

Board Members:
Jon Andrus
Madelyn Carlson
Cheryl Hamilton
Karl Johanson
Amber Johnson
Darlene Riley

NPIP

BOARD MEETING
18000 International Blvd, Seattle, WA
February 8, 2016 12:00 pm

MINUTES

The Non Profit Insurance Program Board of Directors conducted a regular meeting on February 8, 2016 at 12:00pm.

ITEM 1: INTRODUCTION & ROLL CALL

PRESENT WERE:

Board Members

Fiscal Officer & At-Large #3 Rep., **Karl Johanson**, Disability Action Center – NW, Inc.
Vice Chair & Area 1 Rep., **Darlene Riley**, Paratransit Services
Area 4 Rep., **Jon Andrus**, Catholic Charities of Spokane
At-Large #1 Rep., **Amber Johnson**, Spokane Neighborhood Action Partners

Absent

Chair & Area 3 Rep., **Madelyn Carlson**, People for People (Excused)
Area 2 Rep., **Cheryl Hamilton**, Educational Opportunities for Children & Families (Excused)

Clear Risk Solutions Staff

Brian Turnbull
Darlene Brooks
Eric Homer
Lance Hammond
Rich Moore
Sarah McDonnell
Taylor Montgomery

Guests

None

Vice Chair Riley welcomed all in attendance and noted that a quorum was present.

ITEM 2: PUBLIC COMMENT

None

ITEM 3: CHANGES TO THE AGENDA

No Changes

ITEM 4: COMMITTEE REPORTS

STANDING COMMITTEES:

ITEM 4(A) – Fiscal Committee (Johanson-Chair, Riley, Andrus): Johanson reported that the fiscal committee has reviewed the vouchers prior to the meeting and had no questions. The committee recommended that Vouchers #15/16-06, #15/16-07, #15/16-08 (dated 11/17/15, 12/29/15, and 1/26/16 respectively), be approved by the board, as part of Item 5: Consent Agenda. Additionally, the committee reviews, monthly, the Accounts Receivable reports, and quarterly, the bank statements for the program.

(i) Program Premium. McDonnell reviewed the annualized program premium as of December 2, 2016, at approximately \$14.8 million.

(ii) Write-Off report. None to report.

(iii) Tax Update. McDonnell reported that the 14-15 taxes were filed. Loss of approximately \$370,000 to apply to future liability. NPIP will receive a refund of the \$25,000 previously paid in as a pre-payment.

(iv) Balance Sheet: Riley reviewed in detail for the board. No discussion.

(v) Income Statement. Riley reported on expense status for the year. There was discussion on budgeting for attorney fees for tax trial and possible appeals.

(vi) Solvency Test. Johanson reported on quarterly solvency test. No concerns at this time.

(vii.) Report on Review of Accts Receivable/Bank Statements. Riley noted that the fiscal committee has reviewed bank statements and A/R on behalf of the board. Nothing to note.

(vii.) Audit Report. Johanson reported that the pool had clean financial and accountability audits with no further recommendations from state auditors. He reminded the board of the private audit going forward per state law.

(ix.) Investment Policy. Moore reported that WAC changes allow more flexibility. A draft policy will be presented to the board in April by the project committee.

ITEM 4(B) – Executive Committee (Carlson, Johanson, Riley): Nothing to report at this time.

OTHER COMMITTEES:

Legislative Committee (Johanson, Carlson, Hamilton): Johanson reported that staff would compile a list of contacts for future lobbyist plan and talking points.

Board Recruitment (Riley, Carlson): Looking for new board member for the open At-Large position. The board's preference is for a member from the west side of the state, for board balance. It was decided that Johnson will join the Recruitment Committee.

ITEM 5: CONSENT AGENDA

The Consent Agenda consisted of the following:

- A. Voucher #15/16-06, 11/17/15, \$1,845,936.51
- B. Voucher #15/16-07, 12/29/15, \$2,126,408.15
- C. Voucher #15/16-08, 1/26/16, \$705,219.58
- D. Minutes 11/20/15
- E. Approval of New Members

Motion to approve consent agenda by Johnson, the motion was seconded by Johanson and approved by the rest of the board. Motion carried.

ITEM 6: BOARD / STAFF COMMUNICATION

ITEM 6(A) Project Form Reports / Workshop:

(i.) Membership Documents: Johanson summarized that due to WAC changes, program documents require updating to align with future growth goals. Project Group working on completing a rough draft for board review. First draft should be to the board by the April retreat.

(ii.) Risk Management Philosophy: Staff recapped the workshop that preceded this meeting. The program's goal is to help every member by maximizing what they do and minimizing risk. This is done by analyzing data to determine areas of risk by line of coverage, then developing Risk Management focus, implementing plan, and evaluating the plan further on to determine effectiveness. Services can be tailored for member needs. Member performance is reported each year to determine how an account is doing compared to the pool.

ITEM 6(B) – RFP for Audit. Moore reported that staff will present to the board the recommendations to begin audit process at the April meeting. Advertising in February per established procedure. After discussion, the board mentioned they may participate in the interview process.

ITEM 6(C) – Legislative Strategy. Moore reported on the timeline for legislative work plan, along with a position paper. Next session preparations will begin at the April retreat. McDonnell added that although Jarret left DES, there is a good working relationship with our lobbyist and the new representative at the Department of Enterprise Services.

ITEM 6(D) – Election Report – Timeline. McDonnell reported no letters of interest have been received yet. There was discussion on people of interest of member. Looking into ballot rules for vacant position with no candidates.

ITEM 6(E) – Renewal Report. Turnbull reported that underwriting has begun on renewal. The goal is always to reduce costs if at all possible. There was discussion on an NPIP Renewal Committee and it was decided that the Fiscal Committee will build budget for renewal and will discuss renewal options for recommendation to the full board.

ITEM 6(F) – Annual Membership Meeting. McDonnell reminded the board there will be no October conference this year which is where the annual meeting typically takes place. The NPIP track of the upcoming WA Nonprofits meeting is not an ideal time as we cannot control space for time. McDonnell suggested making the annual meeting apart of the last day of the November retreat and there was agreement by the board.

ITEM 6(G) – Oregon Update. Homer reported on the current market conditions. Staff will continue to report and update the board as progress is made.

ITEM 6(H) – Misc./Other. The Survey with governance questions will go out to the full board in mid-February. Carlson, as chair, will pull results, and the Board will have time during the April retreat to go over their answers, sans staff.

Staff provided an update on the upcoming May conference: NPIP is in charge of risk management track at WA Nonprofits pre-conference. There will be NPIP booths at both the pre-conference and conference.

Staff proposed moving meetings to first Monday of each month for scheduling purposes. Board agreed.

ITEM 7: Action Items

None.

ITEM 8: Executive Session

None.

ITEM 9: Upcoming Meetings/Conferences

- A) March 14, 2016 (Mon) – Fiscal Call 10am
- B) April 13-15, 2016 (Wed-Fri) – Board Retreat - SeaTac

C) June 6, 2016 Workshop and Board Meeting – Location TBD

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 1:55 pm.

Respectfully submitted,



Sarah McDonnell



Madelyn Carlson, Chair