



451 Diamond Drive | Ephrata, WA 98823

BOARD OF DIRECTORS' MEETING
451 Diamond Drive, Ephrata
October 28, 2019

MINUTES

The Cities Insurance Association of Washington (CIAW) Board of Directors conducted a Board of Directors' meeting on October 28, 2019, at 10:00am at 451 Diamond Drive, Ephrata, WA. Board members participating: Wes Crago, City of Ephrata; Laura Koenig, City of Sultan; Jon Johnston, Malaga Irrigation District; Helen Harvey, City of Yakima; Randy Hinchliffe, City of Waitsburg; Rosa Dekker, East Columbia Irrigation District and Eron Berg, City of Sedro-Woolley. Also participating from the Administration Office: Jenni Bates, Becca Rohrer, Rich Moore, Phil Riche, Rich McBride, Blair Kok, Frank Andrus, Eric Homer, and Angela Eloff representing Clear Risk Solutions. Guest Kathy Hale from the Riverside Fire and Rescue, Pierce County Fire Protection District No.14.

ITEM 1
INTRODUCTIONS

Roll call was taken at 10:00am

ITEM 2
ADDITIONS

Additions were called for; there were none.

ITEM 3
ANNUAL BOARD ELECTIONS

Bates reported, the annual Board elections addressing expiring terms took place and the ballots were counted. Anderson, Crago and Koenig were re-elected by membership for a three year term.

ITEM 4
MEMBERSHIP NOTICE REQUIREMENT DISCUSSION

Riche spoke of a CIAW member that gave notice past the notice requirement date and would like to ask for a Board variance. A representative from the Riverside Fire & Rescue, Pierce County Fire Protection District No 14 was attending by phone. She explained her situation and asked the Board to consider granting a variance. After some discussion Chair Koenig explained the Board does not grant variances regarding the notice requirement. Koenig asked CRS to look at the issues at hand and work with the CIAW member to see if something additional could be resolved.

ITEM 5
APPROVAL OF MINUTES

The minutes of August 12, 2019 were presented. Motion Crago to approve the minutes as written. Second by Hinchliffe. Motion carried.

ITEM 6
RESERVE ACCOUNT REPORT AND VOUCHER APPROVAL

Andrus 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 and made available to the CIAW Board of Directors.

As of this date, October 28, 2019, the CIAW Board of Directors approves for payment the presented vouchers and summaries that are further described as: CIAW September voucher

#18/19-10 in the amount of \$659,797.51, the CIAW October voucher #18/19-11 in the amount of \$868,854.21. Motion Hinchliffe to approve the above referenced vouchers and summaries as presented. Second by Crago. Motion carried.

**ITEM 7
FINANCIAL REPORT**

Kosa went over the financial report dated August 31, 2019. All questions were answered. Motion by Crago and second by Dekker to approve the bank statements and transfers presented. Motion carried.

**ITEM 8
FINAL BUDGET AND RENEWAL PACKET 2020.**

Moore went over the two proposed final budgets in detail. One budget was to renew with Munich Re the CIAW's current excess carrier contemplating a 12% increase to membership. The second budget was a 7% increase to membership with Old Republic as the new CIAW excess carrier.

Riche and Moore went over the annual Renewal Report to the Board and all questions were answered.

This report reports the following information in detail.

- Program Expiring /Renewal date
- Excess Marketing efforts
- Coverage Changes
- Coverage Enhancements
- Recommended Coverage Options
- The rejection of TRIPRA Coverage
- Optional UIM
- Excess and Surplus Lines Taxes
- Authority to Bind Excess Coverage
- Approval of Renewal Proposal
- Brown and Brown disclosures
- Self-Insurance Fund

Also in the packet is a chart of coverages (color coded), Professional Service Agreements and a line by line insurance coverage review.

After much detail and discussion a motion was made by Berg to move the CIAW business to Old Republic for the 2020 policy year adopting the renewal packet presented, second by Crago, motion carried. A second motion was made by Dekker to adopt the 7% increase to membership budget as presented with Old Republic as the CIAW excess carrier, second by Crago, motion carried.

**ITEM 9
OPEN BOARD POSITION**

Moore and Bates reminded the Board there was an open Board position in area two with an expired term as of 8/31/2019. Those interested would need to run a mid-term election.

**ITEM 10
DES AUDIT REVIEW AND RESPONSE**

Moore went over the DES audit that was performed by a third party. CRS has shared a complete copy along with the response with the CIAW Board of Directors. After some discussion it was agreed the new Origami computer system that has been purchase will take care of all transparency recommendations.

ITEM 11

EXTENTION FOR PROFESSIONAL SERVICES AGREEMENTS

A formal document named "Extension of Professional Services Agreement between the CIAW and Public Risk Underwriters of the Northwest, Inc dba Clear Risk Underwriters dba Canfield & Associates for Third Party Administration Services" was presented by Board member Harvey. After some discussion a motion by Crago to authorize and approve the extension as written. Second by Johnston, motion carried. (Chair Koenig and Homer will sign the document).

ITEM 12

NEXT MEETING

The next meeting of the full Board will be held On January 13, 2020 at 10:00am. Location will be 451 Diamond Drive, Ephrata WA. A call-in option is always available.

Respectfully submitted,



Jenni Bates



Laura Koenig, Chair