



WASHINGTON STATE TRANSIT INSURANCE POOL | RISK MANAGEMENT IN MOTION

2629 12th Court SW | Olympia, WA 98502 | 360-786-1620 | www.wstip.org

**Minutes of the
WSTIP Board Meeting
September 28, 2018
The Heathman Lodge ~ Vancouver, WA**

Board Members Present	
Amy Asher, Small Member Rep, RiverCities Transit Geri Beardsley, Community Transit Lynn Bourton, Link Transit Danette Brannin, At-Large Member Rep, Mason Transit Suzanne Coit, Treasurer, Intercity Transit Nick Covey, Medium Member Rep; Link Transit Sara Crouch, Jefferson Transit Rich Evans, Pacific Transit Tom Hingson, Everett Transit Rob Huyck, Pierce Transit Staci Jordan, Vice-President, Island Transit Jesse Kinney, Valley Transit Joe Macdonald, Skagit Transit Donyele Mason, Clallam Transit LeeAnn McNulty; Mason Transit Ken Mehin, Grays Harbor Transit Steve Mertens, Columbia County Public Transportation Agustin Ortega, Yakima Transit Jim Quintana, C-Tran Paul Shinnners, President, Kitsap Transit	Shonda Shipman, Secretary, Whatcom Transportation Authority Wayne Thompson, Pullman Transit Lynda Warren, Spokane Transit Derrick Wojcik-Damers, Twin Transit
	Guests Present
	Brenda Lamb, Link Transit Magan Waltari, Whatcom Transportation Authority Brian White, Alliant.
	WSTIP Staff Present
	Cedric Adams, Claims Manager Anna Broadhead, Board Relations Tracey Christianson, Executive Director Chris DeVoll, Transit Risk Specialist Marisa Espinoza, Finance Specialist Rick Hughes, General Counsel Joanne Kerrigan, Member Services Manager Andrea Powell, Administrative Services Manager

Call to Order

President Shinnners called the meeting to order at 9:00 am. He welcomed all participants as a sign in sheet was passed around the room. Shinnners called for changes to the agenda, hearing none he asked for a motion to approve the agenda. **Crouch moved to approve the agenda. Shipman seconded the motion and the motion passed.** Shinnners congratulated and thanked all who completed *Behind the Curtain* reminding everyone that one of the strategic plan goals is to have 75% of member representatives including alternates complete the series. Prizes were distributed, currently we are at 66%. Mason arrived at 9:03 am.

Discussion

Member Representative Meeting Report and Discussion

See Work Session discussion in September 2018 *Charting Our Course*.

Partnering in Prevention

Shinnners said this is a status update for anyone not attending the Executive Committee Meetings. Kerrigan thanked the Executive Committee and Board for their feedback regarding what was originally called the *Roadshow* from the retreat to now *Partnering in Prevention*. Staff will come to our agency and present with you (the Board member) and talk to your Executive Management Team/Board about your loss story (using your loss

history), resources available to mitigate losses, and Staff will ask you to consider a call to action. Members on the Member Improvement List (MIL) have been given priority but every WSTIP member will have a personalized presentation.

Technology Grant

Kerrigan explained the Emerging Risks and Opportunities Committee (EROC) had spent a lot of time trying to figure out ways to remove financial barriers to help agencies get new to them technology to help mitigate losses for the Pool. Included in the packet is the application, guidelines, and scoring matrix. There is a \$250,000 expense item in the 2019 WSTIP Budget for this project, the grant will pay up to 25% of the project costs. Kerrigan fielded questions from Board members as to which types of projects could be funded and what would happen if no one applied for the grant funds. She reiterated that if it is new to your agency technology it could be funded, and that if no one applied the funds would go into surplus.

Contribution to Surplus Discussion

Christianson noted that in the past the actuary (Kevin Wick from PricewaterhouseCoopers) had given rate increase options. This year he didn't give us the option. The presented ten percent rate increase allows for a \$2.5 million contribution to surplus. In the past, the Board has followed the recommendations of the actuary, however, if the Board wished to do something different, now would be the time to discuss it. Mason said she didn't have questions regarding the rate increase, however she asked if there was double accounting on the claims reserves and current liabilities. Powell said she gets those numbers from the actuarial report, however, would double check with the actuary. Christianson said hearing no comments regarding the rates she will continue to build the 2019 budget with the 10 percent rate increase which allows for the \$2.5 million contribution to surplus.

Public Officials Liability Coverage Document

Christianson asked if there were any further comments regarding the Public Officials Liability (POL) Coverage Document. Staff was asked to look at POL claims and see how many claims would have been denied under the proposed coverage document. Staff asked for a time period, but none was given. Christianson then requested if you have a lawsuit that comes to mind, please contact the staff for a review. Shinnars pointed out the committee's intent was to make the policy less ambiguous and not to restrict coverage. Christianson said we clarified Equal Employment Opportunity Claims (EEOC) and Human Rights Commission (HRC) claims are covered. Shinnars encouraged everyone to review the policy with their general counsel, management and human resources departments. Please submit additional feedback to Christianson or Shinnars as the Coverage Review Committee will meet again before the December meeting.

