

**WASHINGTON COUNTIES RISK POOL  
EXECUTIVE COMMITTEE MEETING MINUTES**

8:30 AM, Thursday, July 7, 2011

Red Lion Hotel, 18220 International Blvd, SeaTac, Washington

**ATTENDANCE:**

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

Steve Clem, Director – Douglas County Prosecuting Attorney (*teleconferencing*)

Lee Grose, Director – Lewis County Commissioner

Andrew Lampe, Director – Okanogan County Commissioner

Tammy Devlin, Alternate Director – Thurston County Risk Manager (*teleconferencing*)

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

Jill Lowe – Loss Control Coordinator

Others –

Michael Croke, Area Senior Vice President – AJGRMS, Inc.

Elizabeth Miser, Area Vice President – AJGRMS, Inc.

**Welcome and Roll Call:** President Butler called the meeting to order at 8:32 a.m. and welcomed those attending. She announced that she could confirm visually that a quorum of committee members were present or participating telephonically.

**Agenda:** President Butler then asked if there were any changes to the preliminary agenda that had been circulated. Executive Director Hill noted that Item 3 was included in error as it had been attended to during an earlier meeting. And after learning that T. Devlin was directed to withdraw from further consideration as an officer, J. Winter moved and R. Watts seconded for approval of the agenda, but with reconsideration of the Nominating Committee's actions as an added item; *the motion carried.*

**Minutes:** M. Wilsdon moved and T. Devlin seconded for approval of the minutes as presented of the June 16, 2011 Executive Committee meeting at the SeaTac Red Lion Hotel; *the motion carried.*

**Claims Settlement Authorizations:** K. Goehner moved and R. Watts seconded for approval of Claims Settlement Confirmation No. 2011-7-7, more specifically Vance Johnson v. Grays Harbor County et al. *The motion carried.*

**State Risk Manager Report:** LGSi Program Administrator Stuber was not attending.

**Steve Clem joined the meeting telephonically at 8:55 a.m.**

**Producer's (aka Broker's) Report:** Mike Croke provided handouts with the very early quotations for renewal of the Pool's reinsurance/excess insurance policies for Py2012. He noted the initial quotes were unacceptable as they would increase the total costs for the liability program by approximately \$330,000 and the property program by more than \$750,000. He shared that AJG intends to continue discussions with prospective carriers for both programs which may require another East Coast visitation or even a trip to visit with possibilities from the London market. He also mentioned that the initial quotations were gross of commissions and planned to use the commission limitation in the new producer agreement as leverage to secure even greater reductions in pricing from the carriers.

**Nominating Committee:** S. Bartel moved and A. Lampe seconded to reconsider the Committee's nominations for Secretary/Treasurer and T. Devlin's name to be withdrawn; the motion carried. President Butler asked for other nominations and T. Devlin moved and S. Bartel seconded to recommend M. Wilsdon for the position. J. Winter then moved and S. Bartel seconded to close the nominations and recommend for the Board's consideration both L. Grose and M. Wilsdon for Py2012 Secretary/Treasurer; the motion carried.

### **Standing Committee Reports / Action Items**

- **Database Review:** Chair J. Winter noted that the review committee first agreed upon a) policy revisions that were more meaningful which are being advanced in the form of a replacement Claims Database Policy for final approval, and b) criteria to use for this and subsequent reviews. He further reported that the Committee conducted its review and provided its report, but the written report was unfortunately not included with this meeting's materials. So he provided a verbal summary of the Committee's findings and recommendations. K. Goehner moved and A. Lampe seconded to advance the Committee's recommendations to the Board with the Executive Committee's support; the motion carried.
- **Finance – Actuarial Review of Loss Rates – Pool Year 2012:** After a brief recap by ED Hill, L. Grose moved and M. Wilsdon seconded to advance the Finance Committee's recommendation to accept the actuarial review as drafted; the motion carried.  
*Experience Rating by County:* ED Hill briefly recapped Exhibit 1-4 in the actuarial review, then L. Grose moved and M. Wilsdon seconded to advance the Finance Committee's recommendation to accept Exhibit 1-4 of the Actuarial Review and continue the practice of modifying liability insurance program costs using the modification factors shown in the Exhibit; the motion carried with S. Bartel opposing. S. Clem then moved to recommend that the Board limit experience modification to the costs for only the initial \$2MM/occurrence of the liability insuring program. S. Bartel seconded and referenced the results page 6 of 9 in the examples provided. After some discussion, the motion carried without dissent.

**President Butler recessed the meeting at 9:53 and reconvened again at 10:11 a.m. without T. Devlin (excused to attend a meeting of the Thurston County Commissioners).**

**Finance (continued) – Loss Funding (Pool's SIR level) for Py2012:** S. Bartel moved and K. Goehner seconded to advance the Finance Committee's recommendation for the Pool to retain a \$100,000 self-insured retention with actuarial projected assessments from the participating (smaller deductible) counties of \$1.605MM; the motion carried.

