

**WASHINGTON COUNTIES RISK POOL
BOARD OF DIRECTORS
SUMMER WORKSHOP and ANNUAL MEETING**

MINUTES

**1:30 p.m. Thursday, July 31 and 8:30 a.m. Friday, August 1, 2003
Red Lion Hotel at the Park, Spokane**

ATTENDANCE:

President – Steve M. Lowe, Franklin County Prosecuting Attorney

Secretary-Treasurer – Leon Long, Spokane County Risk Manager

Executive Committee –

Rose Elway, Grays Harbor County Director Management Services / Budget / Insurance

David Goldsmith, Jefferson County Administrator

Vyrle L. Hill, Pacific County Administrative Officer

Mike Shelton, Island County Commissioner

Si A. Stephens, San Juan County Auditor

Craig L. Vejraska, Okanogan County Commissioner

Adams County – Linda Reimer, Clerk of the Board / Risk Manager – Alternate

Benton County – Melina Wenner, Personnel / Risk Manager – Director

Chelan County – Keith Goehner, County Commissioner – Director

Clallam County – Marjorie J. Upham, Director of Personnel/Risk Mangement – Director
Toni Gilbert, Safety Training Specialist – Alternate

Columbia County – Scott Smith, County Engineer / Risk Manager – Alternate

Douglas County – Steven M. Clem, Prosecuting Attorney – Director

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

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

Grays Harbor County – Bob Beerbower, County Commissioner – Director

Mary Davis, Emergency / Risk Management – Alternate

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

Kitsap County – Mark Abernathy, Loss Control Engineer – Alternate

Lewis County – Dennis Hadaller, County Commissioner – Director

Harry B. Green, Risk Manager – Alternate

Craig Gibbons, Labor Relations Officer

Mason County – Herb Baze, County Commissioner – Director

Ione Siegler, Director Budget & Finance – Alternate

Pend Oreille County – Mike Hanson, County Commissioner – Director

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

Skamania County – Marilyn J. Butler, Director of Administrative Services – Director

Spokane County – Tim M. Durkin, Senior Deputy Prosecuting Attorney – Alternate

Thurston County – Diane Oberquell, County Commissioner – Director

Tammy Devlin, Risk Manger – Alternate

Walla Walla County – Jay Winter, Human Resources / Risk Manager – Alternate

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

Whitman County – Gerald Finch, County Commissioner – Director

Washington State Office of Financial Managment – John Nicholson, State Risk Manager

Actuary – Kevin Wick, FCAS, MAAA, PricewaterhouseCoopers

Broker – Mike Croke, Senior Vice President, Willis of Seattle, Inc.

Pam Jones, Client Manager, Willis of Seattle, Inc.

Risk Pool Staff - John Crawford, Executive Director
Alicia Johnson, Claims Manager
Rich Bodell, Programs Manager
Kitty Bottemiller, Program Assistant

WELCOME and ROLL CALL: The meeting was called to order at 8:28 a.m. by President Steve Lowe who welcomed all in attendance and noted that a quorum was present. He asked that everyone around the table introduce him or herself.

The August 1st Board Annual Meeting follows after July 31st meetings of the Risk Management Committee, the Executive Committee, and the Board Summer Workshop.

Benton County Risk Manager Melina Wenner was present at the Board Workshop on July 31st, but was not able to make the Annual Meeting. Pend Oreille County Commissioner Mike Hanson was welcomed as the representative of the new member county.

APPROVAL:

Minutes: David Goldsmith moved to approve the minutes of the April 16-17th Spring Meeting at Pasco. The motion was seconded by Si Stephens and approved.

REPORTS, DISCUSSION AND ACTION:

Executive Committee: The minutes of the June 26th meeting of the Executive Committee was placed in the meeting packet, and Secretary Leon Long reported that the Executive Committee had reviewed the budget, reinsurance, and premiums in its July 31st meeting, and held an executive session reviewing claims.

Expansion of Size of Executive Committee: Chair Steve Lowe reported that under our Bylaws we can expand the size of the Executive Committee from 9 to 11 members. The motion was made by Vyrle Hill, seconded by Mike Shelton, and approved to do so.