Financial Reports

[July 2018 Treasurers Report, Statement of Revenues & Expenses, Statement of Net Position and Thurston County Investment Portfolio, Claim Liability Report, and Comparative Statement of Revenues & Expenses, and Comparative Statement of Net Position](#)

Powell said the financials are included in the packet and asked if anyone had questions. Board members asked questions ranging from why more funds were not moved to the Local Government Investment Pool (LGIP) as LGIP was receiving a better rate of return, could the Pool take a more active role in investments, what the \$1.3 million investment in Governmental Entities Mutual (GEM) was, and how the investment with Thurston County Treasurer's office was performing. Powell, Christianson, and Coit answered the questions.

Staff Reports

Executive Staff Report

Christianson said staff will be ready to present their analysis on staff benefits at the October meeting and that it will likely be a work plan item for 2019. Included in the packet are the GEM minutes, financial statements, and

their annual report. Andrew Halsall, GEM's Executive Director, will be at the Annual meeting in December. If you have specific questions you would like him to address regarding GEM, please let Christianson know. White has been working on our underground storage tank liability renewal and thanked him for his work. She also wants to start talking about Directors Errors and Omissions coverage. Powell reminded everyone that staff had set up email distribution lists for small, medium, and large member groups (small@wstip.org, medium@wstip.org, and large@wstip.org), the audit has been completed, there were no recommendations or findings (round of applause). Powell also explained that the renewal of our contract with Department of Licensing has been interesting, and no actual renewal has taken place yet. We will be working with lobbyist to try and have a couple of sentences added to the RCW to include transit agencies and local government entities which hopefully will alleviate some of the issues. Shinners said this is kind of a big deal as driver record monitoring is our only mandatory best practice and they may require a signed release from everyone we are monitoring. There was discussion as to why or why wouldn't you have signed releases from everyone. Powell suggested sending out an ASK to see how many members are collecting the signatures. More to come on this topic. Powell also pointed out that staff were seeking a new position for application support to work directly with members, there was a broken pipe under the office which was discovered after a \$1,400 water bill, the data clean-up is going well and WSTIP is now in the Azure cloud.

Christianson and Kerrigan presented the Safety Star Award to Columbia County Public Transportation as they were not in attendance at the Public Transportation Conference in August. Kerrigan explained the monetary part of the award and reminded everyone Jeffrey S. Ristau Scholarships and Risk Management Grants are available. DeVoll has been out visiting members and has developed a Road Supervisor Training program which is being offered in October and November, registration is open on the WSTIP website under Training and Events. She gave a brief update on the Collision Avoidance project and DriveCam project with Pierce Transit. She also talked about a reimbursement program for network security, WSTIP will reimburse the cost of licenses for your employees for programs like knowb4 or SANS. More information will be distributed regarding this topic. Adams gave an update on open claims and recently closed claims, interviews are scheduled for respondents of the defense counsel, employment investigations, adjuster Requests for Proposals. He also reported collecting \$157,000 in subrogation funds for the month of August.

General Counsel's Report

Hughes said his report is included in the materials, he said it has been nice working with staff, and getting to know Board members. The bulk of his time he is preparing for and attending various meetings, reviewing contracts/policies, and training.

Broker's Report

White gave an update on the state of the insurance market.

The Board recessed from 10:45 am until 11:13 am.

Action Items

Minutes – June 29, 2018

Warren moved to approve the minutes from June 29, 2018. Macdonald seconded the motion and the motion passed.

Accept Capital Funding Study

Christianson said staff are asking the Board to accept the Capital Funding Study. **Huyck moved to accept the Capital Funding Study. Covey seconded the motion and the motion passed.**

Governance Policy: Assessment Allocation Policy

Christianson said the Executive Committee recommends adopting this policy with changes from FTE to say employees (meaning head count). The proposal was presented during the work session the previous day.

Jordan moved to adopt the Assessment Allocation Policy as amended. Brannin seconded the motion and the motion passed.

Underground Storage Tank Policy / Renewal

White explained there are nine members who participate in the Underground Storage Tank coverage, it has been a difficult coverage to place the last few years, but he was successful in placing the coverage with retroactive dates and a flat deductible. White went through the ways the new coverage was different than the expiring coverage. Christianson said the policy renews on September 25, and therefore, staff bound the coverage.

However, she still needs permission to bind coverage. Shinners asked if White could move the renewal date for 2019 to October 1. White said he would try. **Mehin moved to authorize the Executive Director to bind the Underground Storage Tank policy. Beardsley seconded the motion and the motion passed.**

Election of Large Member Representative

Shinners explained that Hebdon had taken a position with the Pasco School District, leaving a vacancy on the Executive Committee which the Bylaws state must be filled at the next Board meeting. Coit has volunteered to step up and fill the position for the remainder of the year. **Warren moved to appoint Coit as the Large Member Representative. Huyck seconded the motion and the motion passed with a round of applause.**

Discussion

Report out from Battlefield Leadership Program Participants

Brannin, Shipman, Jordan, and Adams each talked about what they took away from the Battlefield Leadership Experience and recommended anyone who has the opportunity in the future, to attend.

Guest Feedback

Waltari and Lamb gave feedback saying the networking of the group is invaluable in their positions.

Adjournment

Shinners thanked staff for their work, White for hosting the social hour, reminded everyone to complete the *Behind the Curtain* quiz and feedback and to not be shy in asking questions. He reminded everyone to take their lunch and register for the Annual meeting in December at the Great Wolf Lodge. **Shinners adjourned the meeting at 11:49 am.**

Submitted this 7th day of December 2018

Approved: 
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Shonda Shipman, Secretary