LOCAL GOVERNMENT LIABILITY POOL

MEETING INFORMATION

January 25, 2024 | 8:00 a.m.
Quarterly meeting held in-person in Cheyenne and online.

MEMBERS PRESENT

Brad Basse, Chairman, At Large Member
Richard Grant, Jr., Vice Chairman, Converse County Commissioner (excused)
Kelly Krakow, Treasurer, Mayor, Town of Albin
Lori Ibarra, Tri-City Parks & Recreation District, Administrator
Mike Bailey, City of Riverton Council Member
Hale Redding, Weston County Weed & Pest, District Supervisor
Lonnie Wright, Sheridan County Commissioner (*via* zoom)

STAFF PRESENT

Torey Racines, Executive Director
Tom Thompson, Litigation Attorney
MaryBeth Oatsvall, Paralegal/Claims Manager
Pennie McDaniel, Administrative/Fiscal Assistant
Andrea Hixon, Risk Management Consultant
Cassidy Mueller, Risk Management Consultant

EXECUTIVE SUMMARY

Board members and the Local Government Liability Pool (LGLP) met in-person in Cheyenne and online to discuss topics related board nominations, policy review pilot program, and WASCOP update. The Board also discussed risk & loss reports, expenditures for October, November, and December of 2023. Board members received an overview of the actuarial relativity study and held a contribution rate hearing. A portion of the meeting was held in executive session.

CALL TO ORDER

Chairman Basse called the meeting to order at 7:55 a.m.

APPROVAL OF THE OCTOBER 26, 2023 MEETING MINUTES

Member Redding moved the Board approve the general session and executive session minutes from the October 26, 2023 meeting. The motion passed by voice vote with member Grant excused.

BOARD ELECTION RESULTS

Director Racines discussed the Board election results for the three (3) seats up for election: County Commissioner, Special District Representative and Elected Municipal Official. He stated the seats for County Commissioner and Special District Representative were uncontested, with the incumbents Richard Grant and Hale Redding receiving all the ballots cast for those positions. For the Elected Municipal Official, Mike Bailey received over 50% of the vote in a four-way race and won the elected municipal official position without need for a runoff.

Public Comment

No one from the public commented on this topic.

Board Action

No formal action was taken.

RISK & LOSS PREVENTION REPORTS

Risk Management Consultant Hixon provided an overview of risk and loss prevention reports. The overview included updating the Board on training delivered, member visits and training attended during October, November, and December. Ms. Hixon also discussed future training plans for members.

Public Comment

No one from the public commented on this topic.

Board Action

No formal action was taken.

EXECUTIVE DIRECTOR'S REPORT

a. Entity additions/cancellations

Director Racines discussed the addition of six (6) new members. He noted other member changes as four (4) members merged with existing members and two (2) member entities dissolved.

Director Racines also discussed LGLP's property and vehicle coverage will not be continued by The Hub. He noted the property insurance sector being under pressure from poor financial performance due to high inflation and the possibility of joining WARM for coverage.

b. Policy Maker Pilot Proposal

Director Racines provided an overview of the policy maker pilot proposal. The LGLP provides policy assistance to members. These policy reviews provide members with recommendations for improving their policies that reduce risk exposure. LGLP estimates that it reviews approximately 15 policies per year and estimated staff time is about 10 hours per policy review.

Director Racines noted BLR (Business & Learning Resource) is a national resource in the employment law field and offers an online, interactive "Employee Handbook Builder"
which allows users to build an employee handbook based on their needs. It is state-specific, and because LGLP is a member of BLR, we can allow our members to utilize the handbook builder program for $128 per member and for $64 per year after the initial year.

Director Racines discussed rolling out this resource for members seeking policy assistance. Typically, this is one to three members per month. Additional licenses can be purchased if demand increases and if the use and satisfaction with the produce warrant continuation of the program.

Public Comment

No one from the public commented on this topic.

Board Action

After Board discussion regarding the concept, the Board was in favor of implementing a pilot program and requested that Director Racines include a budget request under Line 22: "3rd Party Training Expense" on the Budget Report.

c. WASCOP update

Director Racines provided the Board with an policy project status update. He noted Byron Oedekoven, Executive Director, Wyoming Association of Sheriffs and Chiefs of Police has retired. Allen Thompson has now filled the role of Executive Director. Director Racines noted the policy project is well underway with the WASCOP team beginning their review.

