

**WASHINGTON COUNTIES RISK POOL
EXECUTIVE and FINANCE COMMITTEES**

MINUTES

**10:00 a.m. Tuesday, June 27, 2000
Shilo Inn, Ocean Shores**

ATTENDANCE:

President – R. S. Zirkle, Yakima County Chief Deputy Prosecuting Attorney

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

Executive Committee –

Mary Jo Cady, Mason County Commissioner

Leon Long, Adams County Public Works Director

Mike Shelton, Island County Commissioner

Finance Committee member Rose Elway, Grays Harbor County

Broker – Mike Croke, ARM, Senior Vice President, Willis Corroon of Seattle

Actuary – Kevin Wick, PricewaterhouseCoopers

WAPA Executive Secretary – Tom McBride

Risk Pool Staff - John Crawford, Executive Director

Alicia Johnson, Claims Manager

Jay Winter, Programs Manager

WELCOME and ROLL CALL: President Ron Zirkle called the meeting to order at 10:02 a.m., welcomed all in attendance, and announced that a quorum was present.

APPROVAL:

Minutes: Mike Shelton moved to approve the minutes of the March 16th Meeting in SeaTac. The motion was seconded by Si Stephens and approved.

Financial Report and Vouchers: Leon Long moved to approve the vouchers. The motion was seconded by Si Stephens and approved.

Skid Car Grant: Mary Jo Cady moved to approve an interlocal agreement concerning the cooperative use of a Skid Car by a group of counties led by Mason County, and including Kitsap, Clallam, Whatcom, Island, Jefferson and San Juan Counties. The agreement has been signed by the sheriffs of those counties, and the Risk Pool will make a \$25,000 grant when approved by the Boards of County Commissioners of those counties.

REPORTS, DISCUSSION AND ACTION:

Minutes of Board Spring Meeting: The minutes of the Board Spring Meeting were included in the meeting materials.

Risk Management Committee: Jay Winter reported that the Risk Management Committee met on June 14th at SeaTac to review the Risk Management Policy. The committee suggests changing the policy as set forth in the copy included in the meeting materials. The proposed revisions will be placed on the agenda at the next Board meeting as an action item.

Underwriting Committee: John Crawford reported that the Underwriting Committee's recommended changes are shown in the copy included in the meeting materials. Revisions included worldwide application of coverage; creating an exception to the pollution exclusion to cover collision, upset or overturning of a vehicle or mobile equipment; modifying the "care, custody and control" exclusion to cover garagekeeper liability for fairgrounds storage and sheriff impound lots; deleting the fireworks exclusion; revising the definition of "automobile" to include non-Washington vehicles; and modifying the "other insurance" clause to clarify that the Pool's policy is excess to other insurance policies. Those changes will be placed on the Board agenda. John also mentioned that the committee wants to review coverage of fair associations and volunteers, other quasi-boards (like AAAs and RSNs), and county supervision of adult misdemeanor and pre-trial releases.

Nominating Committee: The Executive Committee sits as the Nominating Committee. After discussion about elected and appointed officials, east and west counties, and large and small deductibles, Mike Shelton moved to place five names into nomination for three open positions serving three-year terms on the Executive Committee: Jefferson County Deputy County Administrator David Goldsmith, Adams County Public Works Director Leon Long, Chelan County Commissioner James C. Lynch, Whatcom County Chief Civil Deputy Prosecuting Attorney Randall J. Watts and Yakima County Chief Deputy Prosecuting Attorney R. S. Zirkle. The motion was seconded by Si Stephens and approved. Nominations from the floor will also be accepted.

Motions were made and seconded to nominate Si Stephens as President and Mary Jo Cady as Secretary/Treasurer. Both have two years left in their present terms.

Claims: Alicia Johnson said that a Yakima County judge granted the county summary judgment on a wrongful death lawsuit when a rescue diver drowned in an irrigation flume. She also announced that Adams County won a summary judgment on a lawsuit arising out of staff discharges after a new prosecuting attorney took office.

Reinsurance: Mike Croke provided reinsurance quotes and said that there are still a few loose ends regarding payment of defense costs outside of policy limits, the price for stop-loss coverage on the pool's layer, and a requested increase in a top layer by Discover Re.

Actuarial Report: Kevin Wick gave a PowerPoint presentation on the actuary analysis that he just completed and rate recommendations. He showed the long-term trends in automobile liability, general liability, employment practices, and costs for all coverages from first dollar to \$100,000. He also showed how parts of the premium are either exposure- or experience-rated.

Executive Director: John Crawford provided copies of a letter written by a Colville broker on behalf of Stevens County asking for a proposal for a guaranteed quote starting on September 1, 2001, and for only a 3-year time commitment. Mary Jo Cady moved to recommend that we reduce our 5-year time requirement down to a 3-year period. The motion was seconded by Leon Long and approved. Since the broker had just represented another risk pool in a presentation to Asotin County on Monday, the committee felt that a sealed quote should be given directly to the board of county commissioners.

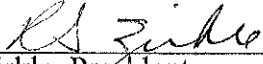
John also provided drafts of the premium spreadsheet showing the new rates and quotes, and the new experience rating modification calculations. The committee felt that a 5% increase in administrative expenses could be an appropriate target, but specific cost increases would need to be explained in more detail.

ADJOURN: With no further business, the meeting was adjourned at 12:22 p.m.

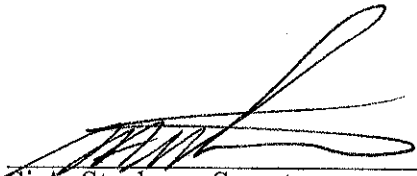
FUTURE EXECUTIVE COMMITTEE MEETINGS:

Wednesday, October 4, 2000 at Kennewick (during WACO Annual Conference)

MINUTES APPROVED: 10 / 03 / 2000



R. S. Zirkle, President
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Attest: 

Si A. Stephens, Secretary