



Board of Directors MINUTES

The Non Profit Insurance Program Board of Directors conducted a regular meeting on April 12, 2023, at 10:30 a.m.

ITEM 1: INTRODUCTION & ROLL CALL

<u>Board Member Name:</u>	<u>Representation Member Entity:</u>	<u>Board Position:</u>	<u>Attendance:</u>
Amber Johnson	Spokane Neighborhood Action Partners	At Large 1	Present
Becky Semmler	Paratransit Services	Vice Chair & Region 1	Present
Jenny Collins	Chehalis Foundation	Region 2	Present
Julie Vess	Lincoln Hill Retirement Community	Alternate	Present
Karl Johanson	Disability Action Center NW Inc.	Chair & At-Large 3	Present
Madelyn Carlson	People for People	Region 3	Present
Marlis Petersen Spawn	Catholic Charities Eastern WA	Region 4	Present
Mike Heinisch	Kent Youth and Family Services	Fiscal Officer & At-Large 2	Present

Clear Risk Solutions:

Rachel Huffman (via ZOOM)
Sarah McDonnell
Taylor Montgomery
Rick Templeton

Guests:

None

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

ITEM 2: PUBLIC COMMENT

None

ITEM 3: CHANGES TO THE AGENDA

Johanson proposed adding a new Board position to item 7g and appointment of new Board Member in that position to item 7h. Carlson moved to approve and Heinisch seconded the motion. With all in favor and none opposed the motion passed.

ITEM 4: COMMITTEE REPORTS

STANDING COMMITTEES:

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

- i. Fiscal-Quarterly Summary (A/R, write-offs, bank transfers, Vouchers) – Heinisch reported that the committee reviewed the fiscal items noted in the summary and have no issues.
- ii. Budget (Prelim). Heinisch and McDonnell explained the preliminary budget to the committee, including the recommendation of maintaining Cyber coverage as expiring but decreasing the pool’s group aggregate limit. The budget considered a 16.5% budget increase, which includes pool equity allocation to help keep rates as low as possible for members. Further, there was discussion regarding renewal pricing allocations based on exposures and performance factors. There was also a discussion on market rates, budget, and claims, as the board discussed ways to keep rates low.
- iii. Renewal Report (Prelim.). Huffman presented the renewal report the upcoming renewal. Staff marketed to Munich Re, HSB, expiring carriers, as well as others. Changes to coverage presented in the renewal report include an exclusion to the GL coverage regarding trademark infringement, to match ISO language. She also reported that the AAIC Retained Limits form is undergoing an update so the policy will be refreshed moving forward. Notices were provided several months ago of this



change. Among several renewal options, staff is recommending consideration of the option with a \$350,000 pool SIR for most coverage lines.

ITEM 4(B) – Executive Committee (Johanson, Semmler, Heinisch):

- i. Board Self-Evaluation – The Board provided a brief summary of their self-evaluation. They reported the Board will work on being pool advocates when speaking with brokers and members while looking to bring a balance with best interest of the pool. Other topics included Board recruitment, succession planning, DEI commitment, roles discussions, and pool advocacy.
- ii. Administration Evaluation – Staff presented a draft version of an updated timeline. Staff plans to start presenting evaluation tools at the August Board meeting. The Board will present their findings during the November Board meeting.
- iii. Goals for 2023-2024 – The committee presented a quick recap of the workshop discussion regarding the goals for the new year and how those will be implemented going forward.
- iv. Officer Duties – The Officer Duties were updated to reflect the changes in the bylaws. These changes also included the authority levels of officers, as well as formalizing officer titles.

OTHER COMMITTEES:

Legislative Committee (Johanson, Carlson, Heinisch):

- i. Pre-judgement Interest – The Legislative committee reported on the update they received from the lobbyist regarding the Pre-judgement Interest (PJI) Bill. As of this time this year the PJI Bill is dead but there are reportedly possibilities of it resurfacing next session. Alex is looking to set up a discussion with Senator Kuderer to provide the committee's thoughts and views on the matter. The Committee discussed renegotiating the contract with Alex when the current one ends in September 2023.
- ii. Lobbyist report – Johanson provided a brief summary of the written report provided by the lobbyists. Some of the legislators have been active lately and the lobbyists were suggesting members of the Legislative Committee meet and work with the legislators in their "off" season to advocate for NPIP instead of during the height of session.

Board Governance Committee (Carlson, Johnson, Semmler):

- i. New Board Position – Carlson commented that as a result of the new bylaws being adopted, the Governance Committee recommends adding a region-specific board member to help balance the large number of members in Region 1. There was brief discussion regarding a region-specific position or an At-Large position. This new position would join the election term ending May 31, 2024 and be subject to the next election.
- ii. Recommendations – The Board Governance Committee recommended appointing Julie Vess as the official 8th Board Member in the new, secondary Region 1 position. This position will be appointed as a seated, voting position, still allowing the Board the option to add additional positions or advisors in the future, per their bylaws.
- iii. Officer Elections – As required annually, the board must elect officers, under Action items. The Committee recommended the President, Secretary, and Treasurer officers remain: Johanson as the President, and Heinisch to remain as the Treasurer, with Heinisch also serving the additional role of Secretary.

