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ASSOCIATION OF GOVERNMENTAL RISK POOLS

Minutes

Board of Directors Meeting
January 24-25, 2011
Boardroom, Hilton Hotel
Marco Island, FL

(Note. Consistent with Board Governance Policy 5.6, unanimous votes are recorded as “carried” or “failed. If there is a “split vote” it is recorded by noting the number of votes “for”, “against”, “abstained” or “absent” among those otherwise reflected as “present”; unless a roll call vote is taken, wherein the vote of each Board member is recorded the same as in a “split vote”).

Vice President Bubb called the meeting to order at 9:32 a.m. on Monday, January 24, 2011. He noted that the board term for President Mangels expired on December 31, 2010
Directors present were:

Vice President Shawn Bubb, Montana Schools Group Insurance Authority
Donna Abersman, Alliance of Schools for Cooperative Insurance Programs (CA)
David Brooks, County Commissioners Association of Ohio
Steve James, Maryland Association of Boards of Education
Johnnie Miller, Utah Counties Insurance Pool (whose election is confirmed in the
Consent Docket)
Terry Norwood, Midwest Public Risk (MO)
Michael Rhyner, Michigan Municipal Risk Management Authority
Robyn Sykes, Minnesota Counties Intergovernmental Trust
Jonathan Woods, Oklahoma Municipal Assurance Group

Also present was AGRiP CEO Harold Pumford

Approval of Agenda

Mr. Rhyner, seconded by Mr. James, moved to approve the Agenda as presented. The motion carried.

Consent Docket

Mr. Norwood, seconded by Mr. Rhyner, moved to approve the Consent Docket items as presented. The motion carried.

Consent items approved were:

- a. Approve Minutes of the October 17, 2010 meeting.
- b. Confirm election to the Board and declare Johnnie Miller and Robyn Sykes elected to terms on the Board beginning January 1, 2011.
- c. Receive Financial Statements as of December 31, 2010.

Orientation for new Board members

Mr. Rhyner presented a 72 minute orientation on Policy Governance™ for the benefit of all Board members and especially for new director Miller attending his first meeting and for Ms. Sykes attending her first board orientation session.

Election of Officers

Mr. Bubb noted that as the first meeting in an odd-numbered year, it is time to elect officers for new two year terms, as provided in the Bylaws.

Mr. James, seconded by Mr. Rhyner moved to elect Shawn Bubb as President. The motion carried.

Mr. Woods, seconded by Ms. Sykes, moved to elect Dave Brooks as Vice President. The motion carried.

CEO Organizational Report

Mr. Pumford then presented his Organizational Report reviewing membership activity noting that there is a net gain of four member pools in the year, for a total of 181 pool members, plus CAJPA. Individual Pool Associate members increased to 226 from 221 at the beginning of the year. He also noted an upcoming meeting in April between himself and Ann Gergen, the Executive Director of the National League of Cities Risk Information Sharing Consortium to discuss activities of mutual interest.

Board Action Items

From 11:35 am until 4:50 pm, the Board conducted a wide-ranging discussion of strategic and operational issues, with board action on certain issues. During this time there was a working lunch and breaks which are not specifically denoted in these minutes.

Review of the Education Plan

Ms. Abersman led a discussion of the existing Education Plan. Based on the discussion, Mr. Pumford advised that he would make recommendations at a future meeting to modify the way in which the Education Plan is used to determine curriculum for the annual conferences, summer Institute and the annual conference of the Public Risk Management Association.

Development of a Mentoring Plan

Mr. Woods facilitated a discussion a proposed mentoring program as set forth in a draft report issued by the CEO-appointed Professional Development and Mentoring Committee. As there were a number of concerns about the scope and viability of some of the proposals or recommendations in the report, it was agreed that Mr. Woods would summarize the Board's assessment in a report to Mr. Pumford. (See attached report).

How to Increase Member Interest in Serving on the Board

Mr. Miller led a discussion on this subject, in which there was general agreement that with four candidates in each of the past two elections this appears to provide more than adequate interest in board service. However, there were a number of suggestions as to how board members should and could increase their visibility at organizational events as

a means to highlight the important role of the board in establishing policy and monitoring performance of the organization. With four candidates filing for two positions in the last election, it was noted that if there were more candidates, that could result in a person being elected to the board with as few as 17% of the votes.

Future location of the AGRiP office

Mr. Norwood said that after extended discussions and considerations, the Office Location Criteria Committee believes a firm decision should be made on a permanent, future location for the AGRiP office; and that they believed the climate, costs and air transportation options from Austin, TX, make it the most desirable location.

Mr. Norwood, seconded by Ms. Abersman, moved that the AGRiP headquarters office be moved to Austin, TX within six months of the actual retirement of Mr. Pumford. After extended discussion, the motion carried with six “for” and one “against” votes.

