

**WASHINGTON COUNTIES RISK POOL
BOARD OF DIRECTORS
ANNUAL MEETING**

MINUTES

**8:30 a.m., Friday, July 12, 1996
Enzian Motor Inn, Leavenworth**

ATTENDANCE:

**President - Mike Shelton, Island County Commissioner
Secretary/Treasurer - Marjorie Upham Rood, Clallam County Dir Personnel/Risk Mgmt
Executive Committee -**

**Frank A. Bishop, Cowlitz County Budget Director
Steve M. Lowe, Franklin County Prosecuting Attorney
Deborah Broughton, Kitsap County Director of Administrative Services
Judy Wilson, Thurston County Commissioner
Richard H. Brown, Whitman County Director of Administrative Services**

**Adams County - Leon Long, County Auditor - Alternate
Benton County - Melina Wenner, Risk Manager - Director
Chelan County - Paul Dunning, Administrative Coordinator - Alternate
Cowlitz County - Jim Zdilar, Personnel
Franklin County - Neva J. Corkrum, County Commissioner - Director
Garfield County - Vern Emerson, County Commissioner - Director
Grays Harbor County - Dick Dixon, County Commissioner - Director
 Rose Elway, Director of Management Services - Alternate
 Mary Davis, Deputy Director of Insurance/Risk Management - Alternate
Island County - Betty Kemp, Director of General Services/Risk Manager - Alternate
Jefferson County - David Goldsmith, Deputy Director of Public Services - Alternate
Kitsap County - Barbara Razey, Risk Manager - Alternative
Klickitat County - Sverre Bakke, County Commissioner - Director
 Rich Levensgood, County Administrator - Alternate
 Lori Wolford, Risk Manager
Lewis County - Carl Hemenway, County Commissioner - Director
 John Nacht, Risk Manager - Alternate
Mason County - Ione Siegler, Director of Administrative Services - Alternate
Okanogan County - Spence Higby, County Commissioner - Director
 Dan Powers, Administrative Coordinator - Alternate
Pacific County - Vyrle Hill, County Administrative Officer - Director
San Juan County - David Zeretzke, Director of Administrative Services - Alternate
Skamania County - Marilyn J. Breckel, Administrative Coordinator - Director
Spokane County - Claude L. Cox, Risk Manger - Director
Thurston County - Starleen Parsons, Human Resources Manager
Whatcom County - Randall J. Watts, Chief Civil Deputy Prosecutor - Alternate
Yakima County - Ron Zirkle, Chief Civil Deputy Prosecutor - Director**

Broker - Mike Croke, Vice President, Willis Corroon of Seattle

Risk Pool Staff - John Crawford, Executive Director
Alicia Johnson, Claims Manager
Jay Winter, Programs Manager
Aileen Boren, Financial Officer

WELCOME and ROLL CALL: The meeting was called to order at 8:39 a.m. by President Mike Shelton who welcomed all in attendance and noted that a quorum was present. A roll call sheet was circulated for all to sign.

APPROVALS:

Agenda: The agenda was approved as printed.

Minutes: Dick Dixon moved to approve the minutes of the April 25th Spring Meeting at SeaTac. The motion was seconded by Vyrle Hill and approved.

REPORTS:

Member Counties: Board members and alternates reported on CDL testing, personnel issues, jails, planning, and landfills.

Executive Committee: The minutes of the June 26th Meeting of the Executive Committee were included in the materials.

Personnel Committee: Personnel Committee Chair Marge Upham Rood reported about committee meetings and salary schedule. Committee Members Starleen Parsons and Jim Zdilar were recognized and thanked for their work throughout the past year.

Executive Director: John Crawford ^{presented} five-year pens to Dave Zeretzke, Sverre Bakke, John Nacht and Dick Dixon for their service on the Board of Directors. John also distributed the Golden Dragon ratios showing experience summaries for loss frequency, loss severity and combined ratios.

Finances: Aileen Boren reported about finances and investment earnings.

Claims: Alicia Johnson distributed graphs showing number of claims, and amounts paid and reserved, as percentages of five selected loss areas (vehicle operation, law enforcement, road design & maintenance, land use, and personnel). She also distributed an exhibit showing the average cost per claim for personnel was approximately \$27,500 compared with \$9,300 for vehicle operation, \$8,500 for law enforcement, \$2,000 for road design & maintenance, and \$12,500 for land use.

Programs: Jay Winter described upcoming training programs for the rest of the year and next year.

DISCUSSION AND ACTION:

Election of New Executive Committee Members and Officers: Nominating Committee Chair Mike Shelton reported that the committee nominates Okanogan County Commissioner Spence Higby to the Executive Committee for the term expiring in 1997,

and nominates Mason County Commissioner Mary Jo Cady, Grays Harbor County Commissioner Dick Dixon, and Island County Commissioner Mike Shelton to three-year terms expiring in 1999. After nominations were opened from the floor, and hearing none, Frank Bishop moved to close the nominations and cast a unanimous ballot for the nominees. The motion was seconded by Ron Zirkle and approved.

