



WASHINGTON STATE TRANSIT INSURANCE POOL | RISK MANAGEMENT IN MOTION

PO Box 11219 | Olympia, WA 98508 | 360-786-1620 | www.wstip.org

**Minutes of the
WSTIP Board Meeting
September 29, 2023
The Davenport Grand by Marriott & Zoom**

Board Members Present	
Jenny George, Asotin County PTBA	Joe Macdonald, Secretary, Skagit Transit Crystle Stidham, Skagit Transit
Scott Deutsch, President, C-Tran	Monique Liard, Treasurer/Large Member Rep, Spokane Transit
Betsy Dunbar, Central Transit (v)	Jesse Kinney, Past President, Valley Transit
Cherie Huxtable, Clallam Transit	Angie Peters, Valley Transit
Ocampo, Columbia County Public Transportation	Shonda Shipman, Vice President, Whatcom Transportation Authority (v)
Cyndie Eddy, Community Transit	
Tom Hingson, Everett Transit	
Brandon Hilby, Everett Transit	
Brandy Heston, Grant Transit	
Jean Braaten, Grays Harbor Transit	
Ken Mehin, Grays Harbor Transit	
Jana Brown, Intercity Transit	
Staci Jordan, Island Transit	
Nicole Gauthier, Jefferson Transit	
Miranda Nash, Small Member Rep, Jefferson Transit	
Paul Shinnars, Kitsap Transit	
Justin Brockwell, Link Transit	
Shawn Larson, Medium Member Rep, Link Transit	
Amy Asher, At-Large Member Rep, Mason Transit	
Jason Rowe, Mason Transit (v)	
Pattie Gray, Pacific Transit	
Karen Thesing, Pierce Transit	
Wayne Thompson, Pullman Transit	
Jim Seeks, RiverCities Transit	
Jennifer Davidson, Skagit Transit	
	Guests Present
	Brian White, Alliant (Broker)
	Kevin Wick, PwC (Actuary)
	WSTIP Staff Present
	Cedric Adams, Claims Manager
	Matthew Branson, Deputy Director
	Anna Broadhead, Board Relations
	Tracey Christianson, Executive Director
	Robyn Galindo, Claims Specialist 2 (v)
	Rick Hughes, General Counsel
	Todd Iddings, Safety & Risk Advisor
	Laura Juell, Training & Risk Coordinator (v) Joanne Kerrigan, Member Services Manager
	Christine Rouse, Application Support Specialist (v)
	Karey Thornton, Accounting and Payroll Specialist (v)

Call to Order

President Deutsch called the meeting to order at 9:00 am, a sign in sheet was passed around the room, staff accounted for the virtual participants. Deutsch asked if there were any guests to introduce other than the ones in attendance during the EC or Work Session. *Behind the Curtain* prizes were awarded with a round of applause. Deutsch asked if there were any changes to the agenda. **Jordan moved to accept the agenda. Heston 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.

Discussion/Potential Action Items**Member Representative Meeting Report and Discussion**

Liard, Larson, and Nash gave updates on each group's discussion. Each group discussed the Bylaws and Staff

Benefits and Compensation Philosophy. The groups also discussed the 2024 proposed budget, insurance layers, Self-Insurance Retention (SIR) they are comfortable with staying at the \$2 million SIR but are also comfortable leaving it up to Christianson and her team to decide. Most Members were in favor of the proposed underwriting changes. Some were interested in interest income, others wanted to make sure contribution to surplus happens to keep the Pool in good financial state, and the groups all did roundtable discussions about what is happening at their properties.

