LOCAL GOVERNMENT LIABILITY POOL
BOARD MEETING

Cheyenne, Wyoming
Thursday, May 28, 2020

Board Members in Attendance (This meeting was conducted via Zoom.):

Brad Basse, Chairman, At-Large Member (via telephone)
Kelly Krakow, Treasurer, Mayor of Town of Albin
Rick Grant, Converse County Commissioner
Robert "Bob" King, Lincoln County Commissioner
Don Richards, Shoshone Municipal Pipeline (via telephone)
Jessica Weaver, Tongue River Community Center

Board Members Absent:

Linda Smith, Secretary, City of Rawlins

Staff and Guests in Attendance:

Mark Pring, Executive Director
Mike Todd, Deputy Director
Bill Miller, Loss Control Manager
Judi Just, Loss Control Representative
Shuler Boone, Claims Representative

• WELCOME AND INTRODUCTIONS

Chairman, Brad Basse called the meeting to order at 8:04 A.M. He introduced the new board member, Jessica Weaver, a member of the board of the Tongue River Valley Community Center, in Dayton. Jessica said she was also a member of the council for the Town of Ranchester. She had owned her own insurance company since 2009, and specialized in commercial insurance.

• APPROVAL OF MINUTES

Brad Basse thanked Kelly Krakow for running the last board meeting as weather had not permitted him to attend in person. Kelly Krakow made a motion the board approve both the general session and executive session minutes from the January 30, 2020, board meeting. Rick Grant seconded the motion. There was no discussion, and the motion passed unanimously. Chairman Brad Basse asked Mark Pring to email the minutes from the January board meeting so that he could digitally sign them.

• EXECUTIVE DIRECTOR'S REPORT

A. Renewal Update

Mark Pring explained to Jessica Weaver that the Pool operated on a fiscal year, beginning July 1st. Renewal membership applications were sent to all members in March to begin the renewal process. There were 527 local governments in the program as of May 28, 2020. There were 92 of the 99

municipalities and 19 of the 23 counties in the state were members of the Pool. All renewal applications had been received, also contribution payments from 325 members had been received. Mark thanked Delene Applegate for her efforts in reminding members to send in their renewal applications. He also thanked Bill Miller for his efforts in calculating payments for the renewal process. The renewal process had gone very smoothly this year, and the Pool was on track to collect $2.8 million in contributions for the next fiscal year.

B. New Members/Cancellations

Mark Pring announced one new member had joined the Pool last quarter, the Carbon County Specific Purpose Tax Joint Powers Board. Mark said there were a few other governmental entities that had expressed interest in joining the Pool. He explained to Jessica Weaver there were usually one to three new members that joined each quarter. The membership of the Pool was extremely stable. Mark stated that typically, the Pool's rates are lower than the public sector, so usually, the decision to leave was not a financial one. Mark stated the Pool's coverage was tailored after the Wyoming Governmental Claims Act, so it provided the necessary liability coverage set by state statute. He explained the Pool could not offer supplemental coverages. Members had requested, in the past, that the Pool offer property coverage, but the way the statute was written, the Pool could only provide liability coverage

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C. Budget Report

Mark Pring announced three quarters of the fiscal year 2020 had passed. The only line item on the budget that concerned him was the property insurance on the building as the premium had increased due to the hail damage suffered in the previous year. He explained with the current rules in place, if the Pool exceeded its budgeted expenses there would have to be a budget hearing to explain why. Mark said the amounts for claim expenses were estimated because it was not known when or for how much some claims would be settled. He explained the claim expenses were difficult to budget as sometimes a matter would be heard in the appellate court last year, but it would not be known when a decision would be made. There were no other items on the budget that were of concern, so Mark continued summarizing the financial reports. He explained the purpose of each account to Jessica. He finished the budget report by stating that cash and investments had increased from last year. There were no questions on the budget report.

D. Legislative Update

Mike Todd stated one of the more controversial bills that had come up was one that proposed increased tort limits to the Governmental Claims Act. The current limit for a claim would be increased from $250,000 to $350,000 and the aggregate limit would be increased from $500,000 to $750,000. He and Mark contacted the bill presenter and asked why he wanted to increase the tort limits and were told because the limits were higher in the surrounding states. They explained to the bill presenter there had only been a few claims during the entire history of the Pool that had met the current limits. The bill was never heard. Mike stated the bill presenter understood their position and did not say whether or not the bill would come back. Mark answered he believed the bill presenter was surprised at how many governmental entities the Pool provided coverage to. Mike said that eventually there would be legislation to increase the tort limits and he and Mark were keeping track of other changes that were needed in the Governmental Claims Act when that time arrived.