Election of Executive Committee Members and Officers: Nominating Committee Chair Steve Lowe stated that David Goldsmith had been nominated for the new fourth position of the class of 2004, Vyrle Hill had been nominated for the new fourth position of the class of 2005, and Barbara Razey, Randy Watts, and Ron Zirkle had been nominated for the three open positions of the class of 2006 on the Executive Committee. There were no nominations from the floor. Mike Shelton moved that the nominations be closed and a unanimous ballot cast for nominees as proposed. The motion was seconded by Craig Vejraska and approved.

Chair David Goldsmith then put forth the nominations of Spokane County Risk Manager Leon Long as President and Okanogan County Commissioner Craig Vejraska as Secretary / Treasurer for next year. Seeing no further nominations from the floor, Mike Shelton moved that the nominations be closed and a unanimous ballot cast for Mr. Long and Mr. Vejraska. The motion was seconded by Diane Oberquell and approved.

Steve Lowe gave his President's Report about the Risk Pool's accomplishments this year. He recognized the special efforts by committee chairs Leon Long, Marilyn Breckel, Ron Zirkle and Vyrle Hill. He also thanked Leon Long for his work as Secretary/Treasurer.

John Crawford gave fifteen-year recognition plaques to Marilyn Butler, Rose Elway, Vyrle Hill and Marge Upham, ten-year baskets to Barbara Razey, Mike Shelton, Melina Wenner, and Jay Winter, and a five-year pen to Toni Gilbert for recognition of their service on the Board.

Programs Report: Rich Bodell reported on the e-learning training. He also announced that we are changing member counties access to the new risk management information system software. He will coordinate training and start dates with member counties.

State Risk Manger's Report: John Nicholson gave a PowerPoint presentation about claims trends with municipal risk pools, and about changes in state risk management.

Finance Committee: The financial report was placed in the meeting packet, and Chair Vyrle Hill and Si Stephens used the report to explain the Risk Pool finances.

Actuary Report: PricewaterhouseCoopers LLP Principal Consultant Kevin J. Wick gave a report on his "Actuarial Review of Loss Rates for Pool Year 2004" at the Board Workshop on July 31st. He projected a 4% overall decrease in the 2003 loss rate for the Pool's \$100,000 retention. Vyrle Hill moved to accept the report for filing. The motion was seconded by Rose Elway and approved.

Vyrle Hill moved to use the actuary recommended rates, to set premiums at the "expected" confidence level, and to offer member deductibles of \$10,000 / \$25,000 / \$50,000 / \$100,000 / \$250,000 and \$500,000. The motion was seconded by Neva Corkrum and approved.

Reinsurance: Mike Croke gave a report on the state of the insurance market at the Board Workshop on July 31st.

Si Stephens moved to purchase reinsurance from Swiss Re and AIG/Insurance Company of Pennsylvania as recommended by the broker, staff and the Executive Committee, but to authorize them to work further on improving the placement, including changing carriers if necessary. The motion was seconded by Mike Shelton and approved.

New Members: Mike Shelton moved to ratify and accept the admissions of Pend Oreille and Skagit Counties. The motion was seconded by Dean Burton and approved.

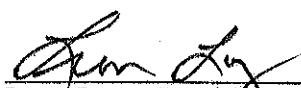
Budget and Premiums: Si Stephens moved to approve an administrative budget of \$1,009,099 that covers general, programs and claims administration. The motion was seconded by Neva Corkrum and approved.

Mike Shelton moved to allow members the opportunity until the end of business on August 31st to change deductible elections and correct exposure information, to allow members to pay 105% of the present premium by September 30th, with the balance due by January 31, 2004 with no interest charges, and to charge 6% interest on unpaid amounts. The motion was seconded by Diane Oberquell and approved.

FUTURE BOARD MEETINGS: On the recommendation of incoming President Leon Long, the Board approved holding the 2004 Summer Workshop and Annual Meeting in Ocean Shores.

With no further business, the meeting was adjourned at 11:32 a.m.

MINUTES APPROVED:



Leon Long, President

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Attest 
Craig Wejraska, Secretary