

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

MINUTES

**9:30 a.m. Thursday, April 14, 2005
CottonTree Convention Center, Mount Vernon**

ATTENDANCE:

* = denotes Executive Committee Member

Chair – *Rose Elway, Grays Harbor County, Dir, Mgt Services / Budget / Insurance
Secretary-Treasurer (acting) – *Leon Long, Spokane County Risk Manager/Admin. Geiger Center

Adams – *not represented*

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

Chelan County – Keith Goehner, County Commissioner – Director
Cathy Mulhall, County Administrator - Alternate

Clallam County – Marge Upham, Director of Personnel & Risk Management - Director
*Toni Gilbert, Safety/Training Specialist – Alternate

Clark County – Ed Pavone, Risk Manager – Director

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

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

Douglas County – *Steve Clem, Prosecuting Attorney/Coroner - Director

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

Garfield – *not represented*

Grays Harbor County – Bob Beerbower - Director

Island County – *Mike Shelton, County Commissioner - Director
Betty Kemp, Director of General Services – Alternate

Jefferson County – John Fischbach, County Administrator/Risk Manager - Director

Kitsap County – Mark Abernathy, Risk Manager – Director

Kittitas County – David Bowen, Commissioner – Director

Lewis County – Harry B. Green, Risk Manager – Alternate

Mason County – Ione Siegler, Director, Budget & Finance – Director

Okanogan County – Heidi Appel, Chief Civil Deputy Prosecutor - Director
Dan Powers, Human Resources/Risk Manager - Alternate

Pacific County – Pat Hamilton, County Commissioner – Alternate

Pend Oreille County – Ken Oliver, Commissioner - Alternate

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

Skagit County – Billie Kadrmas, Human Resources/Risk Manager – Alternate

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

Spokane County – Rob Binger, Senior Deputy Prosecutor/Risk Mgt Div. - Alternate

Thurston County – Diane Oberquell, County Commissioner – Director
Tammy Devlin, Risk Manager – Alternate

Walla Walla County – *Jay Winter, Personnel/Risk Manager – Director

Whatcom County – *not represented*

Yakima County – *Ron Zirkle, Yakima County Prosecuting Attorney - Director

Actuary – Kevin Wick, FCAS, MAAA, PricewaterhouseCoopers

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

Others – Mike Golden, Senior Deputy Prosecutor, Lewis County
Steve Bartel, Lead Risk Manager, Spokane County

Risk Pool Staff -

Rich Bodell, Loss Control; Kitty Bottemiller, Member Services; Sue Colbo, Auditing/Accounting Officer; David Goldsmith, Interim Co-Director; Vyrle Hill, Interim Co-Director, and Susan Looker, Claims Manager

WELCOME and ROLL CALL: Chair Rose Elway called the meeting to order at 9:40 a.m., welcoming all and noting that several new members were in attendance. Rose designated Past President Leon Long to act as Secretary/Treasurer in the absence of Randy Watts, who was attending a deposition in his county.

APPROVAL:

Agenda: Leon Long moved to approve the meeting agenda with the addition of the Lewis County matter, and Clyde Carpenter seconded. Motion passed unanimously.

Minutes: Marge Upham moved to approve the minutes of the Autumn Board Meeting of Nov. 4, 2004, at Ellensburg, and Mike Shelton seconded. Motion passed unanimously.

REPORTS, DISCUSSION AND ACTION:

Actuary's Report: Vyrle Hill noted that a revised reserving report was promised at the last meeting, so referred to Kevin Wick to deliver the updated information. Kevin noted that the second of two studies conducted annually by PricewaterhouseCoopers is the reserving report, which was revised to recognize the claim cost at date of occurrence. The Chair lauded his efforts in simplifying the actuarial information. Steve Clem moved and Marge Upham seconded, to adopt the report. Motion carried.

Loss Control Report: Rich Bodell reported on several items outlined in his PowerPoint thumbnails (in meeting packet): professional development, Risk Managers Roundtables, self-assessment, RiskMaster and claims-reporting software; Focus, and other trainings. Clyde Carpenter asked, will the Pool provide scholarships for education beyond Compact requirements? That depends on the budget, Rich said.