Most recently, during the special session, the legislature had considered providing immunity to private entities for COVID-19 pandemic issues. He and Mark had chimed in and asked what about governmental entities. The bill died along with one of the bills that was being heard. A member of the Judiciary Committee finally pointed out that there was already immunity provided for entities during a state health emergency. The legislature made an amendment to one of the bills that passed.

E. Bill Miller's Report

Bill Miller stated only 30 visits and 38 classes had been made to members during the last quarter due to the COVID-19 pandemic and the resulting shutdowns. There were a few board trainings completed before the department was unable to travel. He had worked on four policy and procedure manuals and had three more to do. Last year when renewals were done, there was a spreadsheet developed to enter "red flag" items to visit members about. The "red flag" items were issues members were and were not doing to cause possible losses. The intention was to visit the members and discuss the "red flag" items to prevent potential claims. The original spreadsheet indicated that over 200 members needed to be visited. That number had decreased to 95 recently. Most of the issues were job descriptions for volunteers and a few policy and procedure manual items. Bill praised Judi Just for the work she had done to eliminate some of the "red flag" items with members. He added he and Judi had a list of members to see once the danger of COVID-19 was lifted. He had about seven boards to visit once it was safe to travel. He added Judi and Mike Todd had placed a lot of information concerning COVID-19 on the Pool's website. The staff had been instructed to encourage members with questions concerning COVID-19 to visit the Pool's website and to consult with their county health department.

Don said he was greatly concerned that if an employee of one of the member entities contracted COVID-19 on the job and the member entity was not doing its due diligence to protect the employee, that it could result in a lawsuit. He feared that most members would not visit the Pool's website for guidance. Mark replied he and Mike were seeing two extremes, one member they visited with had gone to extreme measures to provide personal protection equipment to employees to avoid COVID-19 infection, while others provided nothing. He emphasized that once provided, it was up to the employee to use that protective equipment, keep social distancing and wash their hands. He believed if the employer could prove the equipment and training was provided and the employee was informed of that provision that it would be difficult for the employee to sue the employer. He said he felt there could be a problem if the employer did not provide personal protective equipment and the employee contracted the virus. Mark added there was an exception in the Governor's order for governmental entities, so apparently the order did not apply to governmental entities. Bill Miller stated emails had been sent to Pool members to visit the Pool's website and to consult their county health department regarding COVID-19.

- **EXPENDITURES FOR JANUARY, FEBRUARY AND MARCH**

Mark Pring referred the board to their packets and reviewed the check detail and credit card statements for the last quarter. Bob King made a motion the board approve the expenditures and the credit card bills for the past quarter. Kelly Krakow seconded the motion. There was a vote, and the motion passed unanimously. The board meeting recessed at 9:19 A.M.

- **EXECUTIVE SESSION**

Rick Grant made a motion the board meeting enter the executive session portion to discuss claims and personnel issues for the purpose of matters allowed by law. Bob King seconded the motion, and it passed unanimously. The executive session began at 8:51 A.M.

Kelly Krakow made a motion the executive session be concluded and the regular board meeting resume. Bob King seconded the motion, and it passed unanimously. The regular board meeting resumed at 11:13 A.M.

- **OLD AND NEW BUSINESS**

A. PRIMA Conference
Bill Miller announced the PRIMA conference that would have been held in Nashville had been cancelled due to COVID-19. The Colorado PRIMA conference had also been cancelled. Any and all PRIMA meetings would be held virtually for the remainder of the year. Chairman Brad Basse lamented that Cheyenne Frontier Days had also been cancelled.

B. Recordables
Mike Todd said that Recordables, the new claims software, was working well. Most of the glitches had been worked out despite some miscommunications. Four users had been added to the reporting feature of the software. Mike explained there could be some charges for future developmental changes.

C. Online Training
Mike Todd explained Bill and Judi had done some research concerning online training since the COVID-19 pandemic prevented them from traveling and training in person. One possible vendor was BLR (Business Legal Resources) and another was LocalGovU which was combined with Lexipol. Mike stated online training would augment what was already being done in the Loss Control Department. Some generalities were put into a document for the board to see. Both vendors offered the option to "jump in all the way or partially". There would also be the possibility to collaborate with other pools with online training. Mike said BLR was more affordable than LocalGovU. Most of the classes offered were human resource and employment law issues. The nice thing about both vendors was that every class they offered were vetted by attorneys. He asked Bill and Judi to comment on the vendors.

Judi stated she felt that BLR was more the kind of training that the members are accustomed to as she had used it since she had started working at the Pool. The classes with BLR were easy to use and there was a test at the end. Most classes were approximately 30 minutes long and were interactive. She said that there was a section called "Heroes" in BLR where there was access to job descriptions, sample policies, and legal updates. Judi stated, in her opinion, BLR was the vendor to go with. Some of the smaller members seemed ready and excited to do online training. Unfortunately, BLR did not offer classes on law enforcement or fire protection, but LocalGovU did, so she felt that partnering with other pools or the state would be the way to go for that particular training.

