



For Washington Schools, By Washington Schools

**BOARD OF DIRECTORS' MEETING
VIA ZOOM**

10:00 a.m., May 18, 2020

MINUTES

The United Schools Insurance Program (USIP) Board of Directors' conducted an All Board Meeting via Zoom on May 18, 2020 at 10:00 a.m. Board Members participating: Brian Talbott, Nine Mile Falls School District; Tom Venable, Methow Valley School District; Henry Strom, Grandview School District; Jim Forrest, Adna School District; Kyle Rydell, West Valley School District; Michelle Price, North Central ESD; Sunshine Pray, Soap Lake School District; Bill Waddington, Hunters School District and Jon Tienhaara, South Bend School District. Participating from the Administration Office: Jenni Bates, Rich Moore, Dave Kosa, Phil Riche, Ellen Kosa, Becca Kirsch, Eric Homer, Rich McBride, Brian Turnbull, Lane Larson, Rachel Huffman, Jenny Gunderson, Rick Templeton and Aaron Sheneman representing Clear Risk Solutions. Several USIP members and Brokers also were in attendance. Also in attendance was Attorney Paul Rosner from Soha & Lang.

The meeting was called to order by Chair Talbott at 10:00 a.m.

ITEM 1

INTRODUCTION AND ROLL CALL:

Introductions were conducted.

ITEM 2

ADDITIONS TO THE AGENDA:

There were none.

ITEM 3

EXECUTIVE SESSION FOR USIP BOARD MEMBERS ONLY

At 10:08 A.M. Chairman Talbott called for an All Board Executive Session to discuss contract Negotiations under RCW 42.30.110 for 30 minutes. All other participants were put in the Zoom Lobby and held till further notice. At 10:26 a.m. Chair Talbott called the meeting back to order and announced, all business and discussion will take place under item # 12 of the published agenda.

ITEM 4

APPROVAL OF MINUTES:

A motion by Rydell to approve the January 21, 2020, minutes as well as the April 27, 2020 minutes as presented. Second by Strom, motion carried.

ITEM 5

RESERVE ACCOUNT REPORT AND VOUCHER APPROVAL:

Kosa gave an overview of the items listed on the Voucher Summary. The voucher has been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090 have been recorded on a listing, which has been made available to the Board.

As of this date, May 18, 2020 the February Voucher #19/20-06 in the amount of \$457,445.32, and March Voucher #19/20-07 in the amount of \$1,046,631.21, and April Voucher #19/20-08 in the amount of \$1,923,012.58, along with the May Voucher #19/20-09 in the amount of \$1,115,967.55. Motion Waddington to approve the above vouchers as presented. Second Tienhaara; motion carried.

ITEM 6

FINANCIAL REPORT:

E. Kosa presented the draft year end financials dated 8/31/2020. The balance sheet and income statement were also presented dated March 31, 2020. Motion by Rydell to approve the bank statements and transfers to date. Second by Pray, motion carried. E Kosa reported that the SAO audit went well and thanked everyone for all the great work throughout the year.

ITEM 7

CLAIMS LOSS DEVELOPMENT:

Riche went over the USIP claims loss development to date with those present. All questions were answered in detail. 2019 was not a great year, 2020 is looking better in the USIP layer. There will be discussion around possibly changing the SIR if it will benefit the program. Clear Risk is taking many things into consideration to keep rates down. The Board asked Clear Risk Solutions to keep the entire membership informed.

ITEM 8

BUDGET 2020 TIMELINES:

Moore presented information regarding coverages on Traumatic Brain Injury, Sex Abuse, and Cyber Liability, these are the areas of concern with the insurance markets currently. Renewal Negotiations will be a bit more complicated this year in the markets. There might be a need to look at deductibles along with SIR and AG STOP changes. CRS will continue to work through this process and keep the Board and membership informed. The budget meeting is still on schedule to be held in July for the Sept 1 renewal.

ITEM 9

RISK MANAGEMENT REPORT:

McBride and Sheneman reported on the following areas.

- Graduation -
- Fall Sports -
- DTS –
- Cyber Liability –

All questions were answered in detail.

ITEM 10

MEMBER MARKETING AND RETENTION:

Riche reported that several School Districts have been seeking information and quotes from USIP. Some programs have a three year notice to exit, so it all takes time to seek and approve new membership. USIP is very stable and has very little movement in membership.

ITEM 11

CLAIMS AUDIT, ACTUARY RFQ UPDATE:

Moore went over the process to date. He presented the two companies who are qualified and have answered the USIP proposals in detail. Both have been interviewed by CRS.

Claims auditor – Gary Jennings from Strategic Claims Direction, LLC

Actuary - Dion Strategic Consultants and Actuaries

After some discussion, motion by Waddington to approve Chair Brian Talbott to enter into contracts with Gary Jennings, Strategic Claims Direction, LLC and Sylvain Dion, Dion Strategic Consultants and Actuaries on behalf of the USIP Board of Directors. Second by Strom, motion carried.

ITEM 12

TPA AGREEMENT RFQ RESULTS:

Earlier the Board met in executive session at 10:08 a.m. and concluded at 10:26 a.m., regarding contract negotiations. Chair Talbott presented the following information and asked for the vote.

- 2 Companies presented their proposals on time
- Clear Risk Solutions and Tri Star

After some discussion, motion by Price to award the TPA contract to Clear Risk Solutions as they met all the qualifications. Second by Waddington, motion carried unanimously. CRS and USIP will draw up a

contract for review. USIP will hire Attorney Paul Rosner to review the contracts before it is signed by Chairman Talbott.

ITEM 13

NEXT MEETING:

The next meeting of the full Board is scheduled for July 20, 2020 at 10:00 a.m. via ZOOM.

Respectfully submitted,


Jenni Bates


Brian Talbott, Chairman