

**WASHINGTON COUNTIES RISK POOL
BOARD OF DIRECTORS
SUMMER WORKSHOP and ANNUAL MEETING**

MINUTES

**1:30 p.m. Thursday, July 31 and 8:30 a.m. Friday, August 1, 2003
Red Lion Hotel at the Park, Spokane**

ATTENDANCE:

President – Steve M. Lowe, Franklin County Prosecuting Attorney
Secretary-Treasurer – Leon Long, Spokane County Risk Manager
Executive Committee –
 Rose Elway, Grays Harbor County Director Management Services / Budget / Insurance
 David Goldsmith, Jefferson County Administrator
 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
Adams County – Linda Reimer, Clerk of the Board / Risk Manager – Alternate
Benton County – Melina Wenner, Personnel / Risk Manager – Director
Chelan County – Keith Goehner, County Commissioner – Director
Clallam County – Marjorie J. Upham, Director of Personnel/Risk Mangement – Director
 Toni Gilbert, Safety Training Specialist – Alternate
Columbia County – Scott Smith, County Engineer / Risk Manager – Alternate
Douglas County – Steven M. Clem, Prosecuting Attorney – Director
Franklin County – Neva J. Corkrum, County Commissioner – Director
Garfield County – Dean D. Burton, County Commissioner – Director
Grays Harbor County – Bob Beerbower, County Commissioner – Director
 Mary Davis, Emergency / Risk Management – Alternate
Island County – Betty Kemp, Director of General Services – Alternate
Kitsap County – Mark Abernathy, Loss Control Engineer – Alternate
Lewis County – Dennis Hadaller, County Commissioner – Director
 Harry B. Green, Risk Manager – Alternate
 Craig Gibbons, Labor Relations Officer
Mason County – Herb Baze, County Commissioner – Director
 Ione Siegler, Director Budget & Finance – Alternate
Pend Oreille County – Mike Hanson, County Commissioner – Director
San Juan County – David Zeretzke, Director of Administrative Services – Alternate
Skamania County – Marilyn J. Butler, Director of Administrative Services – Director
Spokane County – Tim M. Durkin, Senior Deputy Prosecuting Attorney – Alternate
Thurston County – Diane Oberquell, County Commissioner – Director
 Tammy Devlin, Risk Manger – Alternate
Walla Walla County – Jay Winter, Human Resources / Risk Manager – Alternate
Whatcom County – Randall J. Watts, Chief Civil Deputy Prosecuting Attorney – Director
Whitman County – Gerald Finch, County Commissioner – Director

Washington State Office of Financial Managment – John Nicholson, State Risk Manager
Actuary – Kevin Wick, FCAS, MAAA, PricewaterhouseCoopers
Broker – Mike Croke, Senior Vice President, Willis of Seattle, Inc.
 Pam Jones, Client Manager, Willis of Seattle, Inc.

Risk Pool Staff - John Crawford, Executive Director
Alicia Johnson, Claims Manager
Rich Bodell, Programs Manager
Kitty Bottemiller, Program Assistant

WELCOME and ROLL CALL: The meeting was called to order at 8:28 a.m. by President Steve Lowe who welcomed all in attendance and noted that a quorum was present. He asked that everyone around the table introduce him or herself.

The August 1st Board Annual Meeting follows after July 31st meetings of the Risk Management Committee, the Executive Committee, and the Board Summer Workshop.

Benton County Risk Manager Melina Wenner was present at the Board Workshop on July 31st, but was not able to make the Annual Meeting. Pend Oreille County Commissioner Mike Hanson was welcomed as the representative of the new member county.

APPROVAL:

Minutes: David Goldsmith moved to approve the minutes of the April 16-17th Spring Meeting at Pasco. The motion was seconded by Si Stephens and approved.

REPORTS, DISCUSSION AND ACTION:

Executive Committee: The minutes of the June 26th meeting of the Executive Committee was placed in the meeting packet, and Secretary Leon Long reported that the Executive Committee had reviