



LOCAL GOVERNMENT LIABILITY POOL

MEETING INFORMATION

August 5, 2021 | 8:00 a.m.

Quarterly meeting held in-person in Cheyenne and online.

MEMBERS PRESENT

Brad Basse, Chairman, At-Large Member
Kelly Krakow, Treasurer, Mayor of Town of Albin
Linda Smith, Secretary, City of Rawlins
Rick Grant, Converse County Commissioner
Robert “Bob” King, Lincoln County Commissioner
Don Richards, Shoshone Municipal Pipeline
Jessica Weaver, Tongue River Community Center

STAFF PRESENT

Mike Todd, Executive Director
Torey Racines, General Counsel
Bill Miller, Loss Prevention Manager
Judi Just, Loss Prevention Representative
Mary Augustin, Risk Management Consultant
Andrea Hixon, Risk Management Consultant
MaryBeth Oatsvall, Paralegal

EXECUTIVE SUMMARY

Board members and the Local Government Liability Pool (LGLP) met in-person in Cheyenne and online to discuss topics related to cybersecurity insurance; audit RFP; non-governmental entities and coverage considerations. The Board also discussed risk & loss reports and April, May, and June expenditures. A portion of the meeting was held in executive session.

CALL TO ORDER

Chairman Brad Basse called the meeting to order at 8:00 A.M.

WELCOME AND INTRODUCTIONS

The Board welcomed new employees: Mary Augustin, Andrea Hixon and MaryBeth Oatsvall and introductions were made.

APPROVAL OF THE APRIL 29, 2021, MINUTES

The Board considered the minutes from the April 29, 2021, meeting. Treasurer Krakow moved that the minutes be revised on page 5 under “Executive Session” to move the motions out of the executive session. The Board approved the minutes as revised by voice vote.

CYBERSECURITY INSURANCE OVERVIEW

Executive Director Todd provided an overview of the cyber insurance proposal provided by HUB. The overview included discussion regarding tailored cyber coverage options, claim scenarios, cybersecurity and regulatory terms and cost options. Executive Director Todd also provided an overview of the proposals submitted by Hiscox Cyberclear and RPS and stated that the RPS quote includes coverage for phone hacking.

After Board discussions regarding carriers who become solvent within the state, exposures, limits, business interruption, prevention, and retroactive date for prior acts, Treasurer Krakow moved LGLP purchase cybersecurity insurance, carrier to be determined by the Board after consultation with Executive Director Todd, Treasurer Krakow and member Weaver. The motion passed unanimously by voice vote.

Executive Director Todd also briefly discussed migrating the network to the cloud vs. replacing servers and costs.

AUDIT RFP

Executive Director Todd discussed LGLP’s annual audit, process, and current contract with McGee, Hearne & Paiz, LLP. After discussion regarding increased fees for the assurance services member Richards expressed support for reaching out for other bids.

Secretary Smith moved LGLP obtain other request for proposals for the annual audit. The motion passed unanimously by voice vote.

NON-GOVERNMENTAL ENTITIES

Executive Director Todd discussed membership eligibility issues, renewals and entities that do not meet the definition for LGLP coverage. Executive Director Todd asked for Board guidance as to how LGLP should handle coverage for these entities.

Torey Racines, LGLP Legal Counsel, noted that this conversation is likely privileged and contained confidential legal issues and should be held in Executive Session.

Chairman Basse tabled the discussion until the Executive Session.

COVERAGE CONSIDERATIONS

a. Declaratory Actions/Injunctions

Executive Director Todd discussed a recent *pro-se* matter where the Plaintiff filed in federal district court and was alleging that taxing his residence was unconstitutional and sought a federal court order requiring the county assessor remove the Plaintiff's home from the tax rolls.

Counsel Racines expressed concerns that for federal injunctive actions LGLP is the attorney pool. He provided a light analysis regarding LGLP defending against federal lawsuits that seek only non-monetary relief and noted reasonable reading of the statutes supports we are a Pool, and these matters are not covered. Counsel Racines also discussed amending the coverage documents to include or exclude this type of coverage.

After Board discussion, it was determined that this topic would be discussed further during Executive Session.

b. EEOC Claims

Executive Director Todd noted the large number of recent EEOC claims against members. He stated providing representation right away or when the entity starts the process of terminating an employee could potentially mitigate future lawsuits.