Bill said he agreed with Judi, that BLR was the vendor to go with even though he had worked with

LocalGovU in the past. He had recently taken a class with BLR on COVID-19 pandemic issues and found it to be concise yet informative. He felt BLR was the best option for the price. Mike confirmed that the cost for BLR was about $16,000/year for the three-year commitment. He said he knew that it seemed like a lot of money for online training, but if it prevented one lawsuit, it would pay for itself. Mike added if the board decided to put the money in the budget, the entire amount would not necessarily have to be spent. He said he would also like to continue discussions with WARM (Wyoming Association of Risk Management) and the State to see if LocalGovU could somehow be shared with the Pool. He had understood LocalGovU had peace officer and detention center training. Mark mentioned the subject of online training had been discussed previously, but he thought that now would be a good time to try it and see if the member entities would utilize it.

Kelly Krakow stated WAM (Wyoming Association of Municipalities) had been using online training for a few years, and they had discovered the short video training classes seemed to be the most beneficial. Chairman Brad Basse said a line item could be added for online training. Mark replied that there was already a line item in the budget called "training expense", but it had previously been used for employee training. He said if the board wanted to obtain online training, it could be added to that line item for training expense. Chairman Brad Basse said he thought with the recent COVID-19 pandemic it might be a good time to try online training, especially since the added loss control position had not been filled.

D. Electronic Signatures

Mike Todd said he felt that the use of electronic signatures could greatly improve the efficiency of payments. Presently, since the checks required two signatures, the treasurer, Kelly Krakow had to either come by the office or Delene had to send them to Kelly for his signature and then wait for them to be returned. Another option was to obtain a signature stamp, and with Kelly's approval, use it for his signature. Delene had checked with the bank and they said they would approve of the procedure. Mike said there would be some information technology costs involved in using a digital signature, but he was unsure of what they would be.

Mark asked how he felt about the office obtaining a stamp with his signature. Kelly answered he wanted to do what was easiest for the staff. Don Richards asked about the procedure for signing checks. Mark replied that each check has a voucher and the invoice or release was attached. He explained the documents could be sent to Kelly electronically and he would look at them and attach his electronic signature. There would be a small cost associated, but a lot less paper shuffling, that would result in faster checks to claimants. Chairman Brad Basse said he would be a lot more comfortable with an electronic signature rather than a stamp because with a stamp there was a lot more potential for misuse. He said he used an electronic signature which was password protected. He felt it would be much more difficult for someone to abuse his electronic signature than to forge his actual signature due to the strong password. Mark said if it was acceptable to the board, then he and Mike could check into the necessary software, check with the bank, and proceed using electronic signatures. He agreed with Brad regarding his concerns about using a rubber signature stamp.

Mike mentioned a different phone system was desired, and the copier/printer may need to be replaced at some point in the future. He felt that if the board could add $20,000 to the budget, it would cover those items.

E. I.T. Matters

Chairman Brad Basse suggested that real dollar figures be entered into the budget for the copier, printer and information technology costs. Mike Todd said if a new phone system were purchased, it could enable the staff to fax from their computer to the copier. The present copier that was being used was quite old and outdated. A new copier could also become the main printer.

- **FISCAL YEAR 2021 BUDGET HEARING**

Chairman Brad Basse stated the Pool was mandated to have a budget hearing. A proposed budget was provided in the Board packet. Don Richards suggested handling the budget approval and hearing at the same time since no one from the public was present at the Zoom meeting. Brad began the budget hearing at approximately 11:47 A.M. and asked if the notice had been published as required. Mark answered that the notice had been published, and anyone from the public could call or use the computer link into the Zoom meeting. Brad said he would forego asking the typical questions since no one else from the public had called into the Zoom meeting.

Mark Pring began with the revenue section of the budget and stated that the estimated contributions for fiscal year 2021 were $2,850,000, which was $73,000 less than the last fiscal year. A credit of 15 percent had been given to all members above the minimum contribution in fiscal year 2020. The rates were lowered by 18 percent for fiscal year 2021 contributions. The "other income" amount had decreased significantly from fiscal year 2020 budget due to lower interest rates. There were no questions, so Mark proceeded to the administrative expenses portion of the budget. The salaries figure was revised to a figure of $650,000, and the payroll liabilities would be adjusted commensurate with the salary figure. The benefits line item had increased due to the health insurance increasing by five percent. He thanked Judi Just for serving on the WAM/JPIC board, and stated that he thought a five percent increase was very respectable in today's health insurance marketplace. Many of the other items in administrative expenses had remained unchanged from the fiscal year 2020 budget.

