

**WASHINGTON COUNTIES RISK POOL
BOARD OF DIRECTORS
AUTUMN MEETING**

MINUTES

**8:30 a.m., Thursday, October 21, 1999
Cavanaugh's Gateway Inn, Yakima**

ATTENDANCE:

President - R. S. Zirkle, Yakima County Chief Deputy Prosecuting Attorney
Secretary/Treasurer - Si A. Stephens, San Juan County Auditor
Executive Committee -
Marilyn Breckel, Skamania County Administrative Services Manager
Mary Jo Cady, Mason County Commissioner
Mike Shelton, Island County Commissioner
David Goldsmith, Jefferson County Deputy Director of Public Services
Melina Wenner, Benton County Risk Manager
Adams County - Leon Long, Public Works Director - Alternate
Chelan County - Jim Lynch, County Commissioner - Director
Clallam County - Marjorie Upham, Director of Personnel & Risk Management - Director
Columbia County - Scott Smith, County Engineer - Alternate
Cowlitz County - Frank A. Bishop, Cowlitz County Director of Admin. Services - Director
Clyde W. Carpenter, Risk Manager - Alternate
Franklin County - Neva J. Corkrum, County Commissioner - Director
Garfield County - Dean D. Burton, County Commissioner - Alternate
Grays Harbor County - Bob Paylor, County Commissioner - Director
Rose Elway, Director of Management Services - Alternate
Mary Davis, Deputy Director of Mgmt. Services - Alternate
Island County - Betty Kemp, Director of General Services Administration - Alternate
Klickitat County - Don Struck, County Commissioner - Alternate
Kitsap County - Barbara Razey, Risk Manager - Director
Lewis County - Russ Wigley, County Commissioner - Director
Pacific County - Vyrle L. Hill, County Administrative Officer - Director
Spokane County - Tim Durkin, Senior Deputy Pros. Attorney/Interim Risk Manager - Alternate
Whatecom County - Randall J. Watts, Chief Civil Deputy Prosecuting Attorney - Director
Whitman County - Richard Brown, Director of Administrative Services - Director

Broker - Mike Croke, Senior Vice President, Willis
Risk Pool Staff - John Crawford, Executive Director
Alicia Johnson, Claims Manager
Jay Winter, Programs Manager
Aileen Boren, Financial Officer

WELCOME and ROLL CALL: The meeting was called to order at 9:30 a.m. by President Ron Zirkle who welcomed all in attendance and noted that a quorum was present.

Board Workshop: The meeting followed a Strategic Planning Workshop facilitated by Kenneth M. Lynn of Communication Educators on Wednesday, October 20th from 1:30 p.m. until 5:00 p.m., which reconvened at 8:35 a.m. on Thursday, October 21st.

APPROVALS:

Agenda: The agenda was approved as printed.

Minutes: Si Stephens moved to approve the minutes of the July 23rd Annual Meeting in Leavenworth. The motion was seconded by Leon Long and approved.

REPORTS:

Executive Committee: The minutes of the September 16th Meeting of the Executive Committee were placed in the meeting packet.

Finance Committee: Pool Treasurer Si Stephens will chair the Committee.

Personnel Committee: Ron Zirkle will continue to chair the Committee and asked for volunteers to serve on it. Several human resource directors were mentioned as possible committee members.

Risk Management Committee: Randy Watts volunteered to serve on the Risk Management Committee. The Committee will meet again on January 25, 2000 at SeaTac.

Executive Director: John Crawford commented on the possible effects of Initiative 695 on the Risk Pool. He also reported that seven counties in the Puget Sound area were requesting a skid car grant. The counties had been approved for a \$25,000 grant from the Washington Traffic Safety Commission.

Finances: Aileen Boren gave a PowerPoint presentation on Pool finances.

Programs: Jay Winter gave a PowerPoint presentation regarding training that was given during the 1998-1999 fiscal year. 1,146 persons participated in 32 training sessions costing \$89,066, for an average cost of \$73 per participant. An additional \$12,728 in scholarships had been awarded to employees of ten member counties to participate in outside training.

Claims: Alicia Johnson gave a PowerPoint presentation on large losses and major types of claims incurred.

DISCUSSION AND ACTION:

Election of Executive Committee Member: Nominating Committee Chair Ron Zirkle reported that the committee had nominated Cowlitz County Director of Administrative Services Frank A. Bishop, Pacific County Administrative Officer Vyrl L. Hill, and Adams County Public Works Director Leon Long for the unexpired one year term that is vacant on the Executive Committee. Vyrl Hill withdrew his name from candidacy, and nominations were opened from the floor. Hearing none, nominations were closed. Leon Long was elected by the Board to serve the remainder of the three-year position expiring in September 2000.

