



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  
March 29, 2024  
Campbell's Lake Chelan & Zoom**

<b>Board Members Present</b>	
Jenny George, Asotin County PTBA Tina Braswell, Ben Franklin Transit (v) Sarah Funk, Ben Franklin Transit (v) Betsy Dunbar, Central Transit Jim Fetzer, Clallam Transit (v) Cherie Huxtable, Clallam Transit (v) David Ocampo, Columbia County Public Transportation (v) Cyndie Eddy, Community Transit Scott Deutsch, Past President, C-Tran (v) Brandon Hilby, Everett Transit Brandy Heston, Grant Transit Terri Gardner, Grays Harbor Transit Ken Mehin, Grays Harbor Transit Jana Brown, Intercity Transit Dena Withrow, Intercity Transit Staci Jordan, Medium Member Rep, Island Transit Nicole Gauthier, Jefferson Transit Miranda Nash, Small Member Rep, Jefferson Transit Paul Shinnors, Kitsap Transit Justin Brockwell, Link Transit Shawn Larson, At-Large Member Rep, Link Transit Jason Rowe, Mason Transit Pattie Gray, Pacific Transit Amy Cleveland, Pierce Transit (v) Wayne Thompson, Pullman Transit	Tara Hargrave, RiverCities Transit (v) Jim Seeks, RiverCities Transit Joe Macdonald, Vice-President, Skagit Transit Monique Liard, Treasurer & Secretary, Spokane Transit Angie Peters, Valley Transit Shonda Shipman, President, Whatcom Transportation Authority Greg Story, Yakima Transit (v)
	<b>Guests Present</b>
	Brian White, Alliant Insurance Services (broker) Laura Merry, C-Tran Kevin Wick, PwC (actuary) Jeff Benson, Whatcom Transportation Authority
	<b>WSTIP Staff Present</b>
	Cedric Adams, Claims Manager Matthew Branson, Deputy Director Anna Broadhead, Board Relations Tracey Christianson, Executive Director Robyn Galindo, Claims Specialist (v) Richard Hughes, General Counsel Todd Iddings, Safety and Risk Advisor Laura Juell, Risk and Training Coordinator (v) Joanne Kerrigan, Member Services Manager Karey Thornton, Accounting and Payroll Specialist (v)

**Call to Order**

President Shipman called the meeting to order at 9:00 am, a sign in sheet was passed around the room, and staff accounted for the virtual participants. Shipman asked if there were any guests to introduce other than the ones in attendance during the EC or Work Session. Shipman asked if there were any changes to the agenda. Staff requested Terrorism Coverage be added as a discussion/action item and Assessment Allocation Policy be removed. **Liard moved to accept the agenda as revised. Seeks seconded the motion and the motion passed. Behind the Curtain** prizes were awarded with a round of applause.

**Public Comment on Consent Agenda, Discussion, Potential Action Items**

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

## Discussion

### Member Representative Meeting Report and Discussion

Larson reported for the Large group, they reviewed the actuary report and adequacy study, happy we appear to be in the dark green band but worry about rising claims costs, and the cost of insurance. The group is questioning reinsurance limits and the Self-Insured Retention (SIR) if they are enough. Would like to see a menu of services available from AON that Members could pick and choose from. Spent time discussing Un/Under Insured Motorist (UIM) and workers compensation, most of the Larges carry UIM coverage to either protect passengers that are injured due to no fault of their own or were injured for some other reason. The group didn't talk about policies or the Driver Record Monitoring audits much, and the ones who attended AGRiP conference learned a lot and suggest you go.

Jordan said the Mediums are on the same page as the Larges with the actuary report and adequacy study, they are aware of rising claims costs, but are hopeful the cost of insurance will level out but are aware we may have to raise our SIR. Some are considering doing the AON project and some are participating. Some in our group had completed the DRM audit and found drivers to add or remove from the program but found it easy to follow giving kudos to Kerrigan for well written guidelines. Adams was great at explaining the UIM and what the potential downsides are and would accept Staff's recommendation to limit the number of claims, some of us carry UIM because we just always have. The group had a lengthy discussion regarding the Payments by Members policy and felt some agencies may have legitimate reasons for paying late. The three in our group that attended the AGRiP conference found the sessions interesting and there is value in the experience and encouraged others to attend.