Director Racines provided the Board with a usage report breakdown of Wyoming Counties who are engaging in the online Detention and Corrections Online Academy (DACOTA) training from August 2023 through January 2024.

Public Comment

No one from the public commented on this topic.

Board Action

No formal action was taken.

d. Budget review

Director Racines provided highlights of fiscal year month-by-month, revenues, and expenditures. He noted new hires impacted administrative expenses. He also stated overall income investments better than last year and was optimistic WYOSTAR II will level out with generated interest.

EXPENDITURES FOR OCTOBER, NOVEMBER and DECEMBER

Director Racines provided a brief overview of the bill payment list, credit card expenditures and banking statements.

Board Action

Member Krakow moved the Board approve the expenditures for October, November, and December 2023. The motion passed by voice with Member Grant excused.

ACTUARIAL RELATIVITY STUDY

Senior Consultant and Actuary, Ziruo Wang, FCAS, MAAA provided the Board with an actuarial overview. The overview provided discussion points regarding reserving, funding, and relativities with a historical perspective for looking back at outstanding losses and projected funding. Actuary Wang touched on the determination of liability by GASB 10, projected loss rates and rate by member type. He discussed funding components and expected losses can be offset by investment income and the higher the confidence level the more conservative you are and noted LGLP's 70% confidence letter.

In summary, Actuary Wang noted outstanding liabilities increased by $0.4 million from June 2022 through June 2023 with funding at the 70% confidence level with an increase of 9% for projected ultimate limited losses from the prior study.

CONTRIBUTION RATE HEARING

Chairman Basse opened the rate contribution setting hearing at 9:26 a.m.

Director Racines discussed rate setting considerations. He noted for the first time in more than a decade the actuarial study includes a reevaluation of the relativity rates. The study provided two (2) options for updated relativity rates. Option 1 apportions contribution rates strictly with most of our current categories of entity type. Based on the formulas used, Option 1 shows a dramatic increase in rates for two smaller categories – airport boards and fair boards. Option 2 places airport boards and fair boards into the "Other" category and thereby spreads the increase out among a larger group of entities. Total contributions have decreased over the last four (4) years, while expenditures have increased. He stated despite the decrease in projected financial position, the Pool is well funded.

Director Racines recommended that the Board adopt Option 2 at a 70% confidence level. This represents a modest increase for some types of entities (notably Counties and Municipalities) and a modest decrease for our entities with low loss rates in relation to their contribution percentage to the whole pool.

After Board discussion, the hearing closed at 9:50 a.m.

Public Comment

No one from the public commented on this topic.

Board Action

Member Krakow moved the Board adopt a seventy percent (70%) confidence level (Option 2) as discussed. The motion failed by voice vote with Members Bailey, Ibarra, Redding, and Wright voting no and Member Grant excused.

Member Bailey moved the Board adopt a eighty percent (80%) confidence level (Option 2) with a minimum deductible amount of six hundred dollars ($600.00). The motion passed by a voice vote with Member Grant excused.

EXECUTIVE SESSION

Member Bailey moved the Board resolve itself into executive session at 10:04 a.m. to discuss current claims, litigation and personnel matters pursuant to W.S. 16-4-405. The executive session concluded at 11:44 a.m.

Board Action

No formal action was taken.

OLD OR NEW BUSINESS

Director Racines discussed the timeline for Ross Construction to create an enclosed office space for Risk Management Consultant Mueller. He also briefly touched on the upcoming legislative session and HB0065 Public officer fiscal training-amendments, HB0081 Public officer training-amendments, and HB0049 By the people act, which would amend the public meetings act.

Member Wright discussed Commissioner meetings scheduled the Wednesday before LGLP's Thursday quarterly meeting. He noted that sometimes the Commissioner meetings ran late and didn't allow for the time to travel from Sheridan County to attend in-person meetings in Cheyenne. Director Racines noted that nothing in LGLP's rules precluded the Board from moving the quarterly dates.

Board Action

The Board took no formal action but directed Director Racines to reach out to Member Grant and propose tentatively changing the current quarterly meeting dates to May 2, 2024, August 1, 2024, and November 7, 2024.

NEXT BOARD MEETING ANNOUNCEMENT

The next board meeting will be held in-person and virtually at 8:00 a.m., on Thursday, May 2, 2024.

MEETING ADJOURNMENT

There being no further business the meeting adjourned at 12:02 p.m.

Respectfully submitted,

Brad Basse, Chairman Dated: 5-2-24