



WFCA BOARD MEETING MINUTES

The Board of the Washington Fire Commissioners Association held a regular meeting on Saturday, April 16, 2016 at the state association office in Olympia, Washington.

PRESENT

Members: President David Ellingson, Vice President Gerry Gustafson, Secretary-Treasurer Brad Lothspeich, Region 1 Director Jack Hensley, Region 2 Director Brad Langdell, Region 3 Director Dwight Vander Vorste, Region 4 Director Les Riel, Region 5 Director Jim Kenny, Region 7 Director Dan Rankin, Region 8 Director Jerry Kolke and Region 9 Director Gene Carmody.

Guests: Dale Mitchell (East Pierce Fire & Rescue), Gerald Preuss (South Kitsap Fire & Rescue) and Miland Walling (WFCA Past President).

Staff: Roger Ferris, Sandy Babcock, Jim Lux and Nora Eylefeldt.

CALL TO ORDER

President Ellingson called the meeting to order at 12:30 p.m. and led the group in the Pledge of Allegiance.

APPROVAL OF AGENDA

Following introductions, Commissioner Rankin moved and it was seconded to approve the agenda as presented.

Motion carried unanimously.

APPROVAL OF MINUTES

Commissioner Riel moved and it was seconded to approve the January 27, 2016 Board meeting minutes as submitted. **Motion carried unanimously.**

TREASURER'S REPORT

Commissioner Lothspeich reviewed first quarter finances, noting the budget is on target. He announced that quarterly financial statements will be distributed to members who have email addresses on record with the state office. Commissioner Rankin moved and it was seconded to approve the WFCA's January-March 2016 disbursements, check numbers 25383 through 25476, in the amount of \$177,554.86. **Motion carried unanimously.**

HEALTH CARE REPORT

Committee Chair: Commissioner Hensley stated the committee met yesterday to review the program's experience and preliminary forecast for 2017.

Program Manager: Mr. Lux reported that the first quarter loss ratio was 93% all plans combined; the dental loss ratio was 102%. Taking current experience into consideration, it appears a rate pass may be possible for 2017. Mr. Lux reported that the majority of participating districts returned their "Designation of Governmental Entity Forms" to the office so the WFCA could issue Employer Reporting Forms 1094-B and 1095-B on their behalf.

Audit: Mr. Lux announced the 2015 audit is scheduled for July. He discussed the 2014 audit noting that while there were no material issues in the report, there was a management letter which cited some issues, such as:

- *Lack of BARS technical knowledge.* Mr. Lux stated that although he has a financial background, he is not a BARS expert and noted that the Auditor's Office offers very little direction.

- *Lack of electronic filing.* Mr. Lux stated the Auditor’s Office computer system “reads” the Health Care filing as a duplicate because the WFCA regular operating also files electronically; therefore, the health care filing is rejected. The Auditor’s Office has no plans to change their system to accommodate our dual filing.
- *Lack of internal review process.* Mr. Lux stated that we have hired a CPA to do an independent review and to provide the three primary financial schedules.
- *Delta Dental retention.* Mr. Lux noted that year-end financial reports will now show the actual rebate from Delta Dental to Health Care in order to be GAAP compliant.

Commissioner Kenny stated it was a good audit report and asked that it be mailed to the Board; Mr. Lux responded that he would do so. Discussion was held on whether efforts are being made to mitigate or eliminate the issues cited in the Auditor’s management letter. Mr. Lux stated that while some criticisms were repeated in separate audits, they were based on varying aspects and degrees of specific issues (e.g., one year the Auditor criticized the association because it lacked internal controls, so a CPA was hired, which met with the Auditor’s approval; the next year the Auditor criticized the association for the same issue, noting *more* internal controls were needed).

President Ellingson stated his district is delighted with MaxorPlus, noting this new prescription drug benefit manager is a drastic improvement from Express Scripts. He thanked the committee and Mr. Lux for their work.

Investment Officer: Mr. Ferris reviewed the first quarter financial documents provided the Board, noting program reserves are healthy and bond investments continue to provide good returns.

EXECUTIVE SECRETARY’S REPORT

Correspondence: The interim State Auditor sent a memo advising that the office will start itemizing its audits and will drop its travel rates from full to half price.

Membership Report: The Board was provided a list of non-member districts; second dues notices were mailed last month.