Dick Dixon moved to nominate Island County Commissioner Mike Shelton for a second term as President. The motion was seconded by Claude Cox and approved. Frank Bishop moved to nominate Dick Dixon for the office of Secretary/ Treasurer. The motion was seconded by Sverre Bakke and approved.

John Crawford presented outgoing Secretary / Treasurer Marge Upham Rood with a framed certificate of appreciation for her years of service as Secretary/Treasurer and Executive Committee Member.

Coopers & Lybrand Actuary Report: Frank Bishop moved to accept the actuary report from Coopers & Lybrand. The motion was seconded by Judy Wilson and approved.

Reinsurance Renewals: Mike Croke reported about his trip to San Francisco to meet with the reinsurance underwriters regarding our renewals. Vyrle Hill moved to continue to purchase reinsurance with the same limits and attachment points as before, and with the rates and enhancements as reported by Mike. The motion was seconded by Sverre Bakke and approved.

Work Plan, Administrative Budget and Salaries: After a review of the work plan, Claude Cox moved to continue the publication of monthly newsletters. The motion was seconded by Dick Brown, but failed. Vyrle Hill then moved to amend B.1.a. of the Work Plan to continue the publication of "periodic newsletters with a liability emphasis." The motion was seconded by Claude Cox and approved. Dick Dixon moved to approve the proposed 1996-97 Work Plan as amended. The motion was seconded by Spence Higby and approved.

Marge Upham reviewed four motions regarding the implementation of a salary schedule and salaries. Marilyn Breckel moved to approve the five step 1996-97 Salary Schedule as prepared by the Personnel Committee and recommended by the Executive Committee, with employees staying a year in the first three steps, two years in step 4, and topping out in step 5. The motion was seconded by Randy Watts and approved. Debbie Broughton moved to approve the placement on October 1st of present employees on the salary schedule at the next higher step, renaming the Secretary and Claims Clerk as Program Assistants, and continuing the present salaries (not a reduction) of the Programs Manager and Financial Officer. The motion was seconded by Dave Goldsmith and approved. Neva Corkrum moved to approve adding a 2.24% cost of living adjustment to the salary schedule starting on October 1st. The motion was seconded by Frank Bishop and approved. Dick Brown moved to request the Personnel Committee to review the salary schedule of the new claims position using private sector comparables. The motion was seconded by Randy Watts and approved.

Ron Zirkle moved to approve an expense budget for the 1996-97 fiscal year in the amount of \$818,694, to set the 1996-97 ending fund balance at \$77,350, and to approve a total budget of \$896,044. The motion was seconded by Spence Higby and approved. Frank Bishop pointed out that this was the first Risk Pool budget to pass without changes.

Steve Lowe moved to approve a skid car aid grant program for four regions, delegate to the Executive Committee the implementation of the program, and pay for the \$100,000 cost of

the program with a supplemental budget at a later Board meeting out of undesignated reserves (not added to premiums). The motion was seconded by Spence Higby and approved.

Premiums: Vyrle Hill moved to apportion administrative costs, including general administration, programs, and claims, according to each county proportional percentage amount of payment to fund the Pool's self-insurance layer; compute the 1996-97 joint self-insurance premium rate by applying the "expected" ultimate loss rates provided in the Coopers & Lybrand report, without discounting for future interest earnings, apportion the reinsurance costs according to each county's proportional percentage amount of worker hours, set 5:00 p.m. on Friday, August 30th as the deadline when members must notify staff in writing of changes in their exposure information and deductible elections; and charge interest on unpaid premium balances after October 1st at the rate of one percentage point above the equivalent coupon issue yield of the average bill rate for twenty-six week treasury bills as determined by RCW 19.52.020(1), but at not less than 6%. The motion was seconded by Frank Bishop and approved.

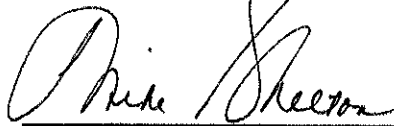
OTHER BUSINESS:

WCIF Service Agreement: Frank Bishop moved to approve the WCIF Administrative Services Agreement and Memorandum of Understanding. The motion was seconded by Dick Dixon and approved with one dissent.

Future Board Meetings: The Board Autumn Meeting will be Thursday, November 7, 1996 in Yakima. Other Board meetings will be set at the November meeting.

The meeting was adjourned at 11:49 a.m.

MINUTES APPROVED: 11 / 7 / 96



Mike Shelton, President
[BOARD-H/M(H)0712.DOC]

Attest: 
Dick Dixon, Secretary