LOCAL GOVERNMENT LIABILITY POOL

MEETING INFORMATION

August 7, 2025 | 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
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

STAFF PRESENT

Torey Racines, Executive Director
Tom Thompson, Litigation Attorney
Tom Rumpke, Litigation Attorney
MaryBeth Oatsvall, Paralegal/Claims Manager
Pennie McDaniel, Administrative/Fiscal Assistant
Andrea Hixon, Risk Management Consultant
Elizabeth Harris, Paralegal (*excused*)

EXECUTIVE SUMMARY

The Board met in-person in Cheyenne and online to discuss topics related to current and new investment options, entity additions/cancellations, internal policy adoption, updates on WASCOP grant program, Board Retreat, pending audits, actuarial study and renewal of AON services, and budget review. The Board also discussed risk & loss reports, expenditures for April, May and June. A portion of the meeting was held in executive session.

CALL TO ORDER

Chairman Basse called the meeting to order at 8:00 a.m.

APPROVAL OF MAY 1, 2025 MEETING MINUTES

Member Wright moved the Board approve the general session and executive session minutes from May 1, 2025. The motion passed by voice vote.

WYOMING CLASS

Troy Hunsucker, Regional Director for Wyoming CLASS, provided the Board with an overview of investing with Wyoming CLASS. He noted Wyoming CLASS is a local government investment pool that allows Wyoming public entities to pool funds together while earning interest on their investments. Mr. Hunsucker discussed who can participate, permissible investments, safety, liquidity, yield and convenience. While similar to WyoSTAR I, WyomingCLASS investments can be withdrawn daily.

CURRENT AND NEW INVESTMENT OPTIONS

Director Racines discussed WyoSTAR I in which LGLP currently invests. WyoStar I is a short term investment vehicle. The minimum transaction size for a deposit to the pool is $1,000.00. Under a new rule, transactions can only be initiated on a monthly basis. Each participant has an individual interest in the pool based on the ratio of that participant's cash balance as a percentage of the total cash balance of the pool. Income is distributed to participants based on each entity's average daily cash balance in the pool. Interest is calculated and credited monthly. The Pool does not have a guaranteed rate of return, and Participants expose their investments to market losses as well as gains.

Director Racines noted that LGLP also invests in WyoSTAR II as longer term investment. The minimum transaction size for a deposit to the pool is $25,000.00 and transactions can only be initiated on a quarterly basis. Funds must be invested for a minimum term of three (3) months. Pool participants are subject to an early withdrawal penalty. Each participant will have an individual interest in the pool based on the ratio of that participant's cash balance as a percentage of the total cash balance of the pool. Income will be distributed to participants based on each entity's average daily cash balance in the pool. Interest will be calculated and credited to the participants' accounts monthly. The Pool does not have a guaranteed rate of return, and Participants expose their investments to market losses as well as gain.

Director Racines also discussed pros and cons of investing in Senate File SF0145, Enrolled Act No. 56, which provides for the investment of funds belonging to local

governments in equities. This Act authorizes local governments (generally, cities, counties, towns, and special districts) to directly invest in stocks and equities. All risks of investing in stocks and equities are assumed by the governmental entity making the investment. The Act provides that a political subdivision that invests in stocks and equities must establish an investment advisory board that provides advice and expertise on local governments' investments in stocks and equities. Investments in stocks and equities must comply with all investment policy statements that the State Loan and Investment Board, which became effective July 1, 2025.

Director Racines also provided comments regarding FNBO interest bearing accounts and LGLP's sweep account, which do not currently show returns as high as either Wyoming CLASS or WyoSTAR I for a money market account and accessing funds.

Public Comment

No one from the public commented on this topic.

Board Action

Member Bailey moved the Board invest with Wyoming CLASS. The motion further directed Director Racines to set up a resolution and move 25% ($5-6 million) of investments from WyoSTAR I. The motion further provided Director Racines with flexibility regarding investment account requirements, such as timing. The motion passed by voice vote.

RISK & LOSS PREVENTION REPORTS

Risk Management Consultant Hixon provided a brief update regarding the renewal process and risk and loss prevention reports. The overview included updating the Board on training delivered, member visits and training attended during April, May and June. 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 provided the Board with updates on four (4) new members and noted the City of Torrington as returning to the Pool.

b. Department of Audit – Credit Card Audit

Director Racines discussed complying with the comprehensive audit performed by the Department of Audit, Public Funds Division for local governments within Laramie County.

c. MHP Audit

Director Racines noted that the MHP audit is scheduled in September 2-5 in office – and will last for several weeks. He also noted new guidance on compensated absences in Governmental Accounting Standards Board (GASB) Statement No. 101.

d. AON Renewal

Director Racines provided an overview of AON's proposal for actuarial services. The overview provided an introduction, scope of work, a review of project team and roles, and professional fees. Director Racines recommended the Board conduct a yearly actuarily study, relativity study and a deductible credit analysis for the next 3 years as priced in the AON proposal.

