



## Board of Directors MINUTES

The Non Profit Insurance Program Board of Directors conducted a regular meeting on April 29, 2020 at 10:03 a.m.

### ITEM 1: INTRODUCTION & ROLL CALL

<u>Board Member Name:</u>	<u>Representation Member Entity:</u>	<u>Board Position:</u>	<u>Attendance:</u>
Jon Andrus	Catholic Charities of Spokane	Fiscal Officer & Region 2	Present
Madelyn Carlson	People for People	Region 3	Present
Cheryl Hamilton	Educational Opportunities for Children & Family	Region 4	Present
Mike Heinisch	Kent Youth and Family Services	At-Large 2	Present
Karl Johanson	Disability Action Center NW Inc.	At-Large 3	Present
Amber Johnson	Spokane Neighborhood Action Partners	Vice Chair & At Large 1	Present
Darlene Riley	Paratransit Services	Chair & Region 1	Present
Matt Patten	Cascade Mental Health	Alternate	Present
Julie Vess	Stanwood Community & Senior Center	Alternate	Present

#### Clear Risk Solutions:

Frank Andrus  
Claire Hanberg  
Becky Holt  
Eric Homer  
Rachel Huffman  
Sarah McDonnell  
Phil Riche  
Chelsey Smith  
Jessika Tempel  
Rick Templeton  
Brian Turnbull

#### Guests:

Laura Craig – People for People  
Becky Semmler – Paratransit Services

Chair Riley 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

#### STANDING COMMITTEES:

ITEM 4(A) – Fiscal Committee (Andrus-Chair, Johanson, Heinisch):

- i. Fiscal-Summary (Premium report, tax update, investment review, A/R, write-offs, bank statements, bank transfers, balance sheet, income statement) – Andrus reported on changes in the growth on the premium report. The committee noted they reviewed the A/R, write-offs, and bank statements monthly with no concerns currently. Andrus reported an update to the process for approval of bank transfers.



- a. Claims Auditor RFP Process – Andrus reported to the Board that this was a straightforward RFP process with several respondents. He noted that after review, he supported the staff recommendation for claims auditor. The selection is on the consent agenda for final board approval.
  - b. Actuary RFP Process – Andrus reported to the Board that there were a number of responses to the RFP. After interviews, Andrus agreed with the staff recommendation after review of submissions and discussion of several factors. Staff reminded the board that the final selection is under consent agenda.
  - c. Voucher approval process change – Andrus reported that it is the recommendation of the fiscal committee to the Board that going forward signatures are not necessary on the voucher summaries; the Board will still approve each voucher following the fiscal committee's review and approval monthly, but there will no longer be paper documents for signatures.
  - d. Notices of cancellation & late payments – Andrus reported to the Board that staff has discussed waiver of notices for late payments and cancellations to allow a larger grace period due to COVID-19 impact on members. Staff will be issuing communication to brokers regarding collecting payments.
- ii. Budget Process Review – McDonnell recapped the budget process for the full board and recapped the past several meetings of the fiscal committee. Staff and fiscal committee members discussed two options and budgetary impacts of each.
  - iii. Budget (Preliminary) recommendation – Templeton gave a brief overview on the budget narrative and reviewed the budget in detail. He explained the pro-rated growth goal and the budget proposed includes a rate increase pool-wide. Staff reminded the board that any increase is allocated based on exposures, so will impact each member differently. Templeton discussed the fully-funded aggregate stop loss policy in place for member and pool protection. McDonnell added clarity on specific budget lines, new Self Insured Retention, and long-term impact to the pool. After review and much discussion, the board agreed action would be taken later in the meeting today.
  - iv. Renewal Report (Preliminary) recommendation – Turnbull provided a brief overview to the Board regarding the staff recommendation for a change in the Self-Insured Retention, and the state of the market, with timing for NPIP's renewal this year. The Fiscal Committee discussed pool stability in a hardening market, with focus on fund-balance/equity growth to ensure future options for potentially more difficult market conditions. Riley commented on the focus of stability as NPIP's mantra; looking at a 15% pool-wide increase is very difficult, and our goal must always remain the pool's stability going into a potential really hard market. Turnbull also discussed with the Board the change regarding cyber coverage for NPIP: we are purchasing a specific policy for cyber coverage for members going forward. We offer coverage to members in hopes that they can generate a savings for any outside policies they may have placed, instead of having to buy separate cyber policies. McDonnell reminded the board of the communications that have been going to out to brokers and members, and noted that the next will include this cyber change, to keep them informed.

#### ITEM 4(B) – Executive Committee (Riley, Johnson, Andrus):

- i. Board self-evaluation process – updated timeline. Riley informed all present that the Board completed the survey and the results will be discussed at the future workshop meeting in August.
- ii. Administrator evaluation – updated timeline. McDonnell asked the Board to review the goal report provided, for the administrator evaluation. Staff can present on any questions, issues, or concerns at the next workshop, as needed. In the meantime, the survey will be sent out in July to use as an evaluation tool.

#### OTHER COMMITTEES:

##### Legislative Committee (Johanson, Carlson, Heinisch):

- i. Letter with WN – Relief for Nonprofits. McDonnell recapped the Board and staff that Washington Nonprofits was very appreciative of their quick response and if anyone had any questions she would reach back out to them.
- ii. Lobbyist report (written only)
  - a. Nonprofit Act Bill – Updated timeline. Johanson updated the rest of the Board that there has been no action since the last report, as the bill is not in session. However, the lobbyists have confirmed a new draft, with amendments, will be coming from Senator Pederson's office soon. McDonnell discussed her conversation with the lobbyists and suggestions they have for moving forward. McDonnell and Johanson will recap outside of the meeting and report back.