With this action, the committee completed its work and was dissolved.

Legislative Advocacy

Mr. Rhyner led the discussion on how AGRiP should be involved in legislative advocacy. There was extended discussion of the current practice to lobby only for legislation and or regulatory issues directly affecting the organization and/or operations of public entity pools, as opposed to issues affecting pool members. It was the consensus of the board that this practice should be continued. Further, the consensus was that AGRiP should be in a position to provide resources to support pool lobbying issues at the state level; and to continue to refine and enhance the Advisory Standards program to encourage professionalism and best practices within the pooling community.

Structure and Membership of CEO Appointed Committees

Mr. Brooks facilitated the discussion and presented a handout he prepared setting forth the charge and membership for the four current committees appointed by the CEO: the Professional Development and Mentoring Committee, Membership Practices Committee, the Acknowledgement and Awards Study Committee and the Healthcare Reform Legislation Study Committee. It was noted that 33 individuals and pools are represented on the committees.

Eligibility to Serve as a Designated Representative

Mr. James facilitated the discussion by noting that the Bylaws provide that a Designated Representative is to “represent the interests” of Regular member pools; is appointed by the pool’s governing body, casts votes on behalf of the member and that only Designated representatives may be elected to the board. There was considerable discussion of whether further restrictions should be placed on who can serve as a Designated representative as well as whether others in a pool should be allowed to serve on the board.

Mr. Rhyner, seconded by Mr. Miller, moved to approve the recommendation of the President to appoint Directors James, Brooks and Woods as a committee to further review the issues raised in this discussion and to present their report at the March meeting, at which time the committee will be dissolved. The motion carried.

Recommendations from the Acknowledgement and Awards Study Committee

Mr. Pumford reviewed the report he received recently from the committee he appointed to consider and make recommendations to him regarding merits and value of a formal, on-going program to recognize outstanding achievements or service which contribute to further the best interests and/or practices of public entity pooling; and if determined appropriate, to make recommendations on key elements for such a program. There was extensive discussion of the topic and the committee report.

Ms. Abersman, seconded by Mr. James, moved to add a new End 5 to read: “As a result of our efforts there shall be an annual program beginning at the 2012 annual membership meeting to recognize outstanding individuals, intergovernmental pools and other groups or organizations consistent with the December 2010 report of the AGRiP Acknowledgement and Awards Study Committee”. The motion carried.

Appointment and Terms for Audit Committee

Mrs. Abersman, seconded by Mr. James moved to approve the recommendation of President Bubb to appoint Mr. Miller to the Board Audit Committee for a term to begin at the conclusion of the 2011 Annual Meeting; and set terms for committee members as follows:

<u>Committee Member</u>	<u>Term to expire at the conclusion of the Annual Membership Meeting in</u>
Bubb	2011
Norwood	2012
James	2013
Miller	2014

The motion carried.

President Bubb recessed the meeting at 4:50 pm and reconvened it at 9:30 am on Tuesday, January 25. A number of the motions related to discussion items listed above occurred at this time.

Annual Review of Governance and Board/Staff Relationship Policies

The board next reviewed the Governance Process and Board/Staff Relationship Policies.

Ms. Abersman, seconded by Ms. Sykes, moved to reaffirm the policies as they currently exist. The motion carried.

CEO Monitoring Reports

The board next took up the evaluation of the CEO, pursuant to BSR-4 Monitoring Method and Frequency, as to Monitoring Reports filed for:

1. Executive Limitations Policy 12 – *Educational Programming*, and
2. End 3 – *Member Satisfaction*

The board reviewed each of the written Monitoring Reports.

Mr. James, seconded by Mr. Rhyner, moved that the CEO has achieved Substantial Compliance for Executive Limitation Policy 12. The motion carried.

Ms. Abersman, seconded by Mr. James, moved that the CEO has achieved Exemplary Performance regarding End 4. The motion carried

Board members informally expressed their desire to find a means to restate the Executive Limitations Policies in a positive or affirmative context and to use the term “he/she” rather than a specific gender reference throughout the Governance Policies.

2012 Board Retreat

It was the consensus of the Board to conduct a full two-day retreat in late January 2012 at the Hilton El Conquistador Hotel in Tucson; and in 2013 in Calistoga, CA.

Board Monitoring

The Board next monitored its process and performance for the meeting under standards reflected in the GP and B/SR Policies, especially as to comparison of actual board activity and discipline. (GP-2, 8 and GP-8, 4.a.). The consensus was the board activity and discipline was consistent with these standards.

Evaluation of Retreat

Ms. Abersman noted in particular that the board had discussed and acted on a number of important and difficult issues during this meeting. It was the consensus that the meeting format worked well, especially the board member-facilitated discussions, and that two full days should be set aside for future retreat meetings.

The President adjourned the meeting at 12:19 p.m.

Harold Pumford, CEO