After Board discussion, it was determined that Executive Director Todd and Counsel Racines would clarify the process going forward and determine representation on a case-by-case basis.

c. Legislation – Federal Limits

Counsel Racines provided an update from the April Board meeting discussion regarding proposed legislation amending Section 1-39-110 of the Wyoming Governmental Claims Act and its potential sponsorship. The amendments would retain the cap on the WGCA claims at \$500,000.00 per occurrence while also allowing coverage up to the WGCA cap for health care provider liability, per Section 110(b). The proposed legislation would allow the Board to cover members for federal claims at whatever amount it deems prudent for the Pool and its members. Counsel Racines also discussed the legal inconsistencies in LGLP coverage documents and limits in Section 1-42-202(e).

Chairman Basse expressed support for draft legislation. After Board discussion, it was determined that this topic would be discussed further during Executive Session.

d. Rules/Regulations

Counsel Racines provided an overview of LGLP's liability program – what is covered and what is not covered, in addition to an overview of the red-lined and a clean copy Rules & Regs. Counsel Racines also noted exclusions, touched on indemnification, and stated updating the rules is necessary to better reflect LGLP's practice and intent.

After Board discussion, regarding claim policies, deductibles and striking references to retention it was decided that this topic would be discussed further during Executive Session.

RISK & LOSS REPORTS

Bill Miller, Loss Prevention Manager provided the Board with an overview of the in-person trainings he and Judi Just, Loss Prevention Representative have conducted. The 53 trainings included sexual harassment and board trainings. Manager Miller also briefly discussed attending the WAM conference held in Cheyenne and a meeting with Tom Thompson and John Bowers regarding mitigating claims for member employee terminations.

Loss Prevention Representative Just discussed sprucing up our website.

EXPENDITURES FOR APRIL, MAY & JUNE

Executive Director Todd discussed LGLP's projected financial position gains, credit cards payments and settlements. He also discussed office computer purchases, training expenses, and consultant fees. He noted LGLP's actuary recently passed and options going forward.

Treasure Krakow moved to have the budget and financial reports be approved and placed on file. The motion passed unanimously by voice vote.

EXECUTIVE SESSION

Treasurer Krakow moved the Board resolve itself into executive session at 10:16 a.m. to discuss personnel issues, current claim, and litigation matters. The executive session concluded at 12:50 p.m.

Treasurer Krakow moved to give LGLP the authority for negotiating claims and settlement of three cases discussed during executive session. The motion passed unanimously by voice vote. Treasurer Krakow moved LGLP move forward with the revised Rules & Regs and coverage memorandum with one noted change to the Rules & Reg under:

Section 2. Establishment of Local Government Assessment.

- (b) The Executive Director shall review the applications and establish appropriate assessments, deductibles and retention amounts, in accordance with W.S. 1-42-203(a)(iv) through (a)(vi). The assessments, deductibles and retentions established must be sufficient to operate the program on actuarially sound principles, including consideration of the expenditures authorized under W.S. 1-42-201 through W.S. 1-42-206, consideration of the risk and loss experience of the program and the relevant risk and loss experience in the region, and consideration for the development and maintenance of adequate reserves. The ~~Executive Director~~ [Local Government Liability Pool](#) will then bill the local government for the assessment.

The motion passed unanimously by voice vote. The Board took no action regarding the injunctive relief discussion.

OLD AND NEW BUSINESS

Building Maintenance – Painting, Landscaping, Window Treatments and Basement Water Issues

Executive Director Todd discussed the new paint in upstairs offices, landscaping quotes, adding cellular blinds for windows on the west side of the building and the purchase of a used Kyocera copier. He also discussed the failing condenser on the HVAC system and basement water issues. He noted that he was looking for estimates and/or bids regarding the water issues and would report back to the Board. Executive Todd further discussed mitigating lawsuits and the possibility of retaining Kathy McPherson to work with entities regarding employee terminations.

Executive Director Todd also noted that Board member terms were set to expire and asked those members if they would like to continue. To which Board members Krakow, Smith, and Richards stated they would like to continue for another term.

NEXT BOARD MEETING ANNOUNCEMENT

The next board meeting will be held in-person and virtually at 8:00 a.m., on Thursday, October 28, 2021.

MEETING ADJOURNMENT

There being no further business the meeting adjourned at 1:03 p.m.

Board Meeting

August 5, 2021

Respectfully submitted,



Brad Basse, Chairman, At-Large Member

Dated: 11-19-21