



Board of Directors MINUTES

The Non Profit Insurance Program Board of Directors conducted a regular meeting on April 13, 2022, at 10:01 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	Chair & At Large 1	Present
Becky Semmler	Paratransit Services	Region 1	Absent
Jenny Collins	Chehalis Foundation	Region 2	Present
Jon Andrus	Catholic Charities Eastern WA	Fiscal Officer & Region 4	Present
Julie Vess	Lincoln Hill Retirement Community	Alternate	Present
Karl Johanson	Disability Action Center NW Inc.	Vice Chair & At-Large 3	Present
Madelyn Carlson	People for People	Region 3	Present
Mike Heinisch	Kent Youth and Family Services	At-Large 2	Present via Zoom

Clear Risk Solutions:

Becca Kirsch
Byron Riche
Chelsey Key
Frank Andrus
Jessika Tempel
Mark Sherwood
Rachel Hufman
Rick Templeton
Sarah McDonnell
Taylor Montgomery

Guests:

Marlis Petersen Spawn, Catholic Charities Eastern WA
Jedean Corpron, Payne West Insurance

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

ITEM 2: PUBLIC COMMENT

Corpron discussed cyber liability coverage in the marketplace and encouraged the members to talk with their broker about options for coverage and regarding controls. She mentioned the uncertainty with group controls on a coverage like cyber liability and encourages the board and staff to consider carving this out of the NPIP package into the future.

ITEM 3: CHANGES TO THE AGENDA

Johnson noted changes to the agenda. Add in Item 4D. Change of fiscal committee members and Item 7F. Appointment for Region 4 board member.

ITEM 4: COMMITTEE REPORTS

STANDING COMMITTEES:

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

- a) Fiscal-Quarterly Summary (A/R, write-offs, bank transfers, prelim budget, renewal report, investment reports, vouchers). – Jon Andrus reported that the committee reviewed the fiscal items and Preliminary Budget items, and the committee is bringing their recommendation of the preliminary budget, preliminary renewal report, and vouchers to the Board for approval in the

action items below. There were no write-offs. The committee reviewed the A/R, bank statements, bank transfers, investment reports with no concerns.

- b) Prelim budget: McDonnell reviewed details on the committee's recommendation and the \$250,000 self-insured pool retention, and the pool budget increase of 12%, noting the impact per member will vary up or down from the pool average based on various factors like class of business, exposure types, schedule details, and loss experience.
- c) Prelim renewal report: Huffman discussed the renewal report in detail. She reminded the board that they are approving the 22-23 renewal report as presented, while staff is actively still working to improve renewal terms and coverages. It was agreed that changes will be presented to the renewal committee, if differing from past decisions on impact and pool appetite. Approval is granting staff the authority to bind coverages, as needed, and the final renewal report will be presented per established process, in August. The renewal report covers policy renewal and expiration dates, excess marketing efforts, coverage changes, coverage options, excess and surplus lines taxes, authority to bind excess coverage, and Administrator disclosure statements and checklists. Action will be under Item 7.
- d) Fiscal committee changes – Johnson reported that Jon Andrus will be retiring and no longer with NPIP, so Karl Johanson and Mike Heinisch will continue to be on the fiscal committee and Johnson will join the committee. Since Jon is the fiscal officer, the elections under Item 7 will be addressing officers.

ITEM 4 – Executive Committee (Johnson, Andrus, Johanson):

- a) Board Self-evaluation – Johnson reported that the self-evaluation board discussion went well, and she will follow up with McDonnell with any feedback.
- b) Administrator evaluation – Johnson reported that the administrator evaluation will go out in May and Johnson will work with McDonnell and staff on any challenges that present.
- c) Goals for 22/23 – Johnson discussed that 22/23 goals were in the works and the final version will be presented and discussed in August.

OTHER COMMITTEES:

Legislative Committee (Johanson, Carlson, Heinisch):

- a) NPA – Johanson recapped that there was discussion on the nonprofit act (NPA) and looking to partner with Washington Nonprofits as an educational resource. There was discussion on utilizing an attorney to assess member and NPIP impact.
- b) Pre judgment interest-SB5155 – Johanson discussed that the SB5155 did not go through House. This bill is something the committee will continue to work to stop or exclude nonprofits due to impact to stability.
- c) Lobbyist report – To accompany the written update, Johanson recapped that session ended and there was discussion with the lobbyists about prejudgment interest bill and that did not go through House. There ended up being a conflict of interest for our lobbyists as one of their clients is a sponsor of the bill, so the committee is working to get a policy in place for this and will update the full Board on status at a later date.

Board Governance Committee (Carlson, Johnson, Semmler):

- a) Resignation (retirement) – Johnson reported that Jon Andrus is retiring effective June 1, 2022. She gave recognition and thanks to Andrus for his years of service and dedication to the NPIP Board of Directors.
- b) Region 4 open position (6/1/22) – Johnson reported that in the board packets there is a resume for Marlis Petersen Spawn and that the committee is bringing their recommendation to appoint Marlis Petersen Spawn for Region 4 position to the Board for approval in the action items below.
- c) Recommendation for Action, Alternate position – Johnson reported that the committee is bringing their recommendation to appoint Julie Vess for another year in the Alternate position to the Board for approval in the action items below.
- d) Alternate Search – Vacant Position. Johnson reported that recruitment for the vacant Board position for an Alternate is in the works.

