



MICHIGAN COUNTY ROAD COMMISSION SELF-INSURANCE POOL

Board of Directors

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Dennis J Stanek
Delta CRC

Alan D Cooper
Wexford CRC

Douglas E Fuller
Washtenaw CRC

Brian A Gutowski
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Lester R Livermore
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Dorothy G Pohl
Ionia CRC

John S Rogers
Kalkaska CRC

Joseph F Valente
Marquette CRC

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Gayle A Cummings

Assistant Administrator-CFO
Board Treasurer
Kristi Peña

Executive Assistant
Board Secretary
Deborah L Schultz

***Assistant Administrator-
Director of Loss Control***
Michael E Shultz

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BOARD OF DIRECTORS' MEETING MINUTES Island Resort & Casino – Harris August 30, 2017

Board Members Present: A. Cooper, D. Fuller, B. Gutowski, T. Haagsma,
L. Livermore, D. Pohl, D. Stanek; J. Valente

By Phone: R. DeCook

Board Members Absent: J. Rogers

Staff Present: G. Cummings, K. Peña, D. Schultz

Guests Present: T. Kelley, Langan & Co.; B. Brice, The Brice
Group/Graystone Consulting; T. Grulkowski,
Milliman

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

Chairman Haagsma noted he was moving the MEP Retirement discussion up to coincide with the Investment Report. He then asked for any other changes to the agenda.

Chairman Haagsma acknowledged Tim O'Rourke's withdrawal from the MCRCSIP ballot At-Large Board position. The withdrawal had been accepted. The Board expressed gratitude to Tim O'Rourke for his service. Tim welcomed our new At-Large member, John Rogers of Kalkaska County Road Commission, to the MCRCSIP Board.

The proposed regular board meeting schedule for 2017/18 was reviewed. There was discussion. The new schedule will be approved at our next meeting.

A list of directors and committee assignments were provided to the Board. The 2017-18 Committee list is attached to these minutes.

Chairman Haagsma recommended the Code of Ethics be tabled until the December 6, 2017, Board meeting because all Directors are not present.

Chairman Haagsma noted that, on Page 1 of the June 23, 2017, MCRCSIP Board Minutes, Staff Absent should be changed to Board Members Absent.

It was moved by Alan Cooper, seconded by Lester Livermore, **to approve the Board of Directors' Meeting Minutes for June 23, 2017, as amended.** The motion carried unanimously.

It was moved by Dennis Stanek, seconded by Joe Valente, **to approve the Board of Directors' Meeting Minutes for July 20, 2017, as presented.** The motion carried unanimously.

Gayle presented her Administrator's Report. It was moved by Alan Cooper, seconded by Dennis Stanek, **to approve the Administrator's Report, as presented.** The motion carried unanimously.

It was moved by Brian Gutowski, seconded by Joe Valente, **to approve the 2017 Refund distribution in the amount of \$10 million and to close out Policy year's 2006 and 2007, as presented.** The motion carried unanimously.

Joe asked that the U.S. Flag be visible at all MCRCSIP meetings and that the Pledge of Allegiance be recited before each meeting. The Board agreed.

It was recommended that the Board review the By-Laws.

It was moved by Lester Livermore, seconded by Dorothy Pohl, **to authorize MCRCSIP to seek drone coverage options through a third-party resource.** The motion carried unanimously.

It was moved by Brian Gutowski, seconded by Alan Cooper, **to authorize MCRCSIP to sell Performance Bonds priced 1% of guaranteed value per year, with half refunded at the end of the term if there were no claims.** The motion carried unanimously.

It was moved by Lester Livermore, seconded by Brian Gutowski, **to authorize MCRCSIP to reimburse Shiawassee County Road Commission for legal costs due to issues in implementation of our recommended Prescription Drug Policy at an amount to be determined by our administrator.** The motion carried unanimously. The Board will review this policy at the conclusion of the Shiawassee issues.

There was a 15 minute break at 10:15 a.m.

Kristi Peña presented the June – July, 2017 payment vouchers.

It was moved by Alan Cooper, seconded by Doug Fuller, **to approve the payment vouchers, as presented.** The motion carried unanimously.

Kristi Peña presented the June – July, 2017 financial reports.

It was moved by Alan Cooper, seconded by Brian Gutowski, **to receive and place on file the financial reports, as presented.** The motion carried unanimously.

