



WASHINGTON STATE TRANSIT INSURANCE POOL | RISK MANAGEMENT IN MOTION
 PO Box 11219 | Olympia, WA 98508 | 360-786-1620 | www.wstip.org

Minutes of the
 Executive Committee Meeting
 October 27, 2022
 WSTIP Office & Zoom

Executive Committee Members Present	Staff Present
Jesse Kinney, President, Valley Transit Scott Deutsch, Vice President, C-Tran Joe Macdonald, Medium Member Rep, Skagit Transit David Ocampo, Small Member Rep, Columbia County Public Transportation Paul Shinnars, At-Large Member Rep, Kitsap Transit Danette Rogers, Past President/Acting Secretary, Pierce Transit	Cedric Adams, Claims Manager Matthew Branson, Deputy Director Anna Broadhead, Board Relations Tracey Christianson, Executive Director John Cushing, Claims Specialist Rick Hughes, General Counsel Laura Juell, Training & Risk Coordinator Joanne Kerrigan, Member Services Manager Karey Thornton, Accounting & Payroll Specialist
Board Members Present	
Jenny George, Asotin County PTBA Jeff Lubeck, Ben Franklin Transit Jean Braaten, Grays Harbor Transit Ken Mehin, Grays Harbor Transit Nicole Gauthier, Jefferson Transit Miranda Nash, Jefferson Transit	Shawn Larson, Link Transit Jason Rowe, Mason Transit Authority Pattie Goedker, Pacific Transit Karen Thesing, Pierce Transit Greg Story, Yakima Transit
Executive Session only guests	
Jim McDonald, JG McDonald & Associates Kasper Sorenson, Malarchick & Sorenson Brant Olson, Paine Hamblen	John Riseborough, Paine Hamblen Michael Sanders, Mix Sanders

Call to Order

President Kinney called the meeting to order at 10:00 am welcoming everyone to the hybrid meeting. Verbal roll call took place. New Board members and guest attorneys were introduced. Kinney asked if there were any changes to the agenda, hearing no changes, he asked for a motion to accept the agenda.

Deutsch moved to approve the agenda. Macdonald seconded the motion and the motion passed.

Public Comment on Consent Agenda, Discussion, Potential Action Items

Kinney asked for public comment. No public comments were received.

Consent Agenda

Minutes – September 22, 2022, September 2022 Vouchers and Electronic Payments totaling \$423,958.98

				Total
Claims Vouchers	Numbers:	93502610	- 93502669	\$ 190,477.88
Administrative Vouchers	Numbers:	93002299	- 93002318	\$ 42,535.16
Electronic Payments	Dates:	09/01/2022	- 09/30/2022	\$ 190,945.94
				\$ 423,958.98

Kinney asked if there were any items to remove from the consent agenda. There were no items removed from the consent agenda. ***Deutsch moved to approve the consent agenda. Rogers seconded the motion and the motion passed.***

Executive Session

At 10:07 am, the Executive Committee went into a 40-minute Executive Session to discuss upcoming trials 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. To discuss performance of a public employee. The committee came out of Executive Session at 10:46 am. Kinney announced the Executive Session would be extended an additional 10 minutes and went back into Executive Session. The committee came out of Executive Session at 10:56 am. Kinney announced the Executive Session would be extended an additional 10 minutes and went back into Executive Session. The committee came out of Executive Session at 11:06 am. Kinney announced the Executive Session would be extended an additional 10 minutes and went back into Executive Session. The EC exited Executive Session at 11:16 am. ***Rogers moved to grant the requested settlement authority in Gladue vs Pierce Transit. Ocampo seconded the motion and the motion passed. Deutsch moved to grant the requested settlement authority in Jarret vs Kitsap Transit. Macdonald seconded the motion and the motion passed.*** The attorneys left the meeting at 11:18 am.

The EC took a short break from 11:18 to 11:30 am.

Discussion / Potential Action Items

Strategic Plan 3a – Underwriting Structural Review

Christianson introduced Kevin Wick, the Pool's actuary from PwC. She explained Wick had been tasked with Strategic Plan Item 3a (*Develop a model to align cost, coverage and resources to specific needs of Members by December 31, 2022*). Wick shared a PowerPoint presentation with information regarding the current underwriting methods, potential ways to make the rating more responsive to losses and his recommendations. [Click here](#) to view the slide deck. Wick fielded questions from the EC members, Christianson said prior underwriting structures were reviewed by the EC who then recommended the current structure which was adopted by the Board. This topic will return as a video and Member Rep Meeting agenda topic in December, potentially a retreat topic, if not a 2023 EC work plan topic. Kinney thanked Wick for his presentation.

Executive Director Performance Review

Kinney said he had completed meetings with the management team, has the results from the Board, and the officers will be sharing the information at the December meeting.

The EC broke for lunch from 12:20 and resumed their meeting at 1:00 pm.

Labor Rates

Adams presented the updated labor rates for 2023 as required by the Claims Management Policy. He thanked John Cushing, Claims Specialist, for collecting and compiling the responses of the survey. He highlighted changes for the costs of repairs and standardized rates for first party claims, that helps the claims department with subrogation efforts. Christianson added the new rates will go into effect January 1, 2023, and no action is necessary as the labor rates only need to be presented. Kinney thanked Adams and Cushing for the report.

