

ASSOCIATION OF WASHINGTON CITIES

RMSA Board of Directors Meeting Minutes

Thursday, September 28, 2023

Cedarbrook Lodge, SeaTac and

Online Meeting with Phone Access

10:00 am

Present:

Directors:

President Julie Struck, Mayor, South Bend

Dee Roberts, Mayor, Raymond

Matthew Schuh, Councilmember, Bridgeport

Leanne Guier, Mayor, Pacific

Stefany Smith, Mayor, Springdale

Micki Harnois, Councilmember, Rockford

RMSA Committee Chair, Jord Wilson, City Administrator, Pateros

Staff:

Deanna Dawson, CEO

Alicia Seegers Martinelli, Deputy CEO/COO

Gene Emmans, CFO

Carol Wilmes, Director of Member Pooling Programs

Ashley Jones, Claims & Pre-Litigation Manager

Andrea Luper, Membership Supervisor

Henry Dietz, Risk Management Coordinator

Anthony Vasquez, Claims Coordinator

Shaylee Dipo, Membership Specialist

Betsy Hildreth, Executive Assistant/Recording Secretary

Guests:

Charles H. "Skip" Houser III, RMSA General Counsel

Kevin Wick, PricewaterhouseCoopers

Mike Day, Aon

Terri Sutton, Kennedys Law

Absent:

Vice President Jose Trevino, Mayor, Granger

1. *Call to Order, Welcome, and Introductions*

1.1 Welcome, introductions, opening remarks

President Julie Struck called the meeting to order at 10 am. A quorum was established. Introductions followed.

President Struck made an amendment to the agenda which removed item 7.3 executive session.

1.2 Call for Public Comment

Pursuant to the Open Public Meetings Act RCW 42.30.240, the AWC RMSA Board of Directors invited public comment on the agenda items presented.

There was no public comment.

2. *CEO Report*

2.1 CEO Meeting Overview

Ms. Dawson gave an overview of the meeting.

3. *Approval of Minutes*

3.1 June 21, 2023, Board of Director Meeting Minutes

The Board reviewed the June 21, 2023, meeting minutes.

Motion by Matthew Schuh to approve the June 21, 2023, AWC RMSA Board meeting minutes, second by Leanne Guire; motion carried.

4. *Financials*

4.1 Unanticipated Revenue Shortfall Report

Ms. Rehnberg briefed the Board on an unanticipated revenue shortfall that occurred after an RMSA member misreported their worker hours to Labor and Industries for the quarters RMSA used to determine the 2023 rates. The Board was asked if they wish to recoup the amount from members or consider absorption into the current budget.

In reviewing the Board packet, containing the year-to-date financial statements and the actuary's mid-year actuarial report, Board members felt comfortable taking action to address the revenue shortfall.

Motion:

Motion by Dee Roberts to have AWC RMSA absorb the anticipated revenue shortfall, second by Micki Harnois; motion carried.

4.2 Quarter 2 2023 Financial Report

Mr. Emmans reviewed the 2023 second quarter financial report for the period ending June 30, 2023.

4.3 2023 Mid-Year Actuarial Report

Ms. Rehnberg presented an overview of the potential 2024 coverage rate increase and the impacts to members, noting the 2024 coverage rates are based on the underwriting policy approved by the Board of Directors in 2021. Staff also noted an error found in building values which were presented to the Operating Committee earlier in the month. PricewaterhouseCoopers (PwC) presented the actuarial review on corrected values for Board consideration.

Mr. Kevin Wick of PwC provided an actuarial review of the Pool's self-funded property and liability program.

Rate options were discussed with the Board, including a 10, 15, and 20 percent increase. The Operating Committee recommended at 12 percent rate increase based upon data presented at their last meeting, which included the misstated building values.

Motion:

Motion by Matthew Schuh to approve a 15 percent increase for the 2024 coverage year rate adjustment, second by Leanne Guier; motion carried.

5. Administration

5.1 Public Records Update – JLARC Report

Ms. Martinelli provided an update on the public records activity over the previous year, as submitted to the Joint Legislative Audit and Review Committee.

5.2 Coverage Agreement Updates

Ms. Rehnberg reviewed proposed amendments to the Liability Coverage Agreement and Declarations, and Property Coverage Agreement with the Board for their consideration. The Operating Committee reviewed at its last meeting and recommended the Board adopt the amendments as proposed.

Motion:

Motion by Leanne Guier to approve the proposed changes to the Liability Coverage Agreement and Declarations, as presented, second by Micki Harnois; motion carried.

Motion by Leanne Guier to approve the proposed Property Coverage Agreement, as presented, second by Dee Roberts; motion carried.

5.3 Coverage Renewal Updates

All lines of coverage AWC RMSA Program purchases will expire on December 31, 2023, and renew on January 1, 2024. RMSA's Broker, Aon, will provide tentative 2024 renewal information, including estimated premiums and coverage options. At this time, no renewals and/or coverage options have been confirmed; therefore, final coverage options will be brought to the Board for review at its December meeting.

6. Membership

6.1 Claims Report

Ms. Jones presented the claims report.

6.2 Membership Report

Ms. Luper gave an update on the AWC RMSA membership services.

6.3 Risk Control Report

Mr. Dietz presented the loss control report.

7. Other Business

7.1 2024 Board and Operating Board Fiduciary Training Opportunities

The 2024 Board and Operating Committee fiduciary training opportunities were provided in the agenda packet.

7.2 2023 and 2024 Governance Meetings Schedule

The 2023 and 2024 Board, Committee, and Annual Meeting schedule was provided in the agenda packet.

7.3 Executive Session pursuant to RCW 42.30.110(I)

As noted at the start of this meeting, no executive session was needed.

8. *Adjournment*

8.1 Adjourn

President Struck adjourned the meeting at 11:50 am.

The foregoing minutes were approved by the Board of Directors on 12/6/2023.
Date

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Julie Struck

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President

ATTEST:

DocuSigned by:

Betsy Hildreth

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Recording Secretary