Nash shared the Small Members discussed UIM coverage and are interested to see what it would look like to remove the UIM requirement for public rideshare (vanpool) and how it would impact L&I, the group is mixed about the UIM coverage offering. They feel Wick does a good job of presenting actuarial information and the adequacy study. Discussed deductibles, no comments on the policies. Those who attended AGRiP feel it is important to build relationships within the Board.

### Terrorism Coverage

Shipman asked if there were any questions regarding Terrorism Coverage. There were no questions.

### Q&A on Videos

#### Year-Ending 12-31-2023 Actuarial Report & Capital Adequacy Assessment

Christianson introduced Wick who gave a high-level overview of the latest actuarial report and capital adequacy assessment. Wick fielded questions from the Board regarding his presentation, most of which revolved around the default rate of 5%. Wick and Branson showed WSTIP's rate history from 2013 to 2024. Jordan indicated she would prefer to avoid the rate volatility indicated in the rate history. If you have questions about the actuarial report or adequacy assessment, please reach out to Branson or Wick.

### State of the Insurance Market

White reiterated the property market is difficult, increasing values will likely cause premium comments, liability market is extremely difficult, but he is hopeful with the cyber market. If you would like to watch his video, [click here](#). If you have questions, please reach out to White.

### Driver Record Monitoring (Best Practice Compliance)

Shipman said we had good conversations during the Member Rep meetings, those who had participated in the audit already found things to fix with their DRM program, and asked if anyone had any questions. No questions were asked.

### Strategic Plan 1C, 1D Report Out (Strategic Plan Item)

Shipman asked if there were any questions. No questions were asked.

### Safety Stars and 2023 Risk Profiles

Shipman noted the Safety Stars award recognizes impressive safety records in all three rating categories. She announced and congratulated the 2023 Safety Star winners: Columbia, Clallam and Ben Franklin noting second place in the Large group was within .4 percent. Kerrigan stated the Risk Profiles are available in the Member Document Portal on the website. The Risk Profile will be distributed at the June Board meeting with the Annual Report. Please share feedback with Kerrigan if there is something regarding Risk Profiles you'd like to see explained in further detail.

### Executive Director Succession Hiring Plan / Committee

Shipman said there is consensus on how to move forward, and she will work with Christianson on how to move the timeline forward with decision points so that the framework is in place.

### Financial Reports as of December 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 shared the 2023 Year-End Financials, thanking Wick and PwC for the work they do and the claims department for settling claims fairly and equitably, the Pool has a good net position and the 2023 PPAA is already included in the figure you see on the financial reports. He highlighted the Treasurer's Report as it shows where the money is being held and invested. There were no questions regarding the financial statements.

### Financial Reports as of February 2024

#### 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. 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.

*The Board took a break at 10:15 and resumed their meeting at 10:30 am.*

### Staff Reports

#### Prior Period Assessment Audit (PPAA)

Branson shared the results of the PPAA, you will see a due from WSTIP, or a due to WSTIP on your rate sheet, overall there was a less than 1% adjustment in miles, and employee counts were down. Branson requested those who owe WSTIP not send the money until January 2025. Shipman thanked Branson for his report.

### Executive Staff Report

Christianson introduced new Board members from BFT, C-Tran and WTA, noting that Don Burr had left Community for Sound Transit. WSTIP has not entered into any new contracts. There is a Request for Proposals (RFP) for loss prevention services. You can see it on the WSTIP website. She and Broadhead attended the AGRiP conference with eight Board members earlier in the month. Christianson said she attended many sessions on AI and found that an intriguing topic. Branson and Kerrigan were appointed to committees for GEM (round of applause). Rouse retired and Thornton will be retiring in July which means WSTIP is recruiting for those positions. She bound the Board E&O coverage because it was under 10%, Pollution needs to be bound as the cost came in at 11%. She congratulated Juell on earning her ARM designation.

