

TELEPHONIC MEETING MINUTES
WASHINGTON COUNTIES RISK POOL
EXECUTIVE COMMITTEE
8:30 AM, Thursday, December 16, 2010

PARTICIPATING:

President – Marilyn Butler, Alternate Director – Skamania County Risk Manager

Secretary/Treasurer – Steve Bartel, Director – Spokane County Risk Manager

Executive Committee Members –

Keith Goehner, Director – Chelan County Commissioner

Mark Wilsdon, Director – Clark County Risk Manager

Rose Elway, Alternate Director – Grays Harbor County Director of Mgmt Services & Budget

Lee Grose, Director – Lewis County Commissioner

Andrew Lampe, Director – Okanogan County Commissioner

Tammy Devlin, Alternate Director – Thurston County Risk Manager

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

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

Vyrle Hill – WCRP Executive Director (*ex-officio*)

Risk Pool Staff –

Susan Looker – Claims Manager

David Goldsmith – Member Services

Actuary –

Kevin Wick, Managing Director – PricewaterhouseCoopers LLP

Craig Scukas, Director – PricewaterhouseCoopers LLP

Producer –

Michael Croke, Area Senior Vice President – Arthur J. Gallagher RMS, Inc.

Call to Order, Welcome, Roll Call and Agenda: President Butler called a telephonic meeting of the WCRP Executive Committee to order at 8:30 a.m. and conducted a voice roll call to verify that a quorum was participating. L. Grose moved and T. Devlin seconded for approval of the meeting agenda; the motion passed.

Minutes: J. Winter moved and R. Watts seconded for approval of the minutes of the October 22, 2010 Executive Committee meeting as presented; the motion passed.

Vouchers: R. Elway moved and J. Winter seconded for approval of Voucher Approval Request No. 11-01, more specifically check numbers 4361 through 4553 (administrative) and 30459 through 30857 (claims) totaling \$11,248,631.17 with transfers of \$93,621.92; the motion passed.

Claims Settlement Authorizations: K. Goehner moved and R. Elway seconded for approval of Claims Settlement Confirmation No. 2010-12-16, more specifically Kuhn v. Lewis County, Taylor v. Pend Oreille County, Michele v. San Juan County, and Moser v. Skamania County; the motion passed with R. Watts abstaining from Michele v. San Juan County.

Consulting Services Agreement (Independent Claims Auditing Services): In accordance with the Board's directives, the Pool's officers and Executive Director presented the tentative agreement they had negotiated with Strategic Claims Direction LLC for independent claims auditing services that would commence with formal approval and continue through calendar 2013. R. Watts moved and L. Grose seconded to approve the Consultant Agreement with Strategic Claims Direction LLC for Independent Claims Auditing Services; the motion passed without dissent.

Actuary's Reserve Review: PricewaterhouseCoopers' Kevin Wick, Managing Director, and Craig Scukas, Director, presented the Actuarial Reserve Review as of September 30, 2010 with the enhancements for GASB and SRM compliance. Craig noted that their estimates included \$14.0MM net reserves and comprised of \$6.1MM in loss and ALAE reserves for the Pool self-funded layer, \$7.0MM in aggregate deductible reserves from the corridor program, and \$0.9MM in unallocated

loss adjustment expense (ULAE) reserves. The total increased some from the corresponding \$13.1MM estimate for the year earlier, but the ultimate loss estimate for the Pool's self-funded layer was \$1.9MM lower. Kevin noted the new 2-pronged solvency tests (WAC 82-60-03001) and reported that the Pool's financial position is such that it easily satisfied both solvency tests. Kevin also summarized their estimates for losses ceded to the commercial reinsurance carriers. J. Winter moved and T. Devlin seconded to approve the Py2010 Actuarial Reserve Review from PricewaterhouseCoopers LLP; the motion passed without dissent.

State Risk Manager Report: LGSI Program Administrator Stuber was unable to attend. A draft proposal amending RCW 48.62 was discussed to determine what position the Pool might advocate if the bill is considered during the 2011 legislative session. R. Elway moved and M. Wilsdon seconded to circulate the proposal stating the Executive Committee had no true objections and seeking opinions from the membership by mid-January; the motion passed.

Producer's Report: M. Croke reported that they were working on the contractual agreement for 2011-13 and hoping to have it completed by year's end. He also commented on the Ceded Losses chart in the Actuarial Reserve Review, and he noted their new Lexington contact.

Standing Committee Reports: Finance Committee Co-chair L. Grose, Personnel Committee Co-chair T. Devlin and Risk Management Committee Co-chair M. Wilsdon all had nothing to report. Underwriting Committee Co-chair R. Watts reported that the property program (WCPP) subcommittee established during the Board's 2010 Autumn Meeting would meet, probably telephonically, in January.

Staff Reports:

- **Executive Director Hill** reported that the field examination for the SAO audit of the Pool for Py2010 had commenced.
- **Claims Manager Looker** had nothing further to report.
- **Loss Control Coordinator Lowe** reported that 21 of the 27 member counties' had agreed to participate with the Daily Training Bulletins provided by Lexipol and financing from ACE.
- **Member Services Manager Goldsmith** reported that we were returning to Grant County December 20th with the Producer for a marketing follow up to present the side-by-side coverage comparison of the WCRP and WRCIP insuring programs and the county had requested.

Officer / Other Committee Members Reports: President Butler reported being quite busy since the Autumn Conference negotiating the consultant agreements for independent claims auditing, actuarial, and producer services.

Adjournment: L. Grose moved and R. Elway seconded to adjourn the telephonic meeting at 9:33 a.m.; the motion passed without dissent.

MINUTES APPROVED this ^{18th MAR} 24th day of March, 2011.

Maulen Butler
President

Attest: [Signature]
Secretary/Treasurer