

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

MINUTES

**9:30 a.m., Wednesday, January 26, 2000
WestCoast Sea-Tac Hotel, SeaTac**

ATTENDANCE:

Secretary/Treasurer – Si A. Stephens, San Juan County Auditor

Executive Committee –

Marilyn J. Breckel, Skamania County Administrative Services Manager

Mary Jo Cady, Mason County Commissioner

Leon Long, Adams County Public Works Director

Steve M. Lowe, Franklin County Prosecuting Attorney

Mike Shelton, Island County Commissioner

David Goldsmith, Jefferson County Deputy Director of Public Services

Melina Wenner, Benton County Risk Manager

Cowlitz County – Clyde W. Carpenter, Risk Manager – Alternate

Franklin County – Neva J. Corkrum, County Commissioner – Director

Garfield County – Dean D. Burton, County Commissioner – Alternate

Virgil “Butch” Klaveano, Jr., County Commissioner

Grays Harbor County – Bob Beerbower, County Commissioner – Director

Mary Davis, Deputy Director of Management Services – Alternate

Island County – Betty Kemp, Director of General Services Administration – Alternate

Klickitat County – James P. Hagarty, County Prosecuting Attorney – Director

Lewis County – Tammy Devlin, County Risk Manager – Alternate

Mason County – Ione Siegler, Director of Budget and Finance – Alternate

Pacific County – Vyrle L. Hill, County Administrative Officer – Director

Janet Corey, County Risk Manager – Alternate

San Juan County – David L. Zeretzke, Director of Administrative Services – Alternate

Spokane County – Steve Ferguson, County Risk Manager – Director

Tim Durkin, Senior Deputy Prosecuting Attorney – Alternate

Whatcom County – Randall J. Watts, Chief Civil Deputy Prosecuting Attorney – Director

Whitman County – Richard Brown, Director of Administrative Services – Director

State of Washington – John Nicholson, Office of State Risk Management

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

Actuary – Kevin L. Wick, PricewaterhouseCoopers

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 10:01 a.m. by Secretary Si. A. Stephens who welcomed all in attendance and noted that a quorum was present. He announced that the Yakima airport was fogged in and President Ron Zirkle's flight was cancelled.

REPORTS, DISCUSSION AND ACTION:

Agenda: The agenda was approved as printed.

Minutes: Vyrle Hill moved to approve the minutes of the October 21st Meeting in Yakima. The motion was seconded by Leon Long and approved.

REPORTS:

Executive Committee: The minutes of the December 2nd and January 13th Meetings of the Executive Committee were placed in the meeting packet.

WSAC Legislative Steering Committee: Mary Jo Cady and Mike Shelton reported on bills of interest to counties that are being considered by the Legislature, including county liability for misdemeanor probation, court reform, salaries and benefits for judges and court personnel, state financial liability for county jail use, and I-695 impacts on local air pollution control authorities and county budgets.

Strategic Plan Outcomes and Benchmarks: David Goldsmith led a discussion on the development of the strategic plan including outcomes and benchmarks. Mary Jo Cady moved to adopt the strategic plan as presented in the materials. The motion was seconded by Marilyn Breckel and approved without dissent. Si Stephens commended David and others who worked on the strategic plan for their efforts.

Personnel Committee: Without Ron being present to give a report, directors were referred to the Personnel Committee report in the minutes of the December Executive Committee Meeting. Some flexibility will be maintained in placing new employees on the salary schedule and this will be reviewed within the context of an actual new hire and the budget at some later date.

Risk Management Committee: David Goldsmith reported that the committee had met on January 24th to review the Risk Management Policy and will be making recommendations at a future meeting to improve it. The Committee will meet again on April 19, 2000 at SeaTac. David mentioned that few counties have completed the membership compact self-evaluations, and they will be reminded to complete and return them by March 31st. Melina Wenner then distributed the Benton County driving and vehicular safety policy and described how the county performs driving record checks and creates a driver evaluation profile.

Programs: Jay Winter reported that staff was working on changing our internal loss codes to capture more information on the causes of losses. We expect to incorporate the Public Risk Database Project (PRDP) data standard codes in the new paperless Internet loss reporting screens that we are developing.

Underwriting Committee: Committee Co-Chair Marilyn Breckel reported that all but three counties have rejected underinsured motorist coverage. Columbia County inquired this week if it could have some more time to consider it. The consensus of the Board was to allow the three counties enough time for them to make a decision whether to reject coverage.

Broker: Mike Croke said that he has contacted a few counties regarding their property insurance, and will be calling on other counties as their present property coverage expires. Mike also reported that both Swiss Re and Discover Re have agreed to a three-year rate guarantee program. Discover Re has capped possible rate increases depending on adverse loss development to 20% for the period.

Finance Committee: Si Stephens referred the board to the printed state financial audit that was included in the meeting materials. There was a PowerPoint presentation showing how the asset and liabilities of the balance sheet and the revenues and expenses on the revenue statement have changed through the years. There was a second PowerPoint presentation showing how the five financial ratios used by the State Risk Manager have fluctuated.

The state auditor's management letter was included in the materials regarding travel vouchers and use of credit cards. David Goldsmith moved to amend the Travel Policy as recommended by the Executive Committee to authorize a reasonable daily personal call when traveling overnight. The motion was seconded by Randy Watts and approved without dissent.

Kevin Wick discussed the future and direction of pooling. He identified six keys to success: be realistic, stay in tune with the membership, understand pool advantages and use them, define criteria for insurance decisions, proactively address issues, and rate members fairly.

Claims: Alicia Johnson reported on the \$1.6 million *Caulfield* jury verdict against Kitsap County and said that outside attorneys have been asked to advise us on our chances of success on appeal. She also reported the successful compromise and settlement of our disagreement with Discover Re regarding whether several employment practices cases against the Kitsap County sheriff were one occurrence or multiple occurrences. Finally, she reported that the average cost for employment practices claims is \$39,200 compared to the average cost of \$4,700 for road design and maintenance claims.

Executive Director: John Crawford stated that he expects to complete the application for the AGRIP recognition certificate. He also reported on the progress in developing an Internet site for better communications and services with member counties.

OTHER BUSINESS:

Future Board Meetings:

Spring – Thursday, April 20th at the WestCoast Sea-Tac Hotel, SeaTac

Summer Annual – Thursday & Friday, July 20-21 at the Enzian Motor Inn, Leavenworth

Autumn – Tuesday, November 14th at the Doubletree Inn, Pasco

County reports were dispensed with, and with no further business, the meeting was adjourned at 2:02 p.m.

MINUTES APPROVED: 5 / 11 / 2000


R. S. Zirkle, President

[BOARD-L/L-M-Minutes 0126.doc]

Attest:


Si A. Stephens, Secretary