Brian Brice of The Brice Group – Graystone Consulting, presented and reviewed Graystone Consulting's Investment Performance Analysis for quarter ending June 30, 2017, Investment Policy Statement for Michigan County Road Commission Self-Insurance Pool (Revised August 2017), and David Sowerby's departure from Loomis Sayles which should have no impact on the day-to-day operation of this mandate for MCRCSIP. The Board received invitations for the 2017 Graystone Consulting Due Diligence Symposium, September 13, 2017 and the 2017 Fall MAPERS Sunday Dinner, September 17, 2017. It was moved by Alan Cooper, seconded by Dorothy Pohl, **to approve the Investment Policy Statement dated August 2017, as presented.** The motion carried unanimously.

Brian Brice and Jessica Fitzgerald of The Brice Group – Graystone Consulting, presented information for “pooling” retirement plan assets into a Retirement Plan Exchange (Exchange). The goals of the Exchange are to offer (1) Lower ultimate plan cost, (2) Fiduciary risk management (easier administration), and (3) Investment Education. It was moved by Dorothy Pohl, seconded by Joe Valente, **to continue work with The Brice Group – Graystone Consulting to offer a “pooled” 457 (b) retirement plan to our members.** The motion carried unanimously.

Mike Shultz presented a Loss Control Service/Activities report for Policy Period dated May 1 – July 31, 2017. A meeting to discuss our Battery Disconnect Switch Mandate will be held Monday, September 18, 2017, beginning at 9:00 a.m. in the MCRC SIP Board Room. It was moved by Alan Cooper, seconded by Dennis Stanek, **to approve the Loss Control Service Report, as presented.** The motion carried unanimously.

There was a break for lunch at 12:05 p.m.

The meeting reconvened at 12:40 p.m.

At 1:00 p.m. Brian Brice left the meeting.

Travis Grulkowski, Milliman, presented a discussion of Captive and Excess Insurance Scenarios. This topic will need further discussion at our February 2018 meeting.

At 1:25 p.m. Travis Grulkowski left the meeting.

Conference call with Ron DeCook at 1:30 p.m.

Ron DeCook presented the information from the LLR Committee Meeting and some current bills under consideration.

It was moved by Alan Cooper, seconded by Brian Gutowski, **to forward to CRA the language from Attorney Bill Henn’s Memo dated August 4, 2017, regarding HB 4644.** The motion carried unanimously.

At 2:15 p.m. the conference call with Ron DeCook ended.

It was recommended the MCRC SIP Legislative Liability Review (LLR) Committee meet to review the new bills.

Gayle updated the Board on the following Open On-Notice claims:

Esbrook/Henschel v Iron CRC – **pending**; Hill v Kalamazoo CRC – **pending**; Kruck v Kalkaska CRC – **pending**; Palmer v- Lapeer CRC – **pending**; Wilson v St. Clair – **pending**; Todd v Bay CRC – **pending**; McClane v Genesee CRC – **pending**; Swindell v Ionia CRC – **pending**; Bennett v Mason CRC – **pending**; Nieman v Wexford CRC – **pending**.

Gayle updated the Board on the following Open Litigated claims:

Flanagin v Kalkaska CRC – **pending**; Strom v Berrien CRC – **pending**; Carson v Charlevoix CRC – **closed**; Ross/Dunn v Genesee CRC – **pending**; Pniewski v Isabella CRC – **pending**; D’Agostini and Sons v Lapeer

CRC – **pending**; Ann Arbor v Washtenaw CRC – **pending**; Grinage v Eaton CRC – **pending**; Harston v Eaton CRC – **pending**; Musser A/Musser M/Pearce v Eaton CRC – **pending**; Brown v Huron CRC – **pending**; Rose v Isabella CRC – **closed**; Denney v Kent CRC – **pending**; Gust v Lenawee CRC – **pending**; Streng v Mackinac – **pending**; Tomaszewski v Manistee CRC – **pending**; Brugger v Midland CRC – **pending**.

It was moved by Alan Cooper, seconded by Brian Gutowski, **to approve monies as requested for settlement of Streng v. Mackinac County Road Commission.** The motion carried unanimously.

The Board conducted a strategic planning session and came to consensus on short-term and long-term goals.

At 2:23 p.m. Kristi Peña and Deborah Schultz were excused from the board meeting.

It was moved by Joe Valente, seconded by Alan Cooper, **to adjourn the meeting.** The motion carried unanimously.

The meeting adjourned at 3:55 p.m.

Respectfully submitted,

Deborah Schultz, CAP
Board Secretary