



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
 July 27, 2023
 WSTIP Office & Zoom

Executive Committee Members Present	Staff Present
Scott Deutsch, President, C-Tran Shonda Shipman, Vice-President, Whatcom Transportation Authority (v) Joe Macdonald, Secretary, Skagit Transit Jesse Kinney, Past President, Valley Transit (v) Monique Liard, Treasurer & Large Member Rep, Spokane Transit (v) Shawn Larson, Medium Member Rep, Link Transit Miranda Nash, Small Member Rep, Jefferson Transit Amy Asher, At-Large Member Rep, Mason Transit Authority	Matthew Branson, Deputy Director Anna Broadhead, Board Relations Robyn Galindo, Claims Specialist Rick Hughes, General Counsel Todd Iddings, Safety and Risk Advisor Laura Juell, Risk and Training Coordinator (v) Joanne Kerrigan, Member Services Manager Christine Rouse, Application Support Specialist (v) Karey Thornton, Accounting and Payroll Specialist (v)
Board Members Present	
Jenny George, Asotin County PTBA (v) Rachele Glazier, Ben Franklin Transit (v) Betsy Dunbar, Central Transit (v) Jim Fetzer, Clallam Transit (v)	Ken Mehin, Grays Harbor Transit (v) Staci Jordan, Island Transit (v) Nicole Gauthier, Jefferson Transit (v) Karen Thesing, Pierce Transit (v)

Call to Order

President Deutsch called the meeting to order at 9:00 am welcoming everyone to the hybrid meeting. A verbal roll call took place. Deutsch asked if there were any changes to the agenda from staff and EC members, hearing no changes, he asked for a motion to accept the agenda. **Macdonald moved to approve the agenda. Larson seconded the motion and the motion passed.**

Public Comment on Consent Agenda, Discussion, Potential Action Items

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

Consent Agenda

Minutes – June 22, 2023; June 2023 Vouchers and Electronic Payments totaling \$782,587.25; and 2023 Compensation Study Results

				Total
Claims Vouchers	Numbers:	93503303	- 93503401	\$ 476,484.35
Administrative Vouchers	Numbers:	93002597	- 93002628	\$ 153,940.70
Electronic Payments	Dates:	06/01/2023	- 06/30/2023	\$ 152,162.20
				\$ 782,587.25

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

Discussion / Potential Action Items

2023 Executive Committee Work Plan

Branson said the 2023 Work Plan had been updated to include Strategic Plan items. This document gets updated monthly to assist the EC in tracking ongoing and upcoming work. There were no questions regarding the Work Plan.

Business Continuity Plan

Branson said the Business Continuity Plan had been updated as required by policy and is presented each July. He reminded the EC if something tragic were to happen to Pool management and they were unable to perform their duties, that the EC would have operational oversight of the Pool. Macdonald asked what changes were made to the plan. Branson said vendors had been updated as well as Staff contact lists. He noted the testing we did for the year is in a separate report.

Best Practice: Establishing an Internal Security Department

Kerrigan gave a brief history of why the Best Practice was developed, thanking the Risk and Opportunity Committee (ROC) and the sub-committee they formed. This Best Practice has been reviewed by the Executive Director, General Counsel, and a MunichRe security expert. Staff are soliciting feedback but if no feedback is received, we will publish this and market this Best Practice. We will also add it to the Best Practice compliance audits that Iddings performs. This is informational at this point with the next steps to have this Best Practice distributed to the membership for their feedback. The EC thanked Kerrigan, ROC, and the sub-committee for their work.

Governance Policy – Purchasing Policy

Shipman said revisions include changing the purchasing levels, expanding the purchasing card limit, and allowing the Executive Director to bind coverage within a percentage of expiring if there were no significant changes to the terms (which the Board approved in June). **Macdonald moved to adopt the Purchasing Policy as presented. Asher seconded the motion and the motion passed.**

Governance Policy – Staff Compensation and Benefits Philosophy

Shipman said the Governance Policy Committee (GPC) met and drafted this Staff Compensation and Benefits Philosophy Policy after receiving feedback at the June Member Representative Meetings. She said because of the general wage increase (GWI) approved for 2023 the compensation study found there were no changes that needed to be made to the Staff wage scale. This philosophy lays out how the GWI will be calculated as well as what a successful compensation study entails. The policy proposes the West Region (CPI-U), all items less food and energy (Core CPI or Sticky CPI) be used with a floor of 1% and a ceiling of 6% using the July-to-July CPI report. Branson said the CPI-U West Region was used as opposed to CPI-U Seattle, Tacoma, Bellevue, noting the West Region returns a lower rate and yields a more conservative outcome when compared to the Seattle, Tacoma, Bellevue CPI report.

Shipman said the GPC incorporated language to give the Executive Director the ability to propose a different GWI in unusual circumstances with the Board having final approval on the proposal. Shipman also noted the EC can request a salary survey sooner than every three years if that is wanted. The philosophy outlines the goals of the compensation study for the Pool to be within 90% - 110 % of the competitive labor market at the 50th percentile which is how this year's compensation study was done. Deutsch said the biggest change is the GWI becomes automatic, and it won't be up for discussion and vote at the December Board meeting. The policy will give Staff direction on what to include in the budget. Macdonald wanted to make sure it gives Staff time to build the budget, so that Members also have time to budget. Branson said this policy does that. **Macdonald moved to recommend the Staff Compensation**

and Benefits Philosophy Policy to the Board for adoption. Asher seconded the motion and the motion passed. Deutsch thanked Shipman for her service as the GPC chair and passed the gavel to Macdonald.