2022 Executive Committee Work Plan

Christianson said the 2022 Work Plan has been updated and is mostly complete. She thanked the EC for all their work this year. There were no questions regarding the Work Plan.

2023/2024 Meeting Schedule

Christianson said the 2023/2024 meeting schedule is informational only at this meeting. We will be asking the EC to adopt at the December meeting. This year we held a meeting at the SeaTac Conference Center in August, she asked if the EC wanted to host any meetings at SeaTac in 2023; the February, August, and October dates are available. There was discussion amongst the attendees. Staff will book February and August at SeaTac Conference Center. Virtual participation will still be available. There was also discussion of hosting an EC meeting in Spokane. Staff will investigate options for locations.

Hughes left the meeting at 1:12 pm.

Technology Grant Barrier Survey Results

Kerrigan shared the results of the Technology Grant Barrier Survey. The EC discussed the results and decided to stay status quo for now with the grant match at 50% and will reevaluate at a later date.

Investment Policy Addendum

Branson said the Investment Policy Addendum included in the packet includes all the changes recommended by the Investment Committee that had been reviewed by the Audit Committee earlier in the day. The Audit Committee recommends the EC adopt the Investment Policy Addendum. **Deutsch moved to adopt the Investment Policy Addendum as presented. Ocampo seconded the motion and the motion passed.**

Investment Strategy

Branson shared the Investment Strategy memo and outlined Tiers 1, 2, and 3 for investment purposes overlaid with the Pools financials. The framework provides guardrails for the Executive Director as the Pool strives to achieve greater returns on investment. Branson asked if there were any questions. Kinney thanked Branson for the information.

Shinners left the meeting at 1:30 pm.

Retreat Topics

Christianson explained the 2023 retreat is planned for January 18-20, at the Cedarbrook Lodge. The retreat will begin at noon on Wednesday and end on Friday at noon. We sent retreat facilitator, Teri Fisher, a list of Board members mixed between Small, Medium, Large, Men, Women, East, West, Veteran, or New Board Members; if you receive a call from Teri, please call her back. We have a list of

potential topics for the retreat, if you have ideas you would like to be considered please reach out to Deutsch, Broadhead, or herself. She then asked the EC who should attend the 2023 retreat, noting that in the past, current and exiting EC members, new Board members, and everyone who was nominated was invited. We have space for 20 - 25 people at the retreat and every Member has someone nominated for the At-Large Member Rep position. EC members discussed and gave feedback on who should be attending the retreat to keep the size of the group manageable. Christianson asked Deutsch to let her know his decision offline, for who should attend.

Staff Reports

Executive Staff Report

Christianson said Hallmark one of our carriers had been sold, but so far it has been business as usual and the coverage has already been bound. Hurricane Ian is the second largest storm in insurance history, we anticipate that property renewals will be difficult, and are currently waiting on the Crime proposal. She also reminded attendees that the age requirement has been lifted from the APD policy. Branson reported that one of the items in the surplus list failed to power on and would be removed from the surplus list. Kerrigan thanked Kinney and Adams for their help with the Trainer's Showcase, Member Services is out visiting Members, in person and zoom training, as well as, the Learning Management System (LMS) courses are taking place and, we are hosting TSI certification classes in Everett. Kerrigan thanked Island Transit for hosting, lodging, and shuttling the Third-Party Examiners (TPE) class. The certification process will wrap up between October 24 and November 7. Adams gave an update on open and recently closed claims, subrogation, and open litigated claims. He also thanked Members for sending people to the Claim's Coordinators conference. Kinney thanked Staff for their report.

Sub-Committee Reports

Nominations and Elections Committee (NEC)

Deutsch said the nominations have been coming in, please review the sub-committee report as you likely have been nominated. If you wish to be removed from the slate of candidates please let Deutsch, Kinney, Rogers, or Broadhead know. Kinney thanked Deutsch for the report.

Board Development Committee (BDC)

No report.

Risks and Opportunities Committee (ROC)

No report.

Coverage Review Committee (CRC)

No report.

Investment Committee (IC)

Branson reported the IC had met October 13 finalizing the Investment Policy Addendum and investment strategy. There are no other IC meetings scheduled for 2022. Kinney thanked Branson for the report.

Recap and Adjournment

Kinney recapped the meeting, roll call, new Board member and guest introductions took place, accepted the agenda, approved the consent agenda, held an Executive Session, granted Staff specific settlement authority, explained the approach for the Executive Director Performance Review, received 2023 Labor

Rates, reviewed the Work Plan, discussed 2023/2024 Meeting Locations, reviewed the Technology Grant Barriers Survey results, approved the Investment Policy Addendum, reviewed the Investment Strategy, discussed the 2023 EC retreat, received highlights from the Staff Report, and received reports from the sub-committees.

Deutsch moved to adjourn the meeting at 2:02 pm. Macdonald seconded the motion and the motion passed.

Submitted this 8th day of December 2022.

DocuSigned by:

4070BE642543479...

Approved: _____
Danette Rogers, Acting Secretary/Past President