Revised Underwriting Structures

Branson explained the actuarial recommended underwriting structure, there was lengthy discussion at both the March and June meetings regarding the proposal. ***Mehin moved to approve the revised underwriting structures (methodologies) that have been prepared and recommended by our actuaries at PwC. Jordan seconded the motion and the motion passed.***

2024 Self-Insurance Retention (SIR) Selection

Christianson said there was a lot of discussion regarding the SIR at both the Member Rep meetings and during the Work Session. Wick has provided us with loss fund pricing at both the \$1.5 and \$2 million SIR. The proposed budget shows a \$2 million SIR. White answered questions regarding the availability of receiving quotes at the \$1.5 million SIR in the future and whether the election in the coming year will impact the market adversely. Deutsch asked for a motion to authorize the 2024 SIR. ***Macdonald moved to select a \$1.5 million AND a \$2 million self-insurance retention (SIR) for 2024. Selecting both allows Staff and the broker additional time to work with our excess insurers to determine the best overall package for the Pool. Liard seconded the motion and the motion passed. Seeks voted Nay.***

2024 Excess Insurance Layers

Christianson asked the Board for authority not to exceed costs as presented, allowing the binding of GEM and Munich RE when the best deal is known. These layers are not expected to exceed \$10,838,000. We are trying to get the best insurance package put together for the Pool whether that is a \$1.5 or \$2 million SIR. Thesing asked what other markets are being considered. White shared potential options he was looking at. Shinners felt that the layers perhaps needed to be redistributed. Christianson said GEM is willing to give us more capacity, but trying to find the best fit to connect with Munich Re. White is also looking at aggregate corridor layers above GEM. ***Seeks moved to authorize staff the authority to purchase insurance to not exceed costs as presented, allowing the binding of GEM and Munich RE when the best deal is known. These layers are not expected to exceed \$10,838,000. Thesing seconded the motion and the motion passed.***

2024 General Liability (GL) Coverage Document

Adams thanked the Coverage Review Committee (CRC) for their work on the GL and POL Coverage Documents. The documents were sent out to the Board and comments were received. Adams highlighted the changes to the documents to exclude 15-passenger vans in limited mode special purpose contracts, excluding PFAS, and law enforcement exclusions. Thesing stated that if the SIR changes a change will be needed to the communicable disease endorsement. ***Mehin moved to adopt the 2024 GL Coverage Document as presented. Peters seconded the motion and the motion passed.***

2024 Public Officials Liability (POL) Coverage Document

Deutsch asked for a motion to adopt the 2024 Public Officials Liability (POL) Coverage document. ***George moved to adopt the 2024 POL Coverage Document as presented. Brown seconded the motion and the motion passed.*** (Round of applause for the CRC).

2024 Proposed Operating Budget \$20,001,000

Christianson reminded the Board this was their opportunity to comment on the proposed 2024 operating budget. We will ask for updated estimated miles, UIM, and employee counts but if there is anything in the proposed

budget you want to discuss now is the time. Branson noted the downward adjustment for healthcare. Duetsch asked for a thumbs up if the proposed 2024 budget is on track (many thumbs were up around the room).

2024-2026 Executive Directors Contract

Deutsch said he was lucky as he was tasked with reviewing the AGRiP Advisory Standards as Secretary and also the Executive Directors contract as President. He noted changes to the contract to include approval to take 30 consecutive days of leave, 120 days' notice provision should we no longer want her services or if she decides to retire before the end of the contract, we also included three months salary if she completes the contract. **Mehin moved to approve the 2024-2026 Executive Directors Contract. Macdonald seconded the motion and the motion passed.**

Financial Reports as of August 2023

Treasurer's Report and Management Discussion and Analysis, Comparative Statement of Net Position, Claim Reserves Report, and Statement of Revenues and Expenses with Budget

Branson said the Pool's trend is favorable, we are living within our budgetary means, and our investment portfolio is doing well. He appreciates Liard's review and feedback and is grateful for the work Thornton does for the department. There were no questions regarding the financial statements.