The computer fees line item had increased $150 due to the current internet provider. The computer claims software maintenance line item had been increased because as Mike Todd had alluded to previously, there were sometimes necessary program modifications beside the annual maintenance fee. The telephone expense line item had been increased because of the proposed new VoIP (Voice Over Internet Protocol) system. Mike indicated the new VoIP system would require an initial flat fee of approximately $280. There had been some negotiation with Spectrum and their cost would be approximately $100 per month. He suggested an increase of at least $2,025 in the telephone expense line item. Mark revised the $3,000 figure in telephone expense to $5,500. Brad asked if there was an upfront hardware cost. Mike replied that there was an approximate cost of $300, but the phones were free. The cost was mostly labor for the necessary changes to be made. Mike elaborated by stating that the system would enable the staff to call someone from their computer, forward their office phone to their cellphone, and had chats and online streaming. Brad asked if the cost for the handsets were covered in the monthly fee. Mike said that the cost for the handsets had been quoted as zero, so he was not sure how the provider was covering that cost. Mike added that each office would have its own line which would eliminate Delene having to transfer most calls.

Mark said the "training expense" line item should include the funding for online training if that were approved. Mark increased the line item to $22,500. Mark said he felt that roughly $75,000 was in the vehicle purchase reserve account, and that was enough with trade-ins to purchase two new vehicles, so he reduced the budget by $16,000. Mark increased the property insurance line item by $1,500. The building maintenance and supplies line item was reduced by $7,000 as most of the necessary maintenance had been completed. There was enough money left in the current budget to have the parking lot sealed and restriped and to have the cables tightened on the canopy parking structure. Mark felt it was a good idea to add another $2,000 for HVAC maintenance, so instead of reducing the building maintenance and supplies line item by $7,000, he reduced it by $5,000, which resulted in a total of $14,500. The website maintenance fee line item was increased by $100 from $650 to $750.

The claims expense portion of the budget remained the same as the 2020 fiscal year budget except that the adjuster fees expense line item was reduced. Mark explained that independent adjusters were getting difficult to find to determine liability and negotiate settlements. Jessica commented that she had also witnessed difficulty in finding adjusters.

Chairman Brad Basse asked if anyone from the board had any questions or comments concerning the proposed changes to the budget, and reiterated all the changes. Rick Grant asked if the cost for a new copier was included in the $241,000 for office equipment. Mark answered that the purchase of a new copier was not included, but it would possibly cover the lease of a copier. Mike Todd said if the choice were made to lease a copier, the Pool could "piggyback" off of the state's procurement program. He said he thought he recalled that the cost would be approximately $100 per month to lease a copier, and possibly $10,000 to $15,000 to purchase one. Brad asked if the current copier had been purchased and if there was a maintenance agreement to provide toner. Mark replied, "Yes" and added that the current copier had been a true "work horse" as it was in the office when he first started his employment at the Pool. He added that the figure in the proposed budget would only have to be changed if the board decided to purchase a copier.

Kelly Krakow said that with the changes to the proposed budget, the total administration expenses slightly exceeded the expected revenue. Mark said that the "Transfer of Member Equity" line item would be adjusted accordingly. Chairman Brad Basse said he had failed to mention the increase in the payroll liabilities previously. He felt that any motion to approve the budget would have to include that and the adjustment of the "Transfer of Member Equity" line item. He concluded the budget hearing at 12:08 P.M. Don Richards made a motion that the proposed budget for fiscal year 2021 be approved with changes as discussed in the budget hearing. The changes included the adjustment of payroll liabilities commensurate with the increase in salaries and the adjustment of the "Transfer of Member Equity' line item as discussed in the budget hearing. Kelly Krakow seconded the motion, and it passed unanimously. Chairman Brad Basse thanked the people who had prepared the proposed budget as it was easy to understand.

- **NEXT BOARD MEETING**

Chairman Brad Basse suggested that the next board meeting be held at 8:00 A.M., on Thursday, July 30, 2020, at the Cheyenne office, if possible, considering the COVID-19 situation. Typically, the July board meeting was held elsewhere due to the conflict with Cheyenne Frontier Days. He

asked if there was anything else to come before the board. There were no replies, so he again welcomed Jessica Weaver to the board and said he looked forward to meeting her in person. Jessica said she had enjoyed it and looked forward to meeting everyone in person as well. Mike thanked everyone for participating via Zoom.

- **ADJOURNMENT**

Bob King made a motion that the meeting adjourn. Rick Grant seconded the motion, and the vote was unanimous. The board meeting adjourned at 12:11 P.M.

Approved:

Brad Basse, Board Chairman

7-30-20
Date