**T. Devlin resumed telephonic participation at 10:27 a.m.**

**Finance (continued) – Py2012 Budget with administrative allocations for General Administration, Member Services and Claims Administration:** ED Hill provided a brief review of the budget proposals for Py2012 with the revisions recommended by the Finance Committee. After some discussion, L. Grose moved and M. Wilsdon seconded to accept the Py2012 Budget being presented with the Finance Committee's recommendations and advance the same to Board for formal approval; the motion carried without dissent.

- **Personnel:** Co-chair T. Devlin reported that the Committee with the others designated by President Butler to develop a Continuity of Operations / Succession Plan would meet initially during the Summer Conference to review the project's scope, desired outcomes and timelines.
- **Risk Management:** Co-chair M. Wilsdon reported that in addition to recommending adjustments in scholarship funding, refining the training focuses, and potentially producing webinars covering permitting errors and contract management subjects already in the Py2012 Budget for the loss control / training program, the Risk Management Committee is recommending support of the Producer's Proposal for Risk Control Consulting Services during Py2012 in the amount of \$57,500. He noted that the Committee met telephonically June 29<sup>th</sup> with AJG representatives to further discuss the Proposal before agreeing upon this recommendation. A. Lampe moved and S. Bartel seconded to advance the Risk Management Committee's recommendations to Board for approval with the Executive Committee's support; the motion carried with J. Winter opposing.

- **Underwriting:** Co-chair R. Watts noted the outstanding concern regarding Quantum Meruit (*unjust enrichment*) and commented that he felt specific notation in the Exclusions section of the JSILP Coverage Form was warranted... *all agreed*. He then noted the recent inquiry from San Juan County regarding coverage for Nominal Damages cases. It was agreed that these matter would be referred without recommendations to allow the Committee to meet at/before the Summer Conference to more fully address these coverage issues.

**Staff Reports:**

- **Executive Director Hill** presented and briefly reviewed his proposed (staffing) Work Plan for Py2012. Following a brief discussion, S. Bartel moved and J. Winter seconded to recommend the Annual Work Plan for Py2012 being proposed; *the motion passed without dissent.*
- **Loss Control Coordinator Jill Lowe** commented on employment trainings and upon potential association with recent claims.
- **Member Services Manager David Goldsmith** reported on the continuing Py2011 county visitation and the more recent initial marketing visits with Klickitat and Whitman Counties. He shared that the Whitman County visit seemed more promising than with Klickitat, but that we would be following up with all the non-member counties visited to secure the needed information to prepare and provide preliminary product and price comparisons.

**Executive Session – Claim Review / Settlement Authorization:** A. Lampe moved and L. Grose seconded to convene in executive session at 11:40 a.m. under the appropriate statutory authorities for an estimated thirty (30) minutes to examine the litigation of existing claims and potentially discuss settlement authorizations; *the motion passed unanimously by voice vote.* Recognizing that public discussion would impair the Committee's ability to conduct its business effectively, and acting in accordance with the WCRP Bylaws and RCW 48.62.101 as well as RCW 42.30.110(1) (i), President Butler moved the Executive Committee into an estimated 30-minute executive session after determining all those present to be pertinent to the two initial case reviews. Before taking up the third case review, however, M. Wilsdon asked to be and was excused from the remainder of the meeting at 11:45 a.m. President Butler reconvened the Executive Committee in regular session at 12:00 p.m. with all earlier participants except for M. Wilsdon, and announced that no decisions were made or would result from this specific executive session.

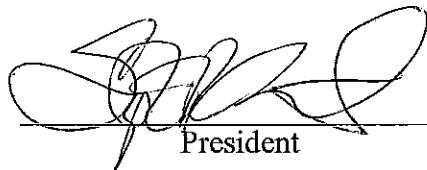
**Officer and Committeeperson Reports**

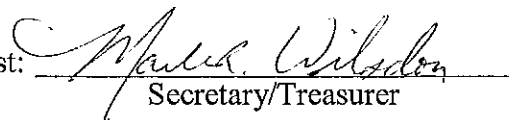
- A thank you card from former and longtime member **Rose Elway** was acknowledged.

**Future Meetings:** ED Hill reminded the Committee that dates and locations for the Py2013 Conferences (Autumn 2012 and Winter/Spring and Summer 2013) need to be discussed and determined soon.

**Adjournment:** With no further business for the Committee to consider, President Butler adjourned the meeting at 12:03 p.m.

**MINUTES APPROVED** this 13<sup>th</sup> day of October, 2011.

  
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President

Attest:   
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Secretary/Treasurer