ITEM 5: CONSENT AGENDA

The Consent Agenda items were reviewed prior to the meeting by all board members. Johanson called for a motion on all consent items. Carlson moved to approve the Consent Agenda as presented and seconded by Johnson. With all in favor and none opposed, the motion passed.

The Consent Agenda consisted of the following:

- i. Voucher #22/23-09(Feb)
- ii. Voucher #22/23-10 (Mar)
- iii. Minutes 2/2023
- iv. New & Lost Members–3Q
- v. Non-renewal report
- vi. Annual Review
 - i. Ad Hoc Committee Member Policy
 - ii. Alternate Board Member Policy & Job Description
 - iii. Broker of Record Agreement
- iv. Claims Administration Policy 200-150-050
- v. Conflict of Interest Policy WAC 200-150-080

- vi. Conflict of Interest Statement
- vii. Criteria for Public Policy Involvement/ Advocacy
- viii. Data Retention & Info. Security Policy
- ix. Diversity, Equity, and Inclusion Statement
- x. Equipment Allowance Board Policy
- xi. Financial Plan Policy 200-150-037
- xii. Investment Advisory Agreement
- xiii. Investment Policy
- xiv. Investment Policy Statement (IPS)
- xv. Job Description and Commitment Form (Board)
- xvi. Lobbyist Contract
- xvii. Logo Use Agreement
- xviii. Meeting Operating Procedures
- xix. Membership Agreement & Resolutions Collections
- xx. Mission, Vision, Core Values
- xxi. Officer Duties
- xxii. Policy – Authorization for Funds Transfer
- xxiii. Professional Services Agreement
- xxiv. Reimbursement Policy
- xxv. Resolution 16-17 B – Member Removal
- xxvi. Resolution 17/18 A - Treasurer/ Fiscal Officer RCW
- xxvii. Self Eval for Board Process
- xxviii. Termination Provisions Policy 200-150-036
- xxix. Third Party Administrator Contract Policy 200-150-038
- xxx. TPA (Administrator) Evaluation Process
- xxxi. Write off & Waiver Policy

ITEM 6: BOARD/STAFF COMMUNICATION

- i. Workshop recap: There was summary of the workshops that were held in conjunction with the meeting focused on goals, budget, renewal, timelines, and succession.
- ii. 23/24 Meeting Calendar – Montgomery summarized the workshop discussion surrounding the calendar for the new year. It was agreed that the second Monday of each month still worked for fiscal committee and full Board meetings.
- iii. Retention Update – McDonnell presented a list of members on notice, including the total premium. We discussed shifts in the market and other variants. Staff should know soon of a definitive number of members confirmed to leave the pool. Many brokers are doing due diligence for their clients by shopping the market, as the market continues to harden. It's a healthy practice so the brokers maintain a good relationship with their clients, as well as prevent other brokers from taking clients from them.
- iv. NPIP Org Chart – Montgomery presented an updated staff org chart, noting minimal changes and highlighting staff that works exclusively on NPIP.
- v. Other/ Misc. – Montgomery gave an update on the results from the Member Survey that was sent out to the membership to collect feedback regarding services and communications from NPIP. It was reported that response numbers were low, and staff is working to find another solution to get higher responses.

ITEM 7: ACTION ITEMS

- i. Budget Preliminary - The committee recommended the approval of the preliminary budget as presented by staff. Heinisch moved to approve and Semmler seconded. With no further discussion and all in favor the motion passed.
- ii. Renewal Report – Carlson moved to approve the renewal report as presented by staff. Johnson seconded. With all in favor and none opposed the motion passed.
- iii. Resolution 22/23-A Board Officer Titles – Carlson moved to approve the Resolution 22/23-A Board Officer Titles as presented by staff. Johnson seconded the motion. None opposing the motion it passed.
- iv. Resolution 22/23-B Committee Structure and Role – Spawn made a motion to approve Resolution 22/23-B Committee Structure and Role. Collins seconded. With all in favor and none opposed, the motion passed.
- v. Resolution 22/23-C Board Structure – Collins moved to approve Resolution 22/23-C Board Structure and Semmler seconded the motion. All in favor, and none opposed, the motion passed.
- vi. Officer Elections - Johnson moved to elect the Governance committee's previously recommended Board members as officers, Carlson seconded. All in favor and none opposed the motion passed.



- vii. New Position - Johnson moved to open a Region 1 position, Semmler seconded. There was no further discussion, and none opposed the motion so it passed.
- viii. Appointment to New Position - Carlson moved to appoint Julie Vess to the new Region 1 position, noting the next election cycle. Johnson seconded the motion. All were in favor and none opposed. The motion passed.

ITEM 8: UPCOMING MEETINGS/CONFERENCES

- i. All Board Meeting – August 21, 2023, Location Ephrata, WA
- ii. Fiscal Committee – May 9, June 13, July 11

ITEM 9: EXECUTIVE/CLOSED SESSION

None.

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 12:04 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Taylor Montgomery", written over a horizontal line.

Taylor Montgomery

A handwritten signature in cursive script, appearing to read "Karl Johanson", written over a horizontal line.

Karl Johanson, President