



**BOARD OF DIRECTORS' MEETING
451 Diamond Drive
Ephrata WA**

October 9, 2017, at 10:00 a.m.

MINUTES

The Cities Insurance Association of Washington (CIAW) Board of Directors conducted a Board of Directors meeting on October 9, 2017, at 10:00 a.m. at 451 Diamond Drive, Ephrata WA. Board members participating: Wes Crago, City of Ephrata; Tim Snead, City of Quincy; Helen Harvey, City of Yakima; Laura Koenig, City of Sultan; Eron Berg, City of Sedro Woolley; Don Fortier, Grant County Fire District #3; and Brian Asmus, City of Liberty Lake. Attorney Paul Rosner from the Law Firm of Soha & Lang participated. Also participating from the Administration Office: Jenni Bates, Ellen Kosa, Phil Riche, Frank Andrus, Rich Moore, Brian Turnbull, Mark Sherwood, Blair Kok, Dave Kosa, Becca Rohrer, and Angela Eloff representing Clear Risk Solutions. Also in attendance was Kris Lawrence from Propel.

**ITEM 1
INTRODUCTIONS**

Roll call was taken.

**ITEM 2
BOARD ELECTION RESULTS**

Bates was asked to count the ballots. This year Harvey was on the ballot with Johnston and Asmus running unopposed. Harvey is in Area 2 Position 4, and Asmus is in Area 3 Position 2. There is a vacancy in Area 3 Position 3, as well but it continues to be vacant through this election process. The votes were tallied and Harvey came out slightly ahead; Asmus ran unopposed. Harvey and Asmus will continue on the Board for an additional three year term.

**ITEM 3
EXECUTIVE SESSION, RCW 42.30.110 – Pending Litigation (30 minutes).**

Chair Snead called an executive session at 10:15 a.m. for 30 minutes, per the advertised agenda, to discuss pending litigation. Attorney Paul Rosner led the discussion. Chair Snead called the meeting back to order at 10:36 a.m. and Snead concluded that no action will be taken on the matter.

**ITEM 4
APPROVAL OF MINUTES**

The minutes from the July 10, 2017, meeting were presented. Motion Asmus to approve the minutes as written. Second by Koenig; motion carried.

ITEM 5

RESERVE ACCOUNT REPORT AND VOUCHER APPROVAL

Kosa gave an overview of the items listed on the voucher summaries. The vouchers presented have 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, which have been recorded on a listing made available to the CIAW Board of Directors.

As of this date, October 9, 2017, the CIAW Board of Directors approves for payment the presented vouchers and summaries that are further described as: CIAW August voucher #16/17-09 in the amount of \$710,171.93, CIAW September voucher #16/17-10 in the amount of \$1,285,146.93, and October voucher #16/17-11 in the amount of \$454,390.14. Motion Crago to approve the above vouchers and summaries as presented. Second by Harvey; motion carried.

ITEM 6

FINANCIAL REPORT

E. Kosa presented the income statement compared with budget ending May 31, 2017, and August 31, 2017. She also presented the balance sheet ending May 31, 2017, and August 31, 2017. All questions were answered in detail. A solvency test, to date, was also shared and shows that the CIAW passes the primary and secondary asset tests.

The bank statements and transfers, to date, were discussed. Motion Crago to approve the presented bank statements and transfers. Second by Koenig; motion carried.

ITEM 7

MEMBERSHIP COMMUNICATION - NON RENEWAL LETTER DISCUSSION

Riche explained a situation regarding a member city that is experiencing some issues the CIAW Board may not be aware of and could cause some costly liability. After a complete discussion, motion by Berg to give Clear Risk Solutions authority to send or deliver a non-renewal letter to the City regarding recent issues discussed. Second by Crago; motion carried.

ITEM 8

PRELIMINARY BUDGET AND RENEWAL DISCUSSION

Moore presented the proposed draft preliminary budget to those present. After much discussion, it was decided to ask Clear Risk Solutions to continue working with Munich Re and to bring back some additional information. It was suggested to review the tiers and do some comparison work at the Board Retreat in 2018.

The final budget will be presented in November. Clear Risk Solutions will report back with some additional information.

ITEM 9

RFQ RESULTS FOR CLAIMS AUDITOR

Riche went over the RFQ results per the bid process. Gary Jennings from Strategic Claims Direction, LLC, was the only proposal that was received by the due date. After a review of qualifications, Mr. Jennings is qualified and can start the process quickly. After some discussion a motion by Crago to hire Jennings, per his proposal. Second Harvey; motion carried. Riche will contact Jennings and get the process started.


ITEM 10
NEXT MEETING

The next meeting of the Board will be held on November 6, 2017, at 8:00 a.m., via a telephone conference, Ephrata, Washington.

Respectfully submitted,



Jenni Bates



Tim Snead, Chair