##### Board Governance Committee (Riley, Carlson, Johnson):

- i. Committee list review – Riley recapped the current committee list and introduced that if anyone is interested in joining a committee or changing positions to let McDonnell know.
- ii. Board officer nominations – Riley discusses how nominations will be approved later under action items. However, Riley reminded everyone that the Chair and Vice Chair positions are a 2 year term limit and the fiscal officer is elected annually. Carlson nominated Johnson for the new Chair, Johanson for the new Vice Chair, and Andrus as remaining Fiscal Officer.
- iii. Note Board Change Effective 5/31 – Riley announced that Hamilton has resigned as of May 31, 2020, due to change in personal circumstances. There was discussion with Hamilton and everyone thanked her for her service to NPIP.

#### ITEM 5: CONSENT AGENDA

The Consent Agenda items were reviewed prior to the meeting by all board members. Riley called for a motion on all consent items. Motion to approve consent agenda by Johnson, the motion was seconded by Andrus and approved by the rest of the board. Motion carried.

The Consent Agenda consisted of the following:

- i. Voucher #19/20-09
- ii. Voucher #19/20-10
- iii. Minutes 2/2020
- iv. New & Lost Members
- v. Balance Sheet
- vi. Income Statement
- vii. Claims Auditor Selection
- viii. Actuary Selection
- ix. Annual Policy/Contract Review
  - a. Mission, Vision, Core Values
  - b. Professional Services Agreement
  - c. Broker of Record Agreement
  - d. Investment Policy & Statement
  - e. Investment Advisory Agreement
  - f. Lobbyist Contract
  - g. Criteria for Public Policy Involvement / Advocacy
  - h. Membership Agreement & Resolutions Collections
  - i. Conflict of Interest Statement
  - j. Board of Director Job Description and Commitment Form
  - k. Alternate Board Member Policy & Job Description
  - l. Officer duties
  - m. Meeting Operating Procedures
  - n. Social Media Admin. & Use Policy
  - o. Data Retention & Info. Security Policy
  - p. Ad Hoc Committee Member Policy
  - q. Reimbursement Policy
  - r. Write off policy
  - s. Policy - Authorization for Funds Transfer
  - t. Resolution 16/17-B – Member Removal
  - u. Resolution 17/18-A- Treasurer/Fiscal Officer RCW
  - v. Conflict of Interest Policy WAC 200-150-080
  - w. Third Party Administrator Contract Policy 200-150-038
  - x. Financial Plan Policy 200-150-037
  - y. Claims Administration Policy 200-150-050
  - z. Termination Provisions Policy & Procedure 200-150-036

#### ITEM 6: BOARD/STAFF COMMUNICATION

- i. Retention of Members 20/21 – McDonnell updated the Board on retention efforts by staff and board members, as possible, including the premium that is currently on notice. Staff is following up with accounts that are on notice to see what their needs are, with the ultimate goal to retain the members. McDonnell talked about how we take retention seriously each year even though NPIP has historically had an over 98% retention rate.



- ii. Calendar 20/21 – Riley reviewed with staff and the Board that we are missing out on workshops right now, due to not being able to meet in person. Discussed how we will have to make those workshops up in August, whether it be in person or virtually.
- iii. Communications – Renewal, COVID-19, and Member/Broker – McDonnell gave an overview on staff's update with this project and how communication is most efficient in this new format. A summary of the communications that have already gone out are listed in the goal report.

#### ITEM 7: ACTION ITEMS

Riley broke action items into three motions.

##### Elections Results

The Action item above was reviewed prior to the meeting by all board members. Riley called for a motion. Motion to approve by Johnson, the motion was seconded by Johanson and approved by the rest of the board. Motion carried.

##### Budget (Preliminary) 20/21

##### Renewal Report (Preliminary) 20/21

The Action items above were reviewed prior to the meeting by all board members. Riley called for a motion on all both items. Motion to approve both items as presented by Andrus, the motion was seconded by Heinisch and approved by the rest of the board. Motion carried.

##### Board officer election – Chair

##### Board officer election – Vice Chair

##### Board officer election – Fiscal Officer

The Action items above were reviewed with Carlson's nomination in Item 4 above; Johnson for Chair, Johanson for Vice Chair, and Andrus as Fiscal Officer. Riley called for a motion. Motion to approve by Carlson, the motion was seconded by Hamilton and approved by the rest of the board. Motion carried.

#### ITEM 8: UPCOMING MEETINGS/CONFERENCES

- A) August 16-17, 2020 – Dinner / Mini-Retreat, Seattle Area
- B) November 8-10, 2020 – Workshop & All Board Meeting, TBD Area

Guests were excused from the call and only seated board members and staff remained.

#### ITEM 9: EXECUTIVE/CLOSED SESSION

Board entered executive session at 11:59 am.

The board discussed the status of an ongoing litigation. No action was taken during closed session.

Exited executive session at 12:26 pm.

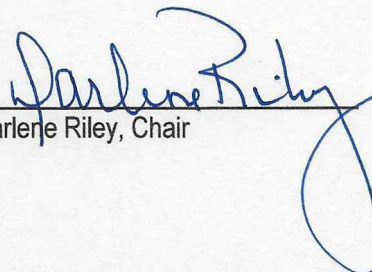
#### MEETING ADJOURNED

There being no further business, the meeting was adjourned at 12:27 pm.

Respectfully submitted,



Jessika Tempel / Sarah McDonnell



Darlene Riley, Chair