Leon Long asked, can claims involving multiple claimants be separated by claimant? Several other counties voiced the same concern. The form can be customized, David Goldsmith said.

Jay Winter noted a need in his county for public works defensive driver training. Rich Bodell said it is in the works.

David Goldsmith introduced the Claims Data Base Management System policy proposal (in packet), which would clarify ownership and operation of RiskMaster. He asked the Board to adopt the policy as drafted, noting that costs involved are already reflected as a line item in the budgets (either as a licensing or installation fee), estimating between \$4,000 and \$6,000 for maintenance. Additional features agreed upon by the Board, would be budgeted. Marilyn Butler moved that the Board approve and adopt the policy, and Ed Payone seconded. Motion carried unanimously.

Financial Report: Vyrle Hill presented the financial report (in packet), noting the March report is preliminary, and highlighting significant points. The Chair said everyone was pleased about the next-to-last report being above the "1" rating stipulated by the state Risk Manager. Neva Corkrum moved to approve the report, and Ron Zirkle seconded. A question was asked about open reserves on Policy Year Q. There is only \$32,000, relative to the Pool layer but that only reflects half of year so far, Vyrle said. In answer to David Bowen's question about earlier ultimate losses showing much higher than now, Vyrle said that the Pool retained the first \$500,000 of coverage, but beginning in 1999, the Pool decided to purchase reinsurance at the \$100,000 level. Mike Shelton noted that the Pool had some bad years, and that retro assessments don't affect the counties that weren't Pool members in the year the money was needed. Motion carried unanimously.

Vyrle Hill introduced the budget amendment discussed at the previous night's Executive Committee meeting, noting that they recommended the amendment by supplementing the prior year's net carry over (\$47,109) be approved. Pat Hamilton moved to approve the supplement as recommended. Marge Upham seconded. Motion carried unanimously.

Claims Division Report: Susan Looker reported on the PwC Audit conducted in December, and said staff is working to implement the auditor's recommendations. Pat Hamilton moved for the Board to acknowledge and approve the report, and Marilyn Butler seconded. Motion carried unanimously.

The Chair lauded Susan and her staff's efforts to visit commissioners' offices on county visits, and encouraged Board members to visit with her when she drops in, and to get questions answered.

Committee Reports: Ron Zirkle noted that the Executive Session listed on the agenda was unnecessary for the first item (Litigation Management Team's report), and that it be held in open session, but that the Executive Session be for the item re: Executive Director recruitment.

- Litigation Management Team: Steve Clem presented an update on the *VicWood-Meridian* settlement. The Chair lauded the good news and thanked the entire team, especially Steve Clem and Tim Durkin, and Stafford Frey Cooper's staff, for their work on the case. No action requested, as the expected settlement check has not arrived yet. There were no questions.
- Risk Management: David Zeretzke presented the Risk Management report, noting the Risk Management Committee's plans to follow up on compact compliance, to examine the completed county self-assessments and determine what direction is needed. He noted that Harry Green and Ed Pavone have agreed to co-chair the Risk Management Committee effective in 2005-2006, and that Cathy Mulhall and Scott Smith have volunteered to serve on the Committee, and recommended approval of these changes.
- Mike Golden of Lewis County handed out copies of RCW 46.52.130 re: driver abstracts, and asked for Risk Pool support for a proposed change in the code. The Chair recalled that the Risk Management Committee has endorsed it, and David Zeretzke agreed. He moved for the Board to support the recommendation, and Leon Long seconded. Steve Clem asked if the Pool is acting as an insurance company for this action. Ron Zirkle said he would be comfortable with it as long as the Pool is not recognized as an insurance company. Motion carried with the understanding that the Pool was not being recognized as an insurance company.
- Underwriting: Steve Clem noted the committee is recommending to make various changes/deletions/ exclusions to the policy. Proposed changes will be brought by staff, along with proposed claims administration policies that more thoroughly address issues of concern. The changes would be effective for the next policy session. Mike Shelton moved to approve deletion of Uninsured Motorist language from the Pool coverage policy, and Marilyn Butler seconded. Motion carried unanimously.
- Finance: The Chair announced that the group will be collecting data and materials in preparation for the coming year's underwriting and administrative budget. There were no questions. Si Stephens was absent from the meeting due to tax deadline.
- Personnel: Ron Zirkle asked the Board to approve "tweaks" made to WCRP staff job descriptions drafted early this year. Tammy noted that because the proposals don't include essential job functions, they don't meet ADA requirements. The Chair said that the Personnel Committee will revisit this item and proposed Personnel Policy changes. The matters were tabled until Summer Board Meeting.