Saturday Seminar Series: Mr. Ferris reviewed attendance at 2016 programs to date: Legislative Day—128, Spokane Seminar—47 and Ocean Shores Seminar—150; he anticipates 175-200 people at the Chelan Seminar.

Strategic Plan Update: Mr. Ferris stated that the association office received no input from the membership regarding the Strategic Plan. Commissioner Rankin moved and it was seconded to approve the WFCA Strategic Plan update as presented. **Motion carried unanimously.**

Amicus Curiae Brief Update: Mr. Ferris reported that Joe Quinn wrote to thank the WFCA for lending its name to the brief, which was accepted. Mr. Ferris will keep the Board apprised as this case moves forward.

COMMITTEE REPORTS

Executive: Commissioner Gustafson reported the committee met last week to review the Strategic Plan and the Annual Report; they also discussed the Forum Building roof project.

Legislative: Mr. Ferris stated the state budget should be signed soon; DNR received \$10.1 million for wildland firefighting. He reviewed other top issues, noting the committee will meet next month.

Education: Commissioner Riel stated Brian Snure’s class in Spokane and Ocean Shores was well received. The committee will meet on June 25 to discuss topics for conference classes; please contact a committee member or the WFCA office if you have ideas for workshops.

Leadership Forum: Commissioner Mitchell stated the Forum adopted its Operating Protocols. He passed out a document showing weather predictions for this spring and summer. He discussed 086 funds, new building codes and the upcoming wildfire season. He and Miland Walling noted that most avenues have been exhausted with regard to funding for the Training Center, so they are considering going to the news media for help.

Firefighter Technical Review: Commissioner Ellingson stated that following each committee meeting he writes a report which is posted on the WFCAs website. He referred to a handout from the WFCAs referencing May 31 as the date when L&I will look at each district's reserve to determine workers' compensation rates for next year.

The Board recessed at 1:40 p.m. and reconvened at 1:50 p.m.

JAMES R. LARSON FORUM BUILDING REPORT

Mr. Ferris stated he received bids to re-roof the building ranging in price (\$51,000 - \$97,000) and materials (asphalt and TPO). He is thoroughly checking out the companies and materials, noting the job will be completed sometime this summer.

UNFINISHED BUSINESS

WFCAs Representative to NAEFO: The Board appointed Gerry Gustafson as the WFCAs Representative to NAEFO. Commissioner Gustafson accepted the post.

E911 Advisory Committee Alternate Vacancy: President Ellingson asked Board members to let him know if they are aware of anyone who would like to serve as Alternate to the E911 Advisory Committee.

NEW BUSINESS

Board Policy: Commissioner Riel moved and it was seconded to amend Board Policies, as follows:

- Section III (D), amend language to reflect the current IRS rate, rather than state the actual amount of reimbursement per mile, thus eliminating the need to revise the policies every time the IRS changes the rate;
- Section III (E), add a new section requiring timely submission of expense vouchers for reimbursement.

Motion carried unanimously.

Conference Pre-Registration Fee: Commissioner Rankin moved and it was seconded to set the 2016 conference pre-registration fee at \$320. This fee represents a \$5 increase over 2015. **Motion carried unanimously.**

Budget Committee Appointments: Commissioner Lothspeich presented his Budget Committee appointments, as follows: Bill Anderson (Spokane Valley Fire Department), Dan Rankin (West Pierce Fire & Rescue), Steve Slater (Southeast Thurston Fire Authority) and Chuck Vyverberg (Spokane 8).

Best Practices Repository: President Ellingson reported that a new feature will appear on the website offering examples of fire districts' best practices techniques and guidelines to serve as a resource for members. His was the first fire district to receive the State Auditor Stewardship Award which will be featured when the Repository is launched.

Washington State Fallen Firefighters' Memorial Service: The annual program is scheduled on June 5 in Olympia. Commissioner Riel moved and it was seconded to authorize up to \$500 in support of this program. **Motion carried unanimously.**

REGIONAL DIRECTORS' REPORTS

Regional directors reported on activities within their respective regions.

GOOD OF THE ORDER

Commissioner Carmody suggested adding FD Cares information on the WFCAs website; Nora Eylefeldt responded that this can be done.

Commissioner Lothspeich asked for item donations to the PAC that can be raffled off at conference; anything would be appreciated.

President Ellingson stated, "Happy Tax Weekend," adding that it is also PDC filing day. He thanked Board members for their service and contributions to the WFCAs.

ADJOURN

There being no further business, President Ellingson adjourned the meeting at 2:20 p.m.