

Board Members:  
Amber Boice  
Darren Brugmann  
Madelyn Carlson  
Karl Johanson  
Lynn Moody  
Darlene Riley

BOARD MEETING  
Hopelink, Bellevue, WA  
February 5, 2014, 10:00am

## MINUTES

The Non Profit Insurance Program Board of Directors conducted its regular meeting on Wednesday, February 5, 2014 at 10:12 a.m.

### ITEM 1: INTRODUCTION & ROLL CALL

#### PRESENT WERE:

##### Board Members

Amber Boice, Spokane Neighborhood Action Partners  
(10:45am)  
Darren Brugmann, Senior Services of Snohomish Co.  
Madelyn Carlson, People for People  
Karl Johanson, Council on Aging & Human Services  
Lynn Moody, Hopelink  
Darlene Riley, Paratransit Services

##### Canfield Staff

Eric Homer  
Ellen Kosa  
Sarah McDonnell  
Rich Moore  
Brionna Varney

##### Absent

None

##### Guests

Deb Sterling, Sterling Concepts

Chairman Darren Brugmann welcomed all in attendance and noted that a quorum was present. Introductions were done by all meeting attendees.

### ITEM 2: PUBLIC COMMENT None.

### ITEM 3: CHANGES TO THE AGENDA

Item 8(B) Tax Return Update was moved to Item 4(A)(viii).

### ITEM 4: COMMITTEE REPORTS

ITEM 4(A) – Fiscal Committee (Darlene, Lynn, Karl): Darlene Riley reported that the fiscal committee has reviewed the vouchers prior to the meeting and addressed questions with claims staff. The committee recommended that Vouchers #13/14-07 and #13/14-08 be approved by the board, as part of the consent agenda.

Riley reported that the fiscal committee had also reviewed the A/R Aging report and write-off report prior to the board meeting and would discuss, as needed, under item 4(A)(ii).

(i) Program Premium. Sarah McDonnell provided an update of total written program premium to the full board and noted additions to the membership. Eric Homer noted that premium growth is slightly below expected so far this year.

(ii) Write-off report. Darlene Riley reported that the write-offs and the A/R report had been reviewed in detail by the committee. She reported that there were no write-offs to report to the board for this month (per the write off procedure) and had no comments on the A/R report.

(iii) Balance Sheet. Due to timing of the board meeting, the next quarterly balance sheet will be reviewed at the April board meeting.

(iv) Income Statement. Due to timing of the board meeting, the next quarterly income statement will be reviewed at the April board meeting.

(v) Solvency Test Report. Due to timing of the board meeting, the next quarterly solvency test will be reviewed at the April board meeting.

(vi) Banking Recommendation. Darlene Riley reported to the board that a Request for Proposal had gone out for NPIP for banking services. Rich Moore discussed in detail the requirements of the bank and recommended, on behalf of staff, that NPIP move to Washington Trust for banking services. Darlene Riley, on behalf of the fiscal committee, recommends to the full board that NPIP move to Washington Trust for banking services. This item was added to the agenda as Item 6A - Banking Recommendation.

(vii) EFT Policy. Rich Moore reviewed the policy with the board and noted that this was a process already in place, but no formal policy had yet been adopted. This item was added to the agenda as Item 6B – EFT Policy.

(viii). Tax Return Update. Sarah McDonnell reviewed the summary provided to the board of the tax returns. There was a discussion regarding tax status with the IRS. The board briefly discussed fiscal committee work to explore options presented by the tax accountant. It was noted that all taxes have been paid current ending fiscal year 5/31/13.

ITEM 4(B) – Legislative Committee (Karl, Darren): Darren Brugmann reported that NPIP had attended the recent WAC Rulemaking hearing and WRAC (Washington Risk Advisement Council) meeting, both in January. He reported on the document handed out by DES at the WRAC meeting regarding concerns NPIP had recently expressed to DES and noted that the document made clear there were obvious differences of opinion between the State Risk Manager and NPIP as far as what are acceptable standards. Darren voiced this concern directly to State Risk Manager Lucy Isaki at the WRAC meeting and immediately before his testimony at the hearing. There was discussion on the rule-making process and Brugmann reported that the rules have not yet been adopted, but are currently under review by the DES Director, Chris Liu. It was noted that the State Auditor's Office has reported they have no concerns regarding the structure of NPIP. The process for WRAC meetings was discussed in detail. The board talked about the involvement of the membership in the process and when to ask for the membership to express their support. Additionally, the next steps were discussed and the note/minute-taking by DES at the meetings so it could be reported back to board members.

ITEM 4(C) – Executive Committee (Darren, Lynn, Darlene): No report. It was noted that the committee is due to present Canfield an evaluation soon.

ITEM 4(D) – Nomination Committee (Darlene, Lynn): The committee requested an election update. Sarah McDonnell provided a summary of who is running and an update on the timeline for the elections; ballots will be going out within the next few weeks.

ITEM 4(E) – Broker Agent Group / Peer Committee (Darren): No report. Eric homer noted the next meeting would be after the Board retreat.

## **ITEM 5: CONSENT AGENDA**

The Consent Agenda consisted of the following:

- A. Voucher #13/14-07, \$688,633.66 Date 12/27/13
- B. Voucher #13/14-08, \$421,762.64, Date 1/23/14
- C. Minutes 12/6/13
- D. Minutes 1/10/14
- E. Approval of New Members

Motion to approve consent agenda by Darlene Riley; the motion was seconded by Madelyn Carlson and approved unanimously. Motion carried.

## **ITEM 6: ACTION ITEMS**

ITEM 6(A) – Banking Recommendation. Darlene Riley, on behalf of the Fiscal Committee, motioned to move NPIP's banking services from Wells Fargo to Washington Trust Bank. Motion was seconded by Lynn Moody and approved unanimously. Motion carried.

ITEM 6(B) – EFT Policy. Darlene Riley moved to approve the policy, as presented. The motion was seconded by Amber Boice and approved unanimously. Motion carried.

**ITEM 7: EXECUTIVE SESSION** None.

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

ITEM 8(A) – Audit Update. Ellen Kosa reported on the status of the audit. It should be completed shortly and will meet all state required deadlines. There was a brief discussion on the cost of this audit.

ITEM 8(C) – Election Timeline. Sarah McDonnell reviewed election timeline status with the board under Item 4D.

ITEM 8(D) – Renewal Update. Eric Homer provided a brief update on the progress made regarding renewal pricing with the excess carriers, noting that no formal information has been received yet.

ITEM 8(E) – Sterling Concepts. Darren Brugmann noted that Sterling Concepts has been hired, as discussed at the 1/10/14 board meeting, to complete work on the mission, vision, and strategic planning. The work is ongoing.

ITEM 8(F) – Other. None.

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


The next all board meeting is April 18, 2014 at 10:00am. The meeting will be held at Ephrata, WA in conjunction with the board retreat. If this changes, it will be published according to WAC guidelines.

## **MEETING ADJOURNED**

There being no further business, the meeting was adjourned at 11:45am.

Respectfully submitted,

  
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Sarah McDonnell

  
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Darren Brugmann, Chair