Retroactive Assessment Resolution: At the Annual Meeting the Board approved the setting of retroactive assessments, and wanted a written draft of the resolution for approval at the next meeting. Si Stephens moved to approve the written draft as presented. The motion was seconded by Marilyn Breckel and approved without dissent.

Bylaws: With Thurston County leaving, the Pool is out of compliance with a provision of the Bylaws that requires the principal office of the Risk Pool to be located in a member county. Si Stephens moved to amend Article I A of the Bylaws to delete the requirement that the principal office of the Pool be located in a member county. The motion was seconded by Leon Long and approved with one dissent. Si Stephens then moved to amend Article I B of the Bylaws to allow the Board to establish other offices without regard to whether they are in a member county. The motion was seconded by Leon Long and approved with one dissent.

Budget: John Crawford reported that the administrative budget will need to be changed because the revenues are smaller than projected in July and the expenditures and reserves will need to be decreased. Vyrle Hill moved to refer the budget to the Finance Committee. The motion was seconded by David Goldsmith and approved. The Finance Committee will report back to the Executive Committee and Board.

Underwriting Committee: Committee Co-Chair Marilyn Breckel reported that the Underwriting Committee had met in Yakima on Wednesday, October 20th. She distributed five written motions that the Committee had voted to recommend.

Si Stephens moved to authorize Mike Croke and Willis to pursue a three-year (October 1999 to September 2002) program of liability reinsurance with Swiss Re in the \$400,000 excess of \$100,000 layer with a stable worker rate of \$0.086 per worker hour. The motion was seconded by Frank Bishop and approved without dissent.

Leon Long moved to extend the period which a member county that currently has underinsured motorist coverage under the Risk Pool policy to elect to waive such coverage, provided that the county notifies the Risk Pool in writing by November 15, 1999. The waiver shall begin at 12:01 a.m. on the date after the written election to waive is received by the Risk Pool. The motion was seconded by Si Stephens and passed without dissent.

Si Stephens moved to amend the underinsured motorist endorsement in the Risk Pool liability policy effective as of October 21, 1999 to read "The cost of the arbitrator shall be paid by the Pool. All other expenses of arbitration shall be paid by the party who incurred them." The motion was seconded by Neva Corkrum and approved without dissent.

Vyrle Hill moved that the Risk Pool shall offer to member counties a Risk Pool property program, effective January 1, 2000 with the following conditions:

1. The property program shall be an optional service provided to counties.
2. Willis will offer to provide each county not currently in the program a comparison of the Risk Pool property policy (including boiler and machinery and inland marine coverages) with the county's policy and an assessment of the valuation of major buildings owned by that county. The order that this service will be provided by Willis will be based on the earliest renewal date of such counties.
3. The Risk Pool Board of Directors will evaluate the property program at its Autumn 2000 meeting and determine if the Risk Pool wants to participate in the risk and if the program should be offered to non-member entities.

The motion was seconded by Si Stephens and approved without dissent.

Mary Jo Cady moved to direct the Executive Director to negotiate to extend the service contract with Willis to be co-extensive with the three-year liability reinsurance program and to add property reinsurance activities in the Willis contract scope of work. The motion was seconded by Vyrle Hill and approved without dissent.

Board Multi-Year Work Plan: The Board added several items to its Winter 2000 agenda, then approved a three-year schedule of Board activities as presented.

OTHER BUSINESS:

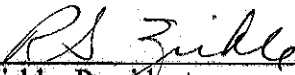
Future Board Meetings:

Winter – Wednesday, January 26th at the WestCoast Sea-Tac Hotel, SeaTac
Spring – Thursday, April 20th at the WestCoast Sea-Tac Hotel, SeaTac
Summer Annual – Thursday & Friday, July 20-21 at the Enzian Motor Inn, Leavenworth
Autumn – Tuesday, November 14th at the Doubletree Inn, Pasco

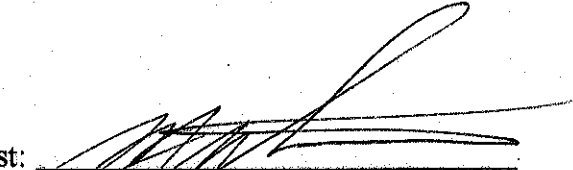
County reports were dispensed with, and with no further business, the meeting was adjourned at 12:50 p.m.

MINUTES APPROVED:

2 / 26 / 2000



R. S. Zirkle, President
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Attest: 

Si A. Stephens, Secretary