



WASHINGTON STATE TRANSIT INSURANCE POOL | RISK MANAGEMENT IN MOTION  
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Minutes of the  
Executive Committee Meeting  
July 22, 2021  
WSTIP Office & Zoom

Executive Committee Members Present	Staff Present
Danette Rogers, President, Pierce Transit Jesse Kinney, Vice-President, Valley Transit Scott Deutsch, Secretary, C-Tran Geri Beardsley, Large Member Rep, Community Transit Brandy Heston, Medium Member Rep, Grant Transit Authority; David Ocampo, Small Member Rep, Columbia County Public Transportation Jenny George, At-Large Member Rep, Asotin County Public Transportation Suzanne Coit, Treasurer, Intercity Transit	Cedric Adams, Claims Manager Matthew Branson, Deputy Director Anna Broadhead, Board Relations Tracey Christianson, Executive Director Rick Hughes, General Counsel Laura Juell, Training and Risk Coordinator Joel Lambert, Claims Associate Brandy Rhodes, Administrative Assistant Christine Rouse, Application Support Specialist Karey Thornton, Accounting & Payroll Specialist
Board Members Present	
Jeff Lubeck, Ben Franklin Transit Betsy Dunbar, Central Transit Ken Mehin, Grays Harbor Transit Staci Jordan, Island Transit Justin Brockwell, Link Transit	Bill Kessler, Pierce Transit Elizabeth Halili, RiverCities Transit Jim Seeks, RiverCities Transit Joe Macdonald, Skagit Transit Monique Liard, Spokane Transit Authority
Guests Present	
Kara Turner, Turner HR Services Josh Nylander, Whatcom Transportation Authority	Magan Waltari, Whatcom Transportation Authority

## Call to Order

President Rogers called the meeting to order at 9:00 am welcoming everyone to the hybrid meeting. Verbal roll call took place. Rogers asked if there were any changes to the agenda, hearing no changes, she asked for a motion to accept the agenda. ***Ocampo moved to approve the agenda. George seconded the motion and the motion passed.***

## Consent Agenda

Minutes – June 24, 2021, June 2021 Vouchers and Electronic Payments totaling \$1,241,868.92.

				Total
Claims Vouchers	Numbers:	93501574	- 93501663	\$ 1,016,093.10
Administrative Vouchers	Numbers:	93001751	- 93001772	\$ 98,045.14
Electronic Payments	Dates:	06/01/2021	- 06/30/2021	\$ 127,730.68
				\$ 1,241,868.92

Rogers asked if there were any items to remove from the consent agenda. There were no items removed

from the consent agenda. Rogers questioned a voucher payable to Cedric Adams on behalf of Skagit Transit. Branson and Adams explained that it was to purchase a bed and mobility device for a claimant and the corporate purchasing card did not have the limits needed. Therefore, Adams made the purchase and was reimbursed. **Heston moved to approve the consent agenda. Kinney seconded the motion and the motion passed.**

## Discussion / Potential Action Items

### 2021 Executive Committee Work Plan

Christianson said the EC communicable disease claim and compensation and benefits work plan items had been updated, work items are on track and asked if anyone had questions. There were no questions regarding the Work Plan.

### Compensation and Benefit Survey

Turner explained the process she used for the Compensation and Benefit Survey including updating job descriptions (one position title changed Board Relations to Executive Assistant), sending out the survey, compilation and now presentation. Turner went through the compensation philosophy explaining that while sensitive to the transit Members, WSTIP is comparing itself to other public entity pools in Washington, Oregon, Idaho, and Montana. She explained how she built the salary scales working backwards from the top average with 3.5% between steps which is WSTIP's historical eight step system. Because of significant changes in the labor market, Turner recommended doing another survey in two years instead of three years. Turner said there is a lot of movement in the claims positions, but the other market data is consistent with what we've been seeing over the past few years; it is an employee market right now.

Christianson reminded attendees that her salary will be set when the AGRiP CEO Compensation and Benefit Survey comes out this fall. Christianson talked about the movement in the claims positions, noting there has been quite a bit of turnover in the pooling community in claims that is likely putting salary pressure on those positions. Members asked how the proposed placement in the proposed salary scales affected staff and the WSTIP operations budget. Christianson explained that employees would move to the closest step in the proposed salary scale but not backwards, and as proposed the impact to the budget would be \$54,656 or 5.49%. She explained how the general wage increase (also known as Cost-of-Living Adjustment COLA) worked, and how the step anniversary dates are determined. Turner recommended switching from past practice of connecting the COLA to Intercity Transit's non-represented COLA so that the proposed COLA can be presented earlier in the budget process.