Staff Reports

Executive Staff Report

Christianson welcomed Huxtable and noted her upcoming visit with Grant Transit's new General Manager Eric Loomis. Heston said Loomis will be in attendance at the Annual meeting. Christianson reminded everyone who may have gotten an email from Broadhead regarding Open Public Meeting Act (OPMA) to please send in their certificates, noting training is available in the WSITP Learning Management System (LMS). Included in the report is the list of contracts, and she bound the Underground Storage Tank Coverage as allowed by the Purchasing Policy. Branson said the WSTIP accountability and financial audits had been completed with no findings for the year, we are drafting an Electronic Fund Transfer Policy as recommended by the auditor. He also reminded everyone that staff would be asking for revised miles and employee headcount for 2024 with a response of no change or the changes provided by October 12.

Kerrigan shared an Above and Beyond Award had been submitted and she will present the award at the Ben Franklin Transit board meeting in October. She highlighted grants that are available reminding everyone to submit their request by December 15, unless it is a Technology Grant those need to be submitted early in November to give the Risk and Opportunities Committee time to review. Committees are reviewing Best Practices, Iddings has two visits remaining for the year, upcoming training classes are listed on the WSTIP website and training is available in the Learning Management System (LMS) WSTIP Learns. She continues to work with WSTA and is continuing to have discussions with 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 Spokane. Adams gave an update on open and recently closed claims, subrogation, and open litigated claims. Deutsch thanked Staff for their report.

Best Practice Compliance Interim Report

Kerrigan shared this report will be a quarterly report out on Best Practice Compliance, this report won't necessarily be complete each quarter as it will show when Iddings makes visits to the Members, as this ties to the strategic priorities. Deutsch thanked Kerrigan for her report.

General Counsel's Report

Hughes said most of his work is done in committee meetings, and he provided an anti-harassment training to WSTIP staff. Members asked if that was on the LMS, currently it is not but he is happy to provide the training. Please reach out to Hughes if he can be of assistance. Deutsch thanked Hughes for his report.

Broker's Report

White noted the schedule of policies Alliant places on behalf of WSTIP are included in the packet. Please [click here](#) to view his video regarding the state of the market. Deutsch thanked White for his report. If you have questions regarding the Broker Report, please reach out to White.

President's Quarterly Report on ED Goals

Deutsch reported the Executive Director has been working on her goals set by the Board. She is meeting with new Board members, scheduling follow-ups with veteran Board members, preparing a succession ready staff. Deutsch thanked Christianson for all the work she does which was followed by a round of applause.

The Board took a break at 9:50 and resumed their meeting at 10:30 am.

Action Items

Minutes –June 23, 2023

Mehin moved to approve the minutes from June 23, 2023. Peters seconded the motion and the motion passed.

Governance Policy - Bylaws

Christianson the Bylaws were presented at the June meeting but the 30-day notice hadn't passed so they couldn't be adopted in June but are now ready. Deutsch asked for a motion to adopt the Bylaws as presented. ***Seeks moved to adopt the Bylaws as presented. Brown seconded and the motion passed.***

Governance Policy – Staff Compensation and Benefits Philosophy

Christianson said the GPC worked on the Staff Compensation and Benefits Philosophy after discussions at the June meeting, the EC has reviewed this policy and recommends adoption. Deutsch asked for a motion to adopt the Staff Compensation and Benefits Philosophy. ***Liard moved to adopt the Staff Compensation and Benefits Philosophy as presented. Peters seconded and the motion passed.***

Underground Storage Tank Coverage

Christianson requested the Board affirm her decision to bind the Underground Storage Tank (UST) Coverage. The cost of the expiring policy was \$29,062 and the renewal was \$30,420. ***Brown moved to affirm Staffs binding of the Underground Storage Tank Coverage. Peters seconded the motion and the motion passed.***

Executive Session

No executive session.

Adjournment

Deutsch quickly recapped the meeting and asked for a motion to adjourn. ***Brown moved to adjourn the meeting at 10:38 am. Mehin seconded the motion and the motion passed.***

Submitted this 8th day of December 2023

Approved: 
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Joseph Macdonald, Secretary