

P.O. Box J, Prague, Oklahoma 74864
1023 North Jim Thorpe Boulevard

ASSOCIATION OF GOVERNMENTAL RISK POOLS

Minutes

Board of Directors Meeting

August 2, 2009

Boardroom

The Essex Resort and Spa

Essex, VT

(Note: Consistent with Board Governance Policy 5.6, votes that are unanimous among those voting 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”).

President Mangels called the meeting to order at 2:05 p.m. on Sunday, August 2, 2009.

Directors present were:

President Cheryle Mangels, Colorado School Districts Self Insurance Pool
Vice President Shawn Bubb, Montana Schools Group Insurance Authority
Donna Abersman, Alliance of Schools for Cooperative Insurance Programs (CA)
Ken Horner, Cities & Villages Mutual Insurance Company (WI)
Steven James, Maryland Association of Boards of Education
Lester Nixon, North Carolina Association of County Commissioners
Terry Norwood, Midwest Public Risk pool in Kansas City, MO
Michael Rhyner, Michigan Municipal Risk Management Authority
John Sallade, County Commissioners Association of Pennsylvania

Also present was AGRiP CEO Harold Pumford.

Approval of Agenda

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

Consent Docket

Mr. Horner, seconded by Ms. Abersman, moved to approve the Consent Docket. The motion carried.

Consent docket items were:

- a. Approve Minutes of the March 8, 2009 meeting.
- b. Approve Minutes of the March 9, 2009 Linkage Discussion Luncheon with pool staff other than administrators.
- c. Receive Final Statements as of June 30, 2009.

Consider Organizational Review report by Bob Worthington and Report of the Model CEO Succession Planning Committee

Mr. Bubb, as chair of the Model CEO Succession Planning Committee, introduced Mr. Worthington, retired CEO of the Montana Municipal Interlocal Authority. The board previously authorized engaging Mr. Worthington to conduct an organization review of the existing AGRiP operations. The engagement is set forth in the Service Agreement with Mr. Worthington signed January 26, 2009 by AGRiP President John Sallade. The report was to detail core functions, organizational infrastructure and operational processes and delineate activities performed by each individual staff member.

Mr. Bubb reviewed considerations from a meeting of the committee earlier in the day, which included himself and other committee members Abersman, Mangels and Rhyner along with Mr. Worthington. He said primary considerations from the meeting were that:

1. The committee has addressed most of the “mechanical and mapping” issues as to the process to follow when it is necessary to seek a successor CEO;
2. Work is underway of the process for receiving and considering applications from interested candidates;
3. A time line for the actual hiring process, although there are several details yet to be resolved.

Mr. Worthington reviewed in detail his 23 page written Program Review report, with special emphasis upon a series of “Challenges and Recommendations”. There was an extensive discussion of the report and related issues. It was the consensus that there was much remaining for the both the committee and the board to address. As such, the committee will make a further report at the October board meeting and the board will meet for two full days, rather than one-and-a-half days, at the February 2010 retreat to address the vision and future direction of the organization as an adjunct to determining requirements, skills and characteristics for a future CEO.

Mr. Pumford urged the committee and board to give prompt attention to developing a program for retention of existing employees consistent with the recommendation by Mr. Worthington.

The Chair declared a break at 4:05 and the meeting reconvened at 4:20.

CEO Organizational Report

Mr. Pumford distributed and reviewed his CEO Organizational Report and reviewed the membership numbers by categories included in the report. His report also covered AGRiP monitoring actions on national health care and financial services reform issues, along with new reporting requirements under Medicare “set asides” and as secondary payors. He also advised on the promotion of Traci Sedlacek to Executive Assistant, status of a revised Memorandum of Understanding with PRIMA and the response from the National League of Cities Risk Sharing Consortium that they were not interest at this time in pursuing joint conferences. Lastly, he noted that the EL and Ends Monitoring Reports for this meeting detail items he might otherwise address at this time.

Report of the Board Audit Committee

Mr. Bubb reported that he and Mr. Pumford have been unable to find a qualified CPA firm that will perform the 2009 audit for less than the \$8,500 fee proposed by the Finley & Cook firm. He said he has investigated the prospect of performing a bi-annual audit with a formal financial statement confirmation in the off-year. However, this would require a by-law amendment since the document currently requires an annual audit. He said Mr. Pumford would check with Finley & Cook to see how such an arrangement would affect the cost of a bi-annual audit.

Defer to October CEO Monitoring Reports and Review of CAJPA Agreement

Due to the late hour, the board deferred until the October meeting consideration of agenda items on CEO Monitoring Reports and review of the Membership Agreement with the California Association of Joints Powers Authorities

Consideration of written nominations for Honorary Lifetime Associate Membership

The board reviewed a brief letter nominating John Andrews, retiring CEO of the New Hampshire Local Government Center, for Lifetime Associate Membership. There was consensus that additional information is required before considering Mr. Andrews for such status.

Board Monitoring of Performance

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.). While the consensus was that the board process and performance was good, there was no formal motion.

Review Required Actions to Prepare for the Next Meeting

In reviewing actions required to prepare for the October meeting in Seattle, WA it was determined:

1. The meeting will begin at 3 pm.
2. Model CEO Succession Plan committee - continue its work.
3. Audit Committee – evaluate alternatives to an annual audit
4. Board - Linkage discussions with pool board members and QEI Patrons.
5. Board – prepare for annual CEO Summative Evaluation and contract renewal
6. Pumford - prepare CEO Monitoring Reports scheduled for the meeting.
7. Pumford – prepare 2010 budget

President Mangels adjourned the meeting at 5:43 p.m.

Harold Pumford, CEO

Date