Turner said she also reviewed benefits around paid time off, health insurance, and holidays. WSTIP remains in the middle with benefits and that is helpful should WSTIP need to recruit. Turner recommended WSTIP consider adding an Employee Assistance Program (EAP) to the benefits package. There was a discussion regarding paid time off, leave sell back, COLA's, step increases, and who provides EAP for the Members.

Rogers suggested accepting the salary survey and then break the recommendations down into decision points. **Beardsley moved to accept the salary survey. Heston seconded the motion and the motion passed.**

Turner recommendation: Change the practice of adopting the same general wage increase COLA as Intercity Transit and allow WSTP to independently recommend through the budget process a COLA for staff annually by reviewing the Consumer Price Index (CPI) and other sources. The attendees discussed how they set their COLA and the current market. **Beardsley moved to accept the recommendation. George seconded the motion and the motion passed.**

Turner recommendation: Review the market again in two years rather than three. There was a brief discussion as to whether the two-year review cycle would need to continue or if it could go back to the usual three-year cycle. Turner recommended revisiting once the next survey is complete in two years. **Kinney moved to accept the recommendation. Ocampo seconded the motion and the motion passed.**

Turner recommendation: Consider offering an EAP benefit when renewing the benefits. **Deutsch moved to accept the recommendation. Heston seconded the motion and the motion passed.**

Turner walked the committee through the proposed 2022 Salary Grid (page 9 in the Supplemental Packet). Committee Members felt it was a big change for some positions but the need to stay with market in terms of opportunity and growth make the change necessary. **Beardsley moved to accept the proposed 2022 Salary Grid. George seconded the motion. Discussion:** Heston stated while there are some large increases, we need to keep with the market to retain and recruit if necessary. Rogers said while there is some sticker shock, we would end up paying it anyways if we had to recruit, and lose the experience, we have a good staff here and need to bring the position back into market. Jordan felt that repeating the survey in two years will help reduce sticker shock. Deutsch questioned if transit would also be seeing jumps in compensation. Rogers said she isn't sure. Beardsley said Community does a survey every three years. Kinney said it seems rare to have positions so far out of whack but understands as when they recruited their new General Manager, they had a \$20,000 wage increase to the scale. Rogers called for the vote noting the motion and second. **The motion passed.**

Turner said the final piece is the implementation of the Salary Grid (last page of the Supplemental Packet). This shows where the employee currently is, where they would be placed on the new salary scale including which step the employee would be placed in. The committee discussed the proposed steps and deliberated on the fact that an employee could get a new range, COLA, and a step increase all in one year. **Heston moved to accept the salary placement as presented in the salary survey. George seconded the motion. Discussion:** There was a lengthy discussion about the step increases, COLA and the budgetary impacts. The Committee further discussed how if someone was between steps, they either moved backwards or forwards depending on the range placement. There was further discussion regarding the COLA, this survey is saying the employees should be at this pay range now, but we will wait until January 1 to implement. If on January 1 all positions receive a COLA that just keeps the employee within the market range. Branson said he can take the data and show how the mechanics (market adjustment, COLA, and step increases on anniversary date) affect the operations budget. Hughes reminded the Committee that there is a motion on the table, but the vote could be postponed until the next meeting if the Committee was so inclined to have staff bring back adjustments. **Kinney moved to postpone the vote until the next meeting until we can see the impact of the salary grid placement, COLA, and steps to the budget. Deutsch seconded the motion and the motion passed.**

*The Executive Committee took a short break at 11:15 am and resumed their meeting at 11:26 am.*

## Business Continuity Plan Update

Branson said the Business Continuity Plan had been updated and presented as required by policy. He reminded the Executive Committee if something were to happen, and the Pool management team were unable to perform, the Executive Committee would have operational oversight of the Pool. This plan came in handy during the pandemic. Liard asked if there an appropriate time to add cyber interruption as a protocol. Branson said he would include that in the next version but many of the same players are already included. ***Deutsch moved to accept the Business Continuity Plan update. George seconded the motion and the motion passed.***

## Executive Session

At 11:31, the Executive Committee went into a 10-minute Executive Session to discuss an upcoming trial with Defense Counsel; pursuant to RCW 42.30.110 (1) (i) to discuss with legal counsel representing the agency litigation in which a member acting in an official capacity is a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency. 2. Or another permitted purpose for Executive Session pursuant to RCW 42.31.110 (1). The committee came out of Executive Session at 11:41 am. No action was taken.