Mike Shelton moved to delay discussion of the agenda item re: the Executive Committee's recommendation of a replacement for WCRP Executive Director to the last item of business today, and for the Board to continue its meeting over a working lunch. Leon Long seconded. Motion carried unanimously.

Broker's Report: Mike Croke gave a PowerPoint presentation (in packet), which included examples of the excess property layered program and excess property quota-share program, and the list of 18 counties now participating in the program. He also noted plans for the underwriting efforts for renewal of the liability program. Neva Corkrum moved to continue pursuit of a Pool property program for presentation at the next Board meeting, and Pat Hamilton seconded. Motion carried.

State Risk Manager: The Chair noted the letter sent by State Risk Manager John Nicholson (in packet), stating he was pleased with the balance provided to the financial viability of the Pool by recent leadership changes and developments on the *Vicwood-Meridian* case.

Administration/Management Report:

- David Goldsmith noted efforts in progress re: determining what qualifying non-profit organizations may be interested in pooling for liability insurance purposes, a risk-reducing measure.
- David also presented the results of research he has conducted re: keeping or selling the Pool's current building. Leon Long moved to authorize surplus/disposition of the building and authorize the Executive Committee to investigate and enter into an offer to purchase suitable building space within the greater Olympia area for Pool offices. Pat Hamilton seconded. Motion carried unanimously.
- Vyrle Hill noted the 2003-2004 Financial Accountability Report and SAO Audit was complete and would be published early the coming week. He said he would notify the Board and publish the report on the WCRP website, then send hard copies to counties. No surprises are expected.
- Focus/Frequency of Board Meetings: Vyrle asked Board Members if they wanted to keep the current three meetings per year schedule, and if so, could the dates be altered slightly? Some concern was raised over the risk of winter travel. Vyrle said he could look into video conferencing for winter meeting. The possibility of resuming the four meetings per year schedule was also discussed. Pat Hamilton moved to resume the four meetings per year schedule, and Diane Oberquell seconded. Motion carried unanimously.

It was suggested that the fall meeting could be moved to October, winter as late as possible, and spring could be scheduled between then and the summer meeting. Neva Corkrum moved that this schedule be explored, and Diane Oberquell seconded. Motion carried unanimously.

Special Recognitions: The Chair presented a framed Certificate of Appreciation and gift basket to Dan Powers in recognition of his retirement from Okanogan Co. June 30, 2005, and 10 years' Board service.

Future Meetings: Vyrle Hill and David Goldsmith noted the Executive Committee meeting set for June 30, 2005 at Prime Hotel in SeaTac (*effective May 4, the name will be Radisson Hotel Gateway Seattle Tacoma Airport*). Vyrle also presented a proposal to re-schedule the Summer 2005 Conference from July 19-21, to 26-28. Mike Shelton moved to change the date. Pat Hamilton seconded. Motion carried unanimously.

The Chair thanked Harry Green for his work on the Personnel Committee.

Executive Session: The Chair called for the Board to go into Executive Session to discuss recruitment of an Executive Director at 1:35 p.m. All non-Board members left the room and the meeting commenced.

The Board ended its Executive Session at 2:15 p.m. Non-Board members were called back into the room. Mike Shelton moved to extend a two-year employment contract to Vyrle Hill as Executive Director of WCRP, to be reviewed in 18 months for possible further extension, and to utilize the supplemented budget resources for marketing and member services as deemed appropriate by the Executive Director. Pat Hamilton seconded. Motion carried.

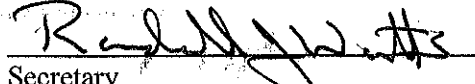
Mike Shelton moved to adjourn the meeting. The motion carried without objection. With no further business, the meeting was adjourned by the Chair at 2:25 p.m.

MINUTES APPROVED:



President

Attest:



Secretary