

Board of Directors MINUTES

The Non Profit Insurance Program Board of Directors conducted a regular meeting on August 12, 2019, at 1:03pm.

ITEM 1: INTRODUCTION & ROLL CALL

<u>Board Member Name:</u>	<u>Representation Member Entity:</u>	<u>Board Position:</u>	<u>Attendance:</u>
Darlene Riley	Paratransit Services	Chair & Area 1	Present
Amber Johnson	Spokane Neighborhood Action Partners	Vice Chair & At Large 1	Present
Jon Andrus	Catholic Charities of Spokane	Area 4 Representative	Call-In
Mike Heinisch	Kent Youth and Family Services	At Large 2	Present
Karl Johanson	Disability Action Center NW Inc.	Fiscal Officer & At Large 3	Present
Cheryl Hamilton	Educational Opportunities for Children & Family	Area 2 Representative	Present
Madelyn Carlson	People for People	Area 3 Representative	Present

Clear Risk Solutions:

Claire Hanberg
 Jamie Hein
 Sarah McDonnell
 Rick Templeton
 Becky Holt (call-in 1pm-1:37pm)
 Brian Turnbull (call-in 1pm-1:37pm)
 Frank Andrus (call-in 1pm-1:37pm)

Guests:

Colleen Kuhn – Human Services Council

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

ITEM 2: PUBLIC COMMENT

None

ITEM 3: CHANGES TO THE AGENDA

The executive session was moved to Item 4 with all other items following.

ITEM 4: EXECUTIVE SESSION

Board entered executive session at 1:10 pm.
 The board discussed an ongoing litigation. No action was taken.
 Exited executive session at 1:37 pm.

ITEM 5: COMMITTEE REPORTS

STANDING COMMITTEES:

ITEM 5(A) – Fiscal Committee (Andrus-Chair, Johanson, Heinisch):

- i. Summary Document Overview (Premium, Investments, and Taxes): McDonnell reviewed the fiscal committee items with the Board, and reported that there will be a tax credit for the 2019 year end, which the committee has decided to roll forward to apply to future liability.
- ii. Recommend: Final 19-20 Budget: Jon Andrus reported that the fiscal committee has reviewed the final budget and recommends board approval. Templeton reiterated the two-step process of a preliminary and a final budget to plan financial forecasts more accurately. Equity growth is a continued goal of the pool and it will continue to be a focus going forward.
- iii. Recommend: Final 19-20 Renewal Report: Templeton reminded the Board that this year is the second year of the two year policy term in place with Munich Re. The renewal report was reviewed and the chart of coverages was noted as an attachment.

- iv. Audit Update: McDonnell reported auditors have been on site and wrapped up with no concerns. Staff are anticipating a draft of their results near the end of August.

ITEM 4(B) – Executive Committee (Riley, Johnson, Andrus): Riley reported that the administrator evaluation was conducted during board only workshop time and that a meeting will be scheduled shortly to discuss the results with Clear Risk Solutions. She reminded the Board of their decision in April to go out for RFP for Third Party Administrator and Brokerage Services according to the 5 year state requirement, not opting for a one year extension, and reviewed the schedule of events for completing the RFP noting that all board members have received a copy of the timeline.

OTHER COMMITTEES:

Legislative Committee (Johanson, Carlson, Hamilton): The legislative report was given by the lobbyists regarding updates to turnover in the legislature, including the newly appointed speaker of the house. They informed the board of several special elections currently being held as well as some updates regarding the capital gains tax. They informed the board the 2020 session will be a short one and gave some brief speculation regarding what the next session will bring.

Board Governance Committee (Riley, Carlson): McDonnell recapped the succession work over the last year and the potential candidates for succession that the board had identified and prioritized for outreach. The committee decided that next steps after confirming interest would be to request resumes from all potential candidates and there was general consensus. McDonnell then gave updates on several other potential candidates she's reached out to and reviewed contacts that had been made by board members and the forecast on their possible involvement, outreach, and hosting efforts. It was agreed to invite all prospective board members to the 15 year party in October for casual conversation. McDonnell reminded the board of the overall goal to have two engaged candidates identified by April 2020, and Carlson reiterated that it was a goal to find representation for independent schools on the board as well.

