and the potential of having a broker involved with the board responsibilities. Karl Johanson reminded the board to consider the current bylaws to remain in compliance.

**ITEM 5: CONSENT AGENDA**

The Consent Agenda for January 8, 2013 consisted of the following:

- A. Voucher #12/13-06, \$313,149.12 Date 11/07/12
- B. Voucher #12/13-07, \$427,465.12, Date 12/11/12
- C. Voucher #12/13-08, \$180,189.62, Date 1/3/13
- D. Minutes 10/26/12
- E. Approval of New Members

Darlene Riley noted that the fiscal committee has reviewed the vouchers prior to the meeting and any questions were addressed by claims staff. Motion to approve consent agenda by Darlene Riley, seconded by Karl Johanson and approved unanimously; motion carried.

#### **ITEM 6: ACTION ITEMS**

ITEM 6(A). Investment Policy. The board reviewed the proposed investment policy in detail and decided to change from "Canfield" to "Third Party Administrator" throughout the document. Darlene Riley moved to approve, with the noted changes. Karl Johanson seconded the motion. No discussion, no opposed; motion carried.

#### **ITEM 7: EXECUTIVE SESSION**

None.

#### **ITEM 8: BOARD/STAFF COMMUNICATION**

ITEM 8(A): NPIP Annual Meeting. Rich Moore discussed the annual meeting presentation with the board as "state of NPIP" address to the membership. Details on the board's presentation were discussed, including who would do which portions.

ITEM 8(B): Member Discussion. Paul Harrison from the Risk Management Department discussed a member that needed loss control attention, due to operational concerns and based on claims performance. The member was previously discussed with the board at the October 2012 sit down. Harrison said the member has been receptive to services and currently has plans in place for improvement. The Risk Management department has follow up plans set as well.

ITEM 8(C): Renewal Update. Brian Turnbull reported that requests for renewal info. on their members' accounts had been sent out from the underwriting department to the brokers. There was a discussion on marketplace concerns and how they may affect the pool.

ITEM 8(D): NPIP Conference Location 2014. Sarah McDonnell reminded the board that NPIP's conference was in Spokane in 2012 and will be in Lynnwood for 2013. McDonnell requested that the board think about whether they'd like to host the 2014 NPIP Conference in the Seattle or Spokane area, so staff can begin obtaining quotes to ensure the best pricing possible. There was no further discussion.

ITEM 8(E): Other/Misc. None.

#### **ITEM 9: UPCOMING CONFERENCES/MEETINGS**

The next fiscal committee conference call at 10:00am on February 15, 2013. The next meeting is the all member meeting on March 21, 2013 at 11:00am. The next all board sit down meeting is the retreat, April 24-26, 2013 at the Davenport Hotel in Spokane, WA.

#### **MEETING ADJOURNED**

There being no further business, the meeting was adjourned at 11:30a.m.

Respectfully submitted,



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Sarah McDonnell



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Darren Brugmann, Chair