Branson said he has collected vehicle and property schedules and is collecting cyber coverage applications which are due by April 4. He hopes the underwriting calendar is helpful to the Members and reminded Members to please submit the requested information in a timely manner. He highlighted the charts he provided in the staff report, and

said he is gearing up for the next round of appraisals to begin after Memorial Day. WSTIP will be requesting you to select your deductible for property and auto-physical damage before the July 1 renewal.

Kerrigan highlighted technology grant updates, noting that Pierce Transit cancelled their project and are returning funds. She and Iddings were able to visit Kitsap Transit and view the simulator in action and how it can integrate with Origami. Iddings has started his site visits for the year and is working on the Best Practice for Operator Training. DOL third-party tester training is being held at King County Metro, the supervisor school just wrapped up, and Kitsap, Link, and Mason are in phase one of the AON project. Rouse retired so if you are having Origami issues, please reach out to Kerrigan and she can get you help.

Adams gave an update on open and recently closed claims, subrogation, and open litigated claims. Shipman thanked Staff for their report.

#### General Counsel's Report

Hughes said most of his work is done in committee meetings, several of his clients are going through Executive Director succession planning and hiring currently. Please reach out to Hughes if he can be of assistance. Shipman thanked Hughes for his report.

#### Broker's Report

White had nothing further to add. Please [click here](#) to view his video. Shipman 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

Shipman 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, and working on strategic action items.

#### Action Items

##### Minutes – December 8, 2023

Macdonald asked to have the duplicate paragraph removed from the minutes. **Macdonald moved to approve the revised minutes from December 8, 2023. Brown seconded the motion and the motion passed.**

#### Request to affirm binding Board Errors and Omissions Coverage

Christianson explained the Errors and Omissions coverage provides protection for Pool assets, should an individual Board member have a lawsuit filed against them. Christianson asked the Board to affirm binding the Board Errors and Omissions Coverage. **Brown moved to affirm binding the Board Errors and Omissions Coverage. Liard seconded the motion and the motion passed.**

#### Request to Bind Pollution Coverage

Christianson reminded Board members that not all Members participate in the Pollution Coverage, but for those who do it is a three-year policy. White said the renewing coverage has a cost increase of 11% which now includes Pierce as joined mid-term last year. He reminded Members this policy does not cover Underground Storage Tanks as those are covered under a separate coverage. Shipman asked for a motion to bind Pollution Coverage. **Jordan moved to authorize the Executive Director to bind Pollution Coverage. Peters seconded the motion and the motion passed.**

#### Terrorism Coverage

Shipman said the EC recommends purchasing Terrorism Coverage and asked whether the Board wanted to bind today. White clarified that Members who are in the property program and purchase APD would have coverage, and those who are not, would not have coverage, basically if you don't have a schedule of values (SOV) for your property and vehicles then you wouldn't have coverage. **Jordan moved to bind Terrorism Coverage. Liard**

***seconded the motion and the motion passed.***

Accept Year-End 12-31-2023 Actuarial Report

Branson requested the Board accept the actuarial report year-end 12-31-2023. ***George moved to accept the Actuarial Report prepared by PwC. Macdonald seconded the motion and the motion passed.***

Accept Capital Adequacy Assessment Study

Branson requested the Board accept the capital adequacy assessment study. ***Seeks moved to accept the Actuarial Report prepared by PwC. Mehin seconded the motion and the motion passed.***

Governance Policy Assessment Allocation Policy

This item was pulled from the agenda as the EC sent this policy back to the GPC for further review.

Macdonald summarized changes to each of the following policies, noting the EC recommended approval.

Governance Policy – Capital Funding Philosophy

***Brown moved to accept the Capital Funding Philosophy. George seconded the motion and the motion passed.***

Governance Policy – Member Corrective Action and Termination

***Brown moved to accept the Member Corrective Action and Termination Policy. Gray seconded the motion and the motion passed.***

Governance Policy – Policy Governance Defined and Explained

***Brown moved to accept the Policy Governance Defined and Explained Policy. Gray seconded the motion and the motion passed.***

Adjournment

Shipman reminded attendees the next meeting is in June at the Swinomish in Anacortes, and that Macdonald would be running the meeting. ***Shipman adjourned the meeting at 11:14 am.***

Submitted this 28 day of June 2024

Approved:   
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Scott Deutsch, Acting Secretary/Past President