## Governance Policy: Assessment Allocation Policy

Kinney said changes to the Assessment Allocation and Minimum Contribution Policy include the Prior Period Assessment Audit (PPAA) in response to the Boards desire to further define how PPAA would be returned or due from Member. Coit suggested changing the sentence to read: *under normal circumstances the PPAA will be included as part of the January assessment.* Rogers said that change could be made. ***Beardsley moved to recommend adoption of the Assessment Allocation and Minimum Contributions Policy to the Board as amended. Deutsch seconded the motion and the motion passed.***

## Executive Director Performance Evaluation

Rogers explained how it is the Executive Committees responsibility to evaluate the Executive Director but must include input from the Board and set new goals for the upcoming year. She explained there will be a survey sent to Board members after the September Board meeting, the Executive Committee will review the feedback, and then report out in December the outcome and recommend goals for 2022.

## 2022 Operations Budget

Branson explained staff is trying to que up Strategic Plan Items for 2022, level of funding for the Technology Grant, and Staff Wages and Benefits noting he included information regarding the position control. Kinney said he would recommend budgeting \$96,000 for the Technology Grant to keep the total amount available at \$500,000 and other EC Members concurred.

## Cyber Liability Insurance – Primary and Excess Review

Christianson explained there seemed to be some confusion regarding the Cyber Liability coverage after the last meeting. She provided a memo outlining the Cyber coverage and how / where to find the information, the changes in the policy from the 2020-2021 period, and excess coverage options. She also asked if there is an interest in pursuing a captive program (like GEM) for cyber coverage. Committee members and other attendees felt a captive is worth exploring. If you have questions regarding Cyber, please reach out to Christianson.

## Best Practice: Technology Environment

Staff have been working with a group of subject matter experts to update the Best Practice for the Technology Environment. The draft was sent out to Members' IT managers for comments. Staff took the comments and incorporated them into the Best Practice. As a note you do not need to accept these; the process is for them to be written/revised, reviewed by the Executive Director, presented to the Executive Committee, and then sent out to the Members. Staff will begin to monitor voluntary compliance with the Best Practice. Efforts may help us position for the future as a hardened target to maintain cyber coverage moving forward.

## Staff Reports

### Executive Staff Report

Christianson welcomed Jim Seeks to the Board as RiverCities Transit Member Representative and extends congratulations to Amy Asher as the General Manager at Mason Transit. Branson said his report stands for itself and is still waiting to schedule an exit conference for the audit. Christianson gave an update for the Member Services department stating that there had been an Above and Beyond Award, awarded to a Whatcom Transportation Authority operator who stopped an attack on a passenger. The department is scheduling Member visits, providing training, reviewing Best Practices, working on procuring a Learning Management System as outlined in the Strategic Plan and continuing to work on Member Origami projects. Staff added content to the website both under the Member Document Portal and Governance Training recently at a Members' request. Adams gave an update on open and recently closed claims, subrogation, and open litigated claims.

## Sub-Committee Reports

### Governance Policy Committee (GPC)

Kinney reported the GPC had met to work on the Purchasing Policy and will present the changes at the next EC meeting.

### Board Development Committee (BDC)

No report, this committee meets immediately after the EC meeting.

### Risks and Opportunities Committee (ROC)

No report, the next meeting is September 9.

### Coverage Review Committee

No report, they are planning to meet on July 27.

## Recap and Adjournment

Rogers quickly recapped the meeting, roll call, accepted the agenda, approved the consent agenda, reviewed the work plan, accepted the salary survey and recommendations, except for more information regarding implementation, accepted the Business Continuity Plan, moved the Assessment Allocation policy to the Board in September, discussed plan for Executive Director performance evaluation, expecting a first draft of the 2022 Operations Budget in August, talked about cyber coverage and exploring a cyber captive, the Best Practice for Technology Environment will go out to Members soon, received updates from staff and sub-committees.

***Kinney moved to adjourn the meeting at 12:28 pm. Beardsley seconded the motion and the motion passed.***

Submitted this 26th day of August 2021.

Approved:    
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Scott Deutsch, Secretary