Public Comment

No one from the public commented on this topic.

Board Action

Member Redding moved the Board engage AON to conduct a yearly actuarily study, relativity study and a deductible credit analysis as recommended by Director Racines. The motion passed voice vote.

e. *WASCOP Update*

Director Racines provided the Board with an update regarding WASCOP. The narrative provided by Wyoming Association of Sheriffs and Chiefs of Police (WASCOP) member departments' showed increased engagement with the Path of the Guardian training program and State-wide Policy Manual access. The report contains positive steps to reduce liability and proactively manage risk and reflects efforts to mitigate risk and reduce costly litigation.

Public Comment

No one from the public commented on this topic.

Board Action

No formal action was taken.

f. *Board Retreat*

Director Racines provided the Board with a tentative schedule for the Board Retreat scheduled for February 4-6, 2026 in Saratoga. He discussed topics with goal setting.

Public Comment

No one from the public commented on this topic.

Board Action

The Board directed Director Racines to finalize the contract with Saratoga Hot Springs Resort for the Board Retreat in February 2026.

g. Employment Attorney Assistance Program

Director Racines discussed an increase in the number of employment law claims in the past several years. Many of these cases could have been prevented by, an early consultation with an employment lawyer. LGLP has created a short list of Wyoming attorneys who practice employment law and are willing to provide phone consultations to our local government members at a reasonably low, discounted hourly rate. As an incentive to seek legal advice, LGLP will reimburse our members for the first $300 of any hourly fee they incur during their fiscal year membership. This program is voluntary. A member must call LGLP prior to engaging with the attorney and LGLP

must approve the consultation for the reimbursement program. Director Racines recommended increasing the reimbursement program up to $600.

Public Comment

No one from the public commented on this topic.

Board Action

Member Wright moved the Board to approve increasing the reimbursement for consultation with the Wyoming attorneys who practice employment law up to $600. The motion passed by voice vote.

h. LGLP Policies

Director Racines discussed more in depth the new guidance on compensated absences in Governmental Accounting Standards Board (GASB) Statement No. 101, which essentially states, when compensated absences are provided to employees in exchange for the employees' services, recognition of a liability for leave that has not been used should occur because the employee has already performed the services to which the compensated absence is attributable.

Director Racines also noted that while LGLP has written and verbal policies and procedures regarding credit card usage, use of personal vehicles, employee concealed carry and employee leave (vacation, sick and compassionate) and paid holidays, the Board should discuss and formally approve the written policies included in the Board Packet.

Public Comment

No one from the public commented on this topic.

Board Action

Member Krakow moved the Board approve the proposed LGLP Credit Card and Employee Agreement policy. The motion passed by voice vote.

Member Bailey moved the Board approve the proposed Authorized Use of Personal Vehicles policy. The motion passed by voice vote.

Member Wright moved the Board approve the proposed LGLP Employee Concealed Carry policy. The motion passed by voice vote.

After Board discussion, Member Krakow moved the Board approve the proposed LGLP Employee Leave and allow employees with a minimum of 80 hours accrued sick leave the ability to donate up to 40 hours per year to another employee in need of sick leave. The motion passed by voice vote.

i. Budget review

Director Racines reviewed FY25 budget report. Compared to FY24, he noted total expenditures up by $200,000. Settlements accounting for $170,000 of the increase. He noted lower attorney fees in the claims expense category due to bringing counsel in house. Director discussed LGLP's contributions remaining stable for FY26 at approximately $3.6 million and an overall increase in cash and investments over FY24.

Public Comment

No one from the public commented on this topic.

Board Action

Member Krakow moved the Board approve budget expenditure and revenue report as discussed by Director Racines. The motion passed by voice vote.

EXPENDITURES FOR APRIL, MAY and JUNE

EXECUTIVE SESSION

Member Wright moved the Board to resolve itself into executive session at 10:58 a.m., to discuss current claims, litigation and personnel matters pursuant to W.S. 16-4-405. The executive session concluded at 12:01 p.m.

Board Action

No formal action was taken.

OLD OR NEW BUSINESS

a. Upcoming Board Elections

Director Racines discussed the upcoming Board member election with ballot submissions to be sent to members by mid-August with a October 15th, cutoff deadline for Board ballot submissions and a mid-December deadline for voting. He noted Chairman Basse's term is ending in December. Chairman Basse indicated he would run for re-election the "at-large" seat.

Board Action

Vice-Chairman Grant moved the Board nominate Chairman Basse for re-election. The motion passed by voice.

NEXT BOARD MEETING ANNOUNCEMENT

The next board meeting will be held in-person and virtually at 8:00 a.m., on Thursday, November 6, 2025.

MEETING ADJOURNMENT

There being no further business the meeting adjourned at 12:04 p.m.

Respectfully submitted,

Brad Basse, Chairman Dated: 11-6-25