2024 WSTIP Operation Budget

Branson asked if before we get into numerical pieces of the budget are there items you as EC members feel we are missing. We have additional funding for cybersecurity projects but are seeking discussion on how much money you would like us to budget for that. We included additional funding for the Learning Management System (LMS) to add more content, to pay for more user licenses. The Shackleton Experience is included as recommended at the June EC meeting. Committee members discussed doubling the funding for the cybersecurity projects to allow more Members to participate, potentially increasing the Risk Management and Network Security grant awards to a higher dollar amount. Branson thanked the EC for their feedback.

Executive Session

At 9:41 am Deutsch announced the EC would go into a 10-minute Executive Session; pursuant to RCW 42.30.110 (1) (g) to discuss performance of a public employee. The committee came out of Executive Session at 9:51 am. In the open meeting session, **Macdonald moved to have the draft Executive Director contract added to the August EC meeting agenda for consideration and potential recommendation to the Board. Larson seconded the motion and the motion passed.**

The EC took a short break at 9:53 am and resumed their meeting at 10:05 am.

Staff Reports

Executive Staff Report

Branson noted that Christianson was attending the Government Entities Mutual (GEM) conference, highlighting new Board member Jeff Elbracht from Pullman, and welcoming Jim Fetzer from Clallam. He said all Members had returned their Auto-Physical Damage (APD) Excess selections, and staff will now be able to calculate and allocate the costs based on fleet values as part of the 2024 assessment. Several Members chose to purchase excess Cyber Liability insurance, he reported all invoices have been paid for the July 1 renewal and coverage bound. Macdonald asked how many Board members were missing Open Public Meeting Act (OPMA) training. Broadhead said close to a dozen who haven't submitted their current certificate. Branson reminded everyone that Hughes created a version of OPMA training that is available in the LMS.

Branson said the WSTIP audits began July 10th. The entrance conference was held on July 24 with Liard, Macdonald, Seeks, Peters, and Gray joining staff at the meeting State Auditor's Office (SAO) conducted via Zoom. Macdonald asked when the audits were expected to conclude. Branson said he expects them to be completed by the end of August, with reports issued in September. He also reminded everyone that staff have asked for miles and employee headcounts for 2024 which are due by August 4.

Kerrigan said she expects a request from Pierce for their Technology Grant Project for the full \$100,000 that was approved, we will have quarterly reports and a one-year report out from them. In-person training classes have been added to the LMS and Juell is working to get new content added as well. Kerrigan shared the most recent Toddcast is about Hybrid Electric buses and has some good humor. She reminded the EC that the Toddcast's are one way Staff are working towards meeting the Strategic Priorities.

She continues to work with WSTA and the DOL regarding third-party testers. **IMPORANT:** DOL Third-Party Testers Training will take place at King County Metro in October. If you need to have someone certified please send them to this two week in person class, which also has an additional week where DOL comes to your site. Then... there is a recertification that must happen in January because of new rules that come into effect in February. You **MUST** send your third-party testers to one of the three one-week courses that will be offered at Pierce, King County Metro and potentially an Eastern WA location. More information to come. In order to attend the January recertification classes you must be certified.

Kerrigan thanked Juell for her work on the RTAP application noting that WSTIP was awarded funding for this upcoming biennium. There will also be more to report on the AON project as Members have completed scoping calls and will begin the next phase of the project. Galindo gave an update on open and recently closed claims, subrogation, and open litigated claims. Deutsch thanked Staff for their report.

Sub-Committee Reports

Governance Policy Committee (GPC)

Shipman reported the GPC met July 19 to work on the Staff Compensation and Benefits Philosophy policy, which will go to the Board in September for approval. The GPC has completed its work for the year. Deutsch thanked Shipman for the report.

Board Development Committee (BDC)

No report the next meeting for BDC is August 25.

Risks and Opportunities Committee (ROC)

No report the next meeting for ROC is September 14.

Coverage Review Committee (CRC)

Thesing reported the CRC met remotely on June 26. We discussed proposed language regarding a law enforcement exclusion, while solidifying and clarifying safety officer/security coverage, similar to as it currently exists. We wish to exclude knives, guns, tasers and law enforcement. Public safety officers will not be excluded. The coverage document will be very clear and spell the provisions out. The draft General Liability (GL) Coverage Document will be presented for feedback in September.

The CRC also discussed Public Officials Liability (POL) related to mental health workers. No firm decision has been made to cover or exclude but the majority of the committee are leaning towards excluding the coverage. Christianson is working with White to see if coverage is available to purchase, and there is potentially one carrier. The next CRC meeting date has not been set but they will be meeting again this year. Deutsch thanked Thesing for the report.

Investment Committee (IC)

No report the next meeting for IC is October 16.

Recap and Adjournment

Deutsch recapped the meeting, accepted the agenda, approved the consent agenda, reviewed the work plan and the Business Continuity Plan, received the Best Practice for Establishing an Internal Security Department, adopted the Purchasing Policy, moved the Staff Compensation and Benefits Philosophy policy to the Board, gave Staff direction on the 2024 Operation budget, held an Executive Session, heard highlights from the Executive Staff Report and received reports from the sub-committees.

Macdonald moved to adjourn the meeting at 10:31 am. Larson seconded the motion and the motion passed.

Submitted this 24th day of August 2023.

Approved: 
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Joseph Macdonald, Secretary