ITEM 5: CONSENT AGENDA

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

The Consent Agenda consisted of the following:

- a) Voucher #21/22-09 (Feb)
- b) Voucher #21/22-10 (Mar)
- c) Minutes 2/2022
- d) New & Lost Members-3Q
- e) Balance Sheet-3Q
- f) Income Statement -3Q
- g) Non-renewal report
- h) 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. Financial Plan Policy 200-150-037
 - xi. Investment Advisory Agreement
 - xii. Investment Policy
 - xiii. Investment Policy Statement (IPS)
 - xiv. Job Description and Commitment Form (Board)
 - xv. Lobbyist Contract
 - xvi. Logo use agreement
 - xvii. Meeting Operating Procedures
 - xviii. Membership Agreement & Resolutions Collections
 - xix. Mission, Vision, Core Values
 - xx. Officer duties
 - xxi. Policy - Authorization for Funds Transfer
 - xxii. Professional Services Agreement
 - xxiii. Reimbursement Policy
 - xxiv. Resolution 16/17-B – Member Removal
 - xxv. Resolution 17/18-A- Treasurer/Fiscal Officer RCW
 - xxvi. Self Eval for Board Process
 - xxvii. Termination Provisions Policy 200-150-036
 - xxviii. Third Party Administrator Contract Policy 200-150-038
 - xxix. TPA (Administrator) Evaluation Process
 - xxx. Write off & Waiver policy

ITEM 6: BOARD/STAFF COMMUNICATION

- i. Workshop recap:
 - a. Board self evaluation – Johnson reported that the Board met at an earlier workshop to discuss the Board self evaluation results.
 - b. Department Presentations: Claims review, PLP, Risk Management – Johnson recapped that the Board and staff met at an earlier workshop to discuss staff departments, performance, and roles.
 - c. Pool structure – Johnson recapped that the Board and staff met and there was conversation about committee structure and succession. This will be something we continue evaluating via the gumball goals.
 - d. Goals – Johnson reported that the Board and staff met and worked on gumball goals for the upcoming year and the staff recommended goals were aligned with those the Board selected as priority.
- ii. Spring events update – Tempel discussed upcoming events and topics in the works. Reminded that board to be on the watch for our communications with members for more updates.

- iii. Meeting Calendar 22/23 – Staff discussed the draft meeting calendar and there were no concerns or changes. She reported that calendar invites will be sent out soon.
- iv. Communications update – McDonnell discussed the communications overview and process for communication with brokers and members. Staff reviews analytics to see how we are doing compared to industry standards. McDonnell also discussed that staff is working on translation services and accessibility services.
- v. Retention planning – McDonnell reminded the Board and staff that NPIP does have a notice requirement of 90-days and that most of the members who wish to leave do give this notice. She recapped that overall NPIP retention is in a good spot and work in going both at renewal and throughout the year to gage member and broker concerns and satisfaction.
- vi. Staff changes – McDonnell and Templeton reported that staff is still working remotely and growing. Templeton reported that they are working to bring staff back in the office, but there should not be any difference to the Board with getting work done.
- vii. Other/Miscellaneous – No additions.

ITEM 7: ACTION ITEMS

- i. Budget (Preliminary) 22/23 – Johnson called for a motion to approve the preliminary budget. Jon Andrus moved to approve the preliminary budget as presented and seconded by Johanson. With all in favor and none opposed, the motion passed.
- ii. Renewal Report (Preliminary) 22/23 - Johnson called for a motion to approve the preliminary renewal report. Collins moved to approve the preliminary renewal report as presented and seconded by Johanson. With all in favor and none opposed, the motion passed.
- iii. Board election results – McDonnell reported that there were 100% support from membership for all positions running, though voting turnout was lower than typical. McDonnell recapped the positions there were open for elections this year: Amber Johnson, Karl Johanson, Madelyn Carlson, and Becky Semmler. Johnson called for a motion to accept election results. Carlson moved to approve the election results as presented and seconded by Jon Andrus. With all in favor and none opposed, the motion passed.
- iv. Board officer elections (Chair, Vice Chair, Fiscal Officer) – Johnson called for a motion to approve all officers: Karl Johanson for Chair, Becky Semmler as Vice Chair, and Mike Heinisch as Fiscal Officer. Collins moved to approve all officers as presented and was seconded by Carlson.
- v. Alternate Position- Julie Vess - Johnson called for a motion to appoint Julie Vess as alternate position. Carlson moved to approve appointment of Julie Vess as alternate position and seconded by Collins. With all in favor and none opposed, the motion passed.
- vi. Region 4 position – Johnson called for a motion to appoint Marlis Petersen Spawn for the Region 4 open position. Johanson moved to approve appointment of Marlis Petersen Spawn for Region 4 open position and seconded by Jon Andrus. With all in favor and none opposed, the motion passed.

ITEM 8: UPCOMING MEETINGS/CONFERENCES

- i. Fiscal Committee: May 9, June 13, July 11
- ii. All Board – August 8, 2022, Location TBD – Johanson asked the Board and staff to look at alternate dates. McDonnell said that staff will send out some alternate dates to the Board after the meeting.

ITEM 9: EXECUTIVE/CLOSED SESSION

None.

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 11:01 a.m.

Respectfully submitted,



Jessika Tempel



Amber Johnson, Chair