ITEM 6: CONSENT AGENDA

The Consent Agenda consisted of the following:

- A. Voucher #19/20-01
- B. Voucher #19/20-02
- C. Voucher #18/19-11
- D. Voucher #18/19-12
- E. Minutes 04/18/2019
- F. New & Lost Members
- G. Balance Sheet
- H. Income Statement
- I. Solvency Test

The Consent Agenda items were reviewed prior to the meeting by all board 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 7: Board/Staff Communication

ITEM 7(A) – Workshop Summary:

- i. CRS Evaluation. Board conducted administrator evaluation during board-only workshop time, and a meeting between the Board Chair and key staff will be scheduled shortly to discuss the results.
- ii. Board Education – Chart of Coverages. As requested by the Board as part of the self-evaluation conducted in April, staff was asked to review summary of the pool's insurance placement with the Board. McDonnell reviewed the chart of coverages for the current fiscal year explaining both the basic principles of the Property and Liability charts as well as how updates to coverage are reflected for Board discussion and approval. For property coverages McDonnell reviewed the pool options and requirements, including earthquake coverage and the reporting of exposures to ensure up-to-date and accurate schedules of exposures for each member. For liability coverages Johnson asked about key issues in the media today and how the pool is responding; the Board and staff agreed that feedback from brokers and members is key to ensure coverage needs are met, but staff is always responding to industry wide topics, as well, with ongoing coverage analysis.

ITEM 7(B) – Goal Report: McDonnell discussed the new visual method for goals and reporting, and that it has been integrated into an electronic format available on the Dashboard. Some development of this feature is still in progress, but the intent is that it will be updated regularly and in real-time to help keep track of goal progress. The group then reviewed the current goals and their status.

ITEM 7(C) – November Retreat Planning: Riley and McDonnell have tentatively discussed a few topics for discussion which will include risk management process updates and discussion on rating structure. Templeton discussed the possibility of new financial presentation for Clear Risk Solutions reporting of NPIP's financials. McDonnell shared her thoughts on a timeline for the other topics the Board requested from staff as a result of the self-evaluation.

ITEM 7(E) – Staff Updates. McDonnell reported on staff updates at Clear Risk Solutions and changes that have occurred with the team that staff works with at Munich Re. The group discussed details for the 15 year party. Hanberg gave a brief update on development and reporting status for My Risk Solutions, as well as next steps. Heinisch shared that the individual Member Performance Report was very well received in his organization.

ITEM 7(E) – Miscellaneous/Other. Guest Colleen Kuhn brought up a concern that her class of business (Non-Emergency Medical Transportation) has been experiencing with requirements from Utility Transportation Commission (UTC). There has been some heavy miscommunication regarding certification for 7-14 passenger vehicles that are suddenly being enforced without anyone ever having been notified of the requirement. Johnson confirmed that this is something her organization had run into as well. There was also some brief discussion by board members regarding other current Washington legislation events, such as services availability and age limits for wages.

ITEM 8: ACTION ITEMS

- A. Final 19-20 Budget. Heinisch moved to approve the final budget as presented, Jon Andrus seconded. There was no other discussion. With none opposed the motion carried.
- B. Final 19-20 Renewal Report. Johanson moved to approve the Renewal Report as presented, Mike Heinisch seconded. There was no other discussion. With none opposed the motion carried.

ITEM 9: UPCOMING MEETINGS/CONFERENCES

- A) October 11, 2019 – 15 Year Party, Washington Athletic Club, Seattle
- B) November 4– 6, 2019 – Board Retreat, Canyon River Ranch, Ellensburg
- C) February 10, 2020 – Workshop & All Board Meeting, Spokane Area

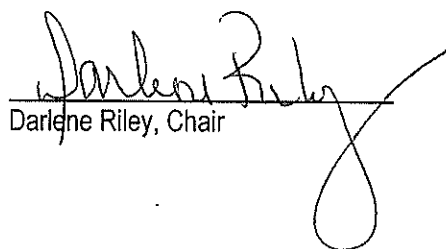
MEETING ADJOURNED

There being no further business, the meeting was adjourned at 2:43 pm.

Respectfully submitted,



Sarah McDonnell



Darlene Riley, Chair