

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

BOARD MEETING
People for People, Yakima, WA
September 27, 2013 at 10:00 a.m.

MINUTES

The Non Profit Insurance Program Board of Directors conducted its quarterly board meeting on Friday, September 27, 2013 at 10:05 a.m.

ITEM 1: INTRODUCTION & ROLL CALL

PRESENT WERE:

Board Members

Amber Boice, Spokane Neighborhood Action Partners
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

Lance Hammond
Eric Homer
Ellen Kosa
Sarah McDonnell
Rich Moore

Absent

None

Chairman Darren Brugmann welcomed all in attendance and noted that a quorum was 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): Darlene Riley reported that the fiscal committee has reviewed the vouchers and reviewed any questions with claims staff prior to the meeting. The committee recommended that Vouchers #13/14-03 and #13/14-04 be approved by the board, as part of the consent agenda. Riley noted that the committee is looking very critically at the vouchers. Lance Hammond provided a report on claims trending and the risk management response on the issues that are trending and the frequency within a specific account. The overall loss ratio of the program was also discussed and the monitoring of the program performance.

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(ii).

- (i) Program Premium. Sarah McDonnell provided an update of total written program premium to the full board and noted additions to the membership. There was brief discussion on the format of the report.

(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 the A/R report was clean.

(iii) Balance Sheet. Darlene Riley reviewed the balance sheet ending 8/31/13 with the full board. Riley noted the use of the Driver Training Simulator and the budgeted line item.

(iv) Income Statement. Darlene Riley reviewed the income statement ending 8/31/13 with the full board. Riley mentioned the reserved claims had gone down per updated actuary report.

(v) 12-13 Year End Financial Report (Updated 5/31/13 Balance Sheet and Income Statement). Ellen Kosa reported on the upcoming audit schedule for the year ending 5/31/13. Riley reminded the board of the payment of taxes during the year, including the liability, penalties, and noted the loss as a result. There was a brief discussion on the tax returns for the year and the process for preparing the returns through NPIP's accountant.

ITEM 4(B) – Legislative Committee (Karl, Darren*): Darren Brugmann discussed the rule-making process currently underway by DES. He discussed the lack of process from the WRAC meetings and the implication by DES that the WRAC group was in consensus on the issues brought forward during rule-making. As a result, both Brugmann and NPIP's lobbyists have requested a meeting with the DES director, but have received no response. The board discussed the locations and times for the upcoming rule-making hearings.

ITEM 4(C) – Executive Committee (Darren, Lynn, Darlene): (i) Canfield evaluation: The executive committee reported to the board that a survey had gone out to the membership and brokers to gather feedback from them. Additionally, the committee is reviewing prior year recommendations to provide new long term and short term goals. The committee discussed the topics for the upcoming board workshop, reminding everyone that there will be no business at the workshop.

ITEM 4(D) – Transportation Standards Committee (Madelyn, Karl): Madelyn Carlson reported that the committee had not been able to meet. No report.

ITEM 4(E) – Nomination Committee (Darlene, Lynn): Darlene Riley summarized the work of the nomination committee and reminded the board that, per the bylaws, the board members can appoint the remaining vacant position on the board. Riley reminded the board that this is the Area 1 representative, with a term ending May 31, 2014. There was discussion on upcoming election and the process used to determine any recommendation the committee may have for this position. After discussion, it was determined that the board would not make an appointment at this time, but instead allow the position to remain open for the upcoming election. Additionally, it was agreed that the committee would encourage those that expressed interest in this position to run for the position when members are solicited for interest during the election process.

ITEM 4(F) – Broker Agent Group / Peer Committee (Darren): Darren Brugmann reported that there was a broker committee meeting coming up on October 11, with the main focus as discussion the process brokers can use to request changes in coverage for renewal.

ITEM 5: CONSENT AGENDA

The Consent Agenda for September 27, 2013 consisted of the following:

- A. Voucher #13/14-04, \$626,594.17, Date 9/16/13
- B. Voucher #13/14-03, \$414,237.04 Date 8/7/13

- C. Minutes 7/26/13
- D. Approval of New Members

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

ITEM 6: ACTION ITEMS

None.

ITEM 7: EXECUTIVE SESSION

At 12:50pm Darren Brugmann reported that the board was going into executive session for approximately 20 minutes to discuss performance of a contract. He noted that no action would be taken in the session. Lynn Moody moved to begin executive session at 12:50. The motion was seconded by Darlene Riley and approved unanimously.

At 1:10pm, Darren Brugmann terminated the executive session noting that no action was taken during the session. Immediately following the session, Lynn Moody moved to end the session at 1:10. The motion was seconded by Darlene Riley and approved unanimously.

ITEM 8: BOARD/STAFF COMMUNICATION

ITEM 8(A) – NPIP Conference 2014. Sarah McDonnell reminded the board of past discussions on the annual NPIP Conference regarding narrowing the focus to better serve attendees. After discussion it was decided the conference would focus primarily on education in risk management for members.

ITEM 8(B) – Management Plan. Rich Moore discussed the "Management of Resources" policy recommendation and the WAC requirement to adopt a formal policy. He reminded the board that this process has been in place for some time, but the formal adoption of a policy is required. It was reviewed and staff will bring the formal policy to the next all board meeting.

ITEM 8(C) – Tax Update. Sarah McDonnell summarized what was previously filed and what is to be returned to NPIP due to carryback losses. Ellen Kosa explained the accounting of the liability based on the accountant's recommendations for the year ending 5/31/13. Kosa reported that an IRS extension has been filed, as not all information was available for NPIP to complete the year end financials to file by the 8/15/13 deadline. McDonnell reviewed the status of the accountant's progress on negotiation and/or waiver of the penalties for the 08-09 and 11-12 years. Last, McDonnell reviewed the status of the lawsuit against the IRS: due to filings for refunds on earlier years, NPIP's attorney recommended using a more current year which liability was already paid. As a result, he is now filing using the 11-12 year for the lawsuit, with the goal of obtaining a ruling from the IRS on federal tax exempt status for NPIP.

ITEM 8(D) – Election Timeline. Sarah McDonnell reviewed the timeline with the board. No changes were made.

ITEM 8(E) – Staff Changes/ Updates. Eric Homer updated the board on staff changes at Canfield. There was a brief discussion.

ITEM 8(F) – Location for next board meeting. There was discussion on where to have the next all board meeting. Lynn Moody was going to look into Hopelink hosting it.

ITEM 8(G) – Other / Misc. None.

ITEM 9: UPCOMING CONFERENCES/MEETINGS

The next all board meeting is TBD and will be published in accordance to WAC guidelines.

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 2:04pm.

Respectfully submitted,



Sarah McDonnell



Darren Brugmann, Chair