

**WASHINGTON COUNTIES RISK POOL  
EXECUTIVE COMMITTEE**

**MINUTES**

**10:00 A.M., Friday, March 3, 2006  
Red Lion Hotel SeaTac Airport  
18220 International Blvd., SeaTac, Washington**

**ATTENDANCE:**

President – Randy Watts, Whatcom County Chief Civil Deputy Prosecuting Attorney

Secretary/Treasurer – Steve Clem, Douglas County Prosecuting Attorney

Committee Members –

Keith Goehner, Chelan County Commissioner

Toni Gilbert, Clallam County Safety/Training Specialist

Rose Elway, Grays Harbor County Management Services/Budget Director

Mike Shelton, Island County Commissioner

Diane Oberquell, Thurston County Commissioner

Jay Winter, Walla Walla County Personnel/Risk Manager

Ron Zirkle, Yakima County Prosecuting Attorney

Risk Pool Staff –

Vyrle Hill, Executive Director

David Goldsmith, Member Services Manager

Susan Looker, Claims Manager

Others –

Mike Croke, Broker (Willis of Seattle, Inc.)

**Welcome and Roll Call:** President Watts called the meeting to order at 10:04 a.m. by welcoming all and noting that visually he could confirm that a quorum was present. He then asked for agenda revisions... the Executive Director asked to comment on the claims division staffing following the Claims Manager's report.

**Minutes:** Rose Elway moved to approve as distributed the minutes of the January 19, 2006 Executive Committee meeting held at the Pool's Tumwater building. The motion was seconded by Toni Gilbert and passed.

**Vouchers:** Mike Shelton moved to approve Voucher Approval Request No. 06-04, more specifically Administration check numbers 13678 through 13766 totaling \$69,199.59 with transfers of \$34,936.09 and Claims check numbers 16917 through 17058 totaling \$874,387.20. The motion was seconded by Diane Oberquell and passed, but committee members mentioned that providing the purpose for each expense, even when an expense is split amongst several accounts, is essential.

Rose Elway moved to approve Voucher Approval Request No. 06-05, more specifically Administration check numbers 13767 through 13818 totaling \$54,606.13 with transfers of \$28,927.33 and Claims check numbers 17059 through 17194 totaling \$424,089.95. The motion was seconded by Mike Shelton and passed.

**Broker's Report:** Mike Croke reported that Thurston (1/1/06), Douglas (1/30/06) and Whatcom (2/20/06) Counties have joined the new Washington Counties Property Program and that a quote was prepared and will be considered by Yakima County next week. He noted that quotes are being solicited by Garfield and Skagit Counties for summer renewal dates. Randy Watts mentioned that the "per occurrence" in the pooled program versus the prior carrier's "per

location" provision was a major factor in Whatcom County's decision to purchase the WCPP. Mike Croke also noted that the policy's margin clause was being used to address both Builders' Risk coverage for some smaller construction projects and for some unlisted vehicles.

Mr. Croke also reported that meetings were being scheduled the second week of April in New York with the Pool's present and prospective underwriters to discuss concerns and next year's insurance program. He noted that he was expecting Randy Watts, Steve Clem, Mike Shelton, Vyrle Hill and Susan Looker to accompany him at these meetings.

**Finance Committee:** Rose Elway reported that she had attended the February 3<sup>rd</sup> Audit Exit Conference conducted by the State Auditor's Office as the executive/finance committee representative. She noted that there were again no findings and all was generally well with the Pool from the perspective of the SAO.

**Personnel Committee:** Chair Ron Zirkle noted that there was nothing yet to report.

**Risk Management Committee:** The Executive Director reported that difficulties had arisen reserving the WSU-WECN facilities needed for the various Focus Trainings. Due to the advance notice needed for these trainings, the decision was made recently to forego use of the WECN system this year and return to the east-west presentations of recent years.

Steve Clem suggested contacting the state Department of Information Systems about using its facilities in Olympia (and possibly elsewhere in the state) for these trainings.

