

**WASHINGTON COUNTIES RISK POOL
EXECUTIVE COMMITTEE
MINUTES**

**9:45 a.m. Thursday, February 20, 2003
WestCoast Sea-Tac Hotel, SeaTac**

ATTENDANCE:

President – Steve M. Lowe, Franklin County Prosecuting Attorney

Secretary- Leon Long, Spokane County Risk Manager

Executive Committee –

Rose Elway, Grays Harbor County Dir, Mgmt Services, Budget, Insurance & Risk Mgmt

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

R. S. Zirkle, Yakima County Prosecuting Attorney

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

Actuary – Kevin L. Wick, FCAS, MAAA, PricewaterhouseCoopers

Risk Pool Staff - John Crawford, Executive Director

Alicia Johnson, Claims Manager

Jay Winter, Programs Manager

WELCOME and ROLL CALL: President Steve Lowe called the meeting to order at 9:45 a.m., took a roll call, and announced that a quorum was present.

APPROVAL:

Minutes: Mike Shelton moved to approve the minutes of the October 1st meeting at Wenatchee. The motion was seconded by Leon Long and approved.

Vouchers: After discussion of several payments, Mike Shelton moved to approve the vouchers (Administration: check numbers 10830 through 11150 totaling \$6,043,068.09 and transfers in the amount of \$26,218.89; and Claims: check numbers 12051 through 12971 totaling \$6,209,318.33). The motion was seconded by Ron Zirkle and approved.

REPORTS, DISCUSSION and ACTION:

Minutes of Board Annual Meeting: The draft minutes of the November 7th Autumn Meeting was included in the materials.

Claims: At 9:55 a.m., the Chair conducted the meeting in executive session in accordance with RCW 48.62.101, to discuss litigation and settlement of claims. Public discussion would impair the Risk Pool's ability to conduct its business effectively; and/or it was for the purpose of setting reserves. The Executive Session was concluded at 11:00 a.m.

Financial Report: Finance Committee Co-chairs Vyrle Hill and Si Stephens reported that they had met on February 19th with Committee Member Rose Elway, President Steve Lowe, and John Crawford to review the funding level of the claims loss fund. They discussed the different aspects of the financial report with the Executive Committee. At the finish of the report, based on claims reserves and actuary forecasts of incurred but not reported claims, Vyrle Hill moved that the Executive Committee should consider at its next meeting whether to recommend that the Board formally close several of the early policy years, credit qualifying current members, amend and increase the retroactive assessments approved in 1999, and collect the new balance in equal amounts over the next six years. The motion was seconded by Si Stephens and approved. After discussion, the Finance Committee scheduled a telephone conference call on March 7th, the Executive Committee agreed to meet on Friday, March 21st to work further on the funding level of the claims fund, and the Chair extended the Board's Spring Meeting in Pasco over two days to fully explore the issues involved.

Broker Report: Mike Croke reported on reinsurance, property, landfill, and special events. The Chair asked that the Underwriting Committee work with Mike Croke to review a landfill group purchase arrangement, and also look at fixing the policy language to eliminate the risk of another landfill nuisance large loss.

Programs: Jay Winter reported that we had very good participation in the claims administration training in January. He reported that the Risk Pool and several large deductible counties are now using the RiskMaster claims information system. He will coordinate visits with county risk managers and information technology personnel. Jay also reported on the e-learning program.

OTHER BUSINESS:

Affiliate Memberships: John Crawford reported that the county organizations had requested insurance coverage through the Risk Pool. After discussion, Vyrle Hill moved to proceed with the steps necessary to extend coverage. The motion was seconded by Si Stephens and approved.

Whitman County: John Crawford reported that Whitman County had spun off its counseling services, consisting of chemical dependency and mental health, into a private, non profit corporation, thereby reducing the size of the county workforce by about thirteen percent. The county was asking for a pro-rata refund of its insurance premium. After discussion about our historic practices and policies, and about the reinsurance contracts not being audited types, with a deposit premium and adjustments depending on actual worker hours during the policy period, the Executive Committee recommended that no refund be made.

John Crawford reported that Whitman County has not rescinded its twelve-month written notice of intent to withdraw. Vyrle Hill moved to recommend waiver of the requirement that it be rescinded any time up until six months prior to the end of the policy year. The motion was seconded by Mike Shelton and approved.

Supplemental Revenues: John Crawford reported additional unbudgeted revenues of \$9,288 from leasing a part of the building to the Community Transportation Association of the Northwest and with supplemental premium from the Clark County Health Department. He requested authority to continue the financial officer position at three-quarter time rather than two-thirds time for the balance of the fiscal year, with the balance added to training programs. Vyrle Hill moved to recommend authorization of the additional spending. The motion was seconded by Si Stephens and approved.

Tort Reform: Steve Lowe reported that he had testified at the Legislature twice on tort reform bills. He observed that there are several bills introduced in both chambers regarding different aspects of tort reform, and some of them have a good chance of passing.

Future Meetings:


March 21, 2003 (Friday), SeaTac

June 25, 2003 (Wednesday), Spokane (WSAC Summer Conference)

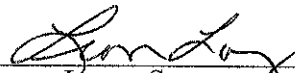
September 30, 2003 (Tuesday), SeaTac (WACO/WSAC Joint Conference)

With no further business, the meeting was adjourned at 1:15 p.m.

MINUTES APPROVED:



Steve M. Lowe, President

Attest: 

Leon Long, Secretary