

**PRESENT**

**Executive Board Members:**

Diana Reaume, Quillayute Valley SD  
Thomas Jay, Skykomish SD  
Jason Thompson, Marysville SD  
Linda McDermott, Spokane PS  
Lydia Sellie, Edmonds SD  
Clairmonte Cappelle, PSESD Worker's Compensation Trust  
Krestin Bahr, Eatonville SD  
Erin Murphy, Bainbridge Island SD  
Dr. Kathi Weight, Steilacoom Historical SD  
Jerry McDermott, NEWESD 101 (Ex-Officio)  
Gavin Hottman, ESD 112 (Ex-Officio)  
Lisa Matthews, NWESD 189 (Ex-Officio)  
Monica Hunsaker, OESD 114 (Ex-Officio)  
Joli Valentino, PSESD (Ex-Officio)

**Others:**

James Marta, James Marta & Co.  
Aaron Koch, Milliman  
Charles Leitch, PBFL  
Brandy Breaux, State Auditor's Office  
Alex Beherndt, State Auditor's Office  
Kassidy Probert, NEWESD 101  
Loy Dale, SWRMIC

**Staff:**

Deborah Callahan  
Charles Upchurch  
Bob Fulmer  
Dana Grandey  
Gerald Martens  
Dawn Mayes  
Kenneth Curtis  
Suzanne Bissett  
Ilesha Kidd  
Ray Roberts

**ABSENT:**

Michelle Dearlove, ESD 123 (Ex-Officio)

**I. Call to Order**

Board Chair D. Reaume called the meeting to order at 9:00 am.

D. Reaume welcomed guest Loy Dale and anticipates more guests will be joining the meeting.

**II. Consideration of Agenda**

K. Bahr made a motion, seconded by T. Jay, to approve the agenda. **Motion carried.**

**III. Consent Agenda**

J. Thompson made a motion, seconded by L. Sellie, to approve the Consent Agenda (Minutes for June 26, 2019 Executive Board Meeting, Pool Expenditures & Claims Payments, and Treasurer's Report). **Motion carried.**

**IV. Executive Session – Claims**

Executive Session for Claims began at 9:02 am, estimated to last 40 minutes. At 9:30 a.m., the Chair returned to regular open session.

E. Murphy made a motion to approve claims authority as requested, seconded by K. Weight. **Motion carried.**

**V. Member/Public Comments**

No public comments.

**VI. Q4 Financial Report**

J. Marta presented the Q4 Financials.

- Total Assets are \$82M
- Total Liabilities are \$60.8M
- Net Position \$21.3M, 90% confidence level
- Primary and Secondary asset tests are met

T. Jay moved to approve the Q4 Financials, seconded by L. Sellie. **Motion carried.**

**VII. SAO Audit Report**

Brandy Breaux and Alex Beherndt with the State Auditor's Office presented the State Auditor's report.

In the area audited, pooled property and liability insurance, Pool operations complied with applicable state laws, regulations and its own policies, and provided adequate controls over the safeguarding of public resources.

L. Sellie made a motion, seconded by J. Thompson to accept the SAO Audit Report.

**Motion carried.**

**VIII. Presentation - Solvency Report**

A. Koch presented the Q4 Actuarial Report.

Milliman has completed their updated review of WSRMP's self-insured Property and Liability program based on loss data evaluated as of August 31, 2019. The pool is funded at approximately the 90% confidence level.

K. Bahr made a motion to approve the Q4 Solvency Report, seconded by E. Murphy.

**Motion carried.**

**IX. Board Policy Revision**

D. Callahan said AGRIP Accreditation made a recommendation that we need to establish a maximum dollar authority on contracts requiring the Executive Director's signature. We recommend the Board authorize the Executive Director to sign any contract up to \$300,000 as applied to a one-year term of any contract. We also need to update Board Policy accordingly. Further, we need to ratify four (4) contracts already signed by the Executive Director.

D. Reaume asked if the motion is to revise the Board Policy and ratify the four (4) contracts? Do we need two (2) motions? D. Callahan said yes.

K. Bahr made a motion to modify the OE7.12 policy with \$300k authorization to sign contracts and to amend and approve the Board Policy revision, seconded by E. Murphy. **Motion carried.**

T. Jay made a motion to ratify four (4) contracts signed by the Executive Director, seconded by J. Thompson. **Motion carried.**

**X. Executive Director Report**

Targeted Strategies

D. Callahan gave an update on the progress of the two 18-month Targeted Strategies:

1) Ensure Stable Financial Strategies and 2) Reduce Student Sexual Abuse in our Schools.

Reinsurance Renewal

Two weeks after the June board meeting, we learned from AJ Gallagher that we needed to replace one reinsurer, so AJG brought a new quote with the same coverage but \$1.2M higher cost.

We have a catastrophic athlete medical policy where WSRMP is the policy holder but not the insured; the families are the insured. D. Callahan said we cannot insure the families because it

would be considered a gift of public funds. We kept the coverage for this year but recommend dropping it next year as we may not be legally able to offer it.

#### RFP's

Mellon is our new Investment Advisor starting in January.

AJ Gallagher (AJG) was awarded the Broker Services contract for casualty and property. Alliant was awarded a secondary broker position for a Master Builder's Risk Policy and cyber coverage.

#### PSESD Competencies Pilot

WSRMP Directors were participants in PSESD's new Competencies Pilot involving training about race and employee skills and their new online Neo-Gov system. Staff will be on the system for next year's Performance Review.

#### Board Retreat

Robin Stacia with Sage Consulting, specializing in Board Governance training and inclusivity, will be our guest presenter at the Board retreat. The retreat will include an Underwriting Deep Dive to look at every aspect of our structure and underwriting methodology.

#### HB1216 Committees

WSRMP is serving on two (2) Committees for HB1216: a Threat Assessment Committee and an OSPI committee addressing the SRO training requirements.

#### Audits

The State Auditor's Office gave us a clean audit on compliance.

The Perkins & Associates Audit finished the financial audit in Spring and a new audit has started now.

#### Annual Member Meeting

D. Callahan gave a shout out to Dawn Mayes for the graphic design of the Annual Meeting program brochure.

Deliverables that will be handed out at the Annual Meeting include:

- Program brochure
- Annual Report
- Return to Learn Concussion Protocol
- Safety & Support Response Guide

- Tech & Cybersecurity Audit
- Master Builder's Risk Policy Application
- Crisis Protect Program

D. Callahan gave a shout out to staff for all of the hard work on each of the deliverable items that we will give to membership at the Annual Meeting.

#### Elections/Ballots

D. Callahan received an email from Richard Staudt with SPS stating he disagrees with the decision to have all districts vote for all size district candidates for the Executive Board. After discussion, the Board opted to make no change.

G. Martens will be working with two Ex-Officio volunteers to tally ballots for the Board Elections. M. Hunsaker and J. Valentino volunteered.

#### SAPAC Update

D. Callahan gave an overview of the Sexual Abuse Prevention Advisory Committee. We had monthly meetings in 2019, culminating in the production of the Safety & Support Response Guide (SSRG) for distribution at the Annual Meeting and by broadcast to the membership.

Two (2) more vendors will be interviewed in November, the committee will take a hiatus in December and, in January, they will evaluate and establish goals for the coming year.

Thanks to C. Upchurch for running the meetings.

Lunch break. Service of Appreciation Award ceremony was given for J. McDermott.

#### Claims Update

D. Grandey presented an overview on claims.

#### Risk Services Report

G. Martens gave an overview on Risk Services.

#### Recession of Notice to Withdraw

S. Kitsap SD rescinded their Notice to Withdraw.

### **XI. Planning and Board Calendar**

Review of discussion topics to be included at the January meeting.

**XII. Board Initiatives**

- 1) Distribute Safety & Support Response Guide (DONE at the Annual Meeting tomorrow)
- 2) Distribute Gallagher Crisis Protect (DONE)
- 3) Formalize Threat Assessment - in January, we will report what's been learned and how WSRMP may or may not have a role at ESDs, and how might we help.
- 4) Create Trainings on: (Jan to Dec 2020)
  - SPED/SAM Claims Prevention
  - Date Rape prevention and policy design
  - EPL Trainings (Spring 2020)
  - Proms and Events (Spring 2020)
  - Athletic Liability – coaches and summer camps
  - Boundary invasion for parents
  - Diabetes (Children's Hospital)
  - Navigating parallel investigations between the district, WSRMP and law enforcement (Spring 2020)

**XIII. Meeting Adjournment**

At approximately 1:30 pm the meeting was adjourned.

The foregoing is a true and correct copy of the minutes of the October 28, 2019 Board meeting of the Board of Directors as approved by the Executive Board.



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Deborah Callahan, Executive Director