**Underwriting Committee:** Co-chair Steve Clem had nothing to report at this meeting.

**Executive Session:** Diane Oberquell moved at 10:20 a.m. to enter an "executive session" to review the status of certain claims and lawsuits and to consider claim settlements. The motion was seconded by Rose Elway and passed. All present were determined to be pertinent to discussions and allowed to remain. **President Watts exited the executive session at 10:50 a.m.** Rose Elway moved to support the settlement offer and amount proposed by the Claims Manager in the Barbee matter; the motion was seconded by Mike Shelton and passed. Mike Shelton moved to support the settlement offer and amount proposed by the Claims Manager in the Palzel-Schepleng matter; the motion was seconded by Ron Zirkle and passed.

The Executive Director reported that a member of the claims staff was recently reduced to part-time status. Following a brief discussion regarding the staffing needs of the Pool, specifically the claims division, Ron Zirkle moved to direct the Executive Director to seek information and preview the data and estimates from consulting firms to conduct a market-rate study that would assist with the Pool's deliberations of staff compensation. The motion was seconded by Toni Gilbert and passed.

**Member Services:** David Goldsmith reported on the Compact compliance audit he conducted for Lewis County and briefly reviewed the "draft" report that has been prepared. It was noted that the audit report would be finalized and presented soon. Also noted was the scheduling of the Island and Whatcom Counties' audits and the scheduling contacts with several other counties.

Mr. Goldsmith then gave a brief synopsis of his temporary stint in San Juan County. He noted that he is expecting to wrap things up there and return to his Pool obligations by mid-June.

**The meeting was recessed (for lunch) at 11:30 a.m. until 12:10 p.m.**

**Executive Director:** Vyrle Hill mentioned that there were two minor concerns of the State Auditor's Office that were raised during the recent audit... a credit card (meal) transaction

without any details of what was actually purchased; and the absence of a competitive bidding policy for the Pool. He noted that he had discussed the receipting concern with staff members with charge privileges. He also noted that a competitive bidding policy was drafted and circulated the finance committee. The draft was modified in response to the comments received.

**Financial Management (Competitive Bidding) Policy:** The addition (section G) to the Pool's Financial Management Policy to establish a competitive bidding policy as recommended by the State Auditor's Office was considered by the committee. Some felt the second sentence in section G.4.b was confusing and added little if anything to the policy. Rose Elway moved to recommend Board approval of the policy with the deletion of the second sentence in section G.4.b. of the draft. The motion was seconded by Steve Clem and passed.

Mr. Hill mentioned that a month's extension was granted the prospective buyer of the Pool's property to allow the time to have a required appraisal performed. He noted that WCIF remains onboard for the anticipated "joint" acquisition, and that the new building's developers were proceeding with its permitting and construction even with the latest sale snafu.

Mr. Hill also reported that appointments had been scheduled later this month with Franklin and Skamania Counties to discuss Pool programs and operations with hopes of convincing the counties to rescind their respective membership withdrawal notices. Mike Shelton and Keith Goehner expressed their willingness to attend with the ED and broker Mike Croke.

**Executive Session:** Diane Oberquell moved at 1:05 p.m. to enter an "executive session" to begin the review of the executive director's performance. The motion was seconded by Rose Elway and passed. ED Hill and Mike Croke were excused initially, and David Goldsmith and Susan Looker were excused later when ED Hill was instructed to return. **President Watts exited the executive session at 1:55 p.m.** No actions forthcoming – the committee will present its findings and recommendations during the next Board meeting.

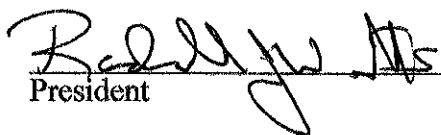
**Upcoming Events:** The committee agreed to meet March 30<sup>th</sup> in Vancouver in conjunction with the (March 29-31, 2006) Spring Session at 6:00 p.m.

Several committee members expressed their interest in attending the PRIMA Annual Conference June 11-14. ED Hill will circulate conference materials soon.

The committee also agreed to meet for annual meeting and insurance renewal previews June 29<sup>th</sup> in SeaTac at 10:00 a.m.

**Adjournment:** With no further business, President Watts adjourned the meeting at 2:10 p.m.

MINUTES APPROVED this 30<sup>th</sup> day of March, 2006.

  
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President

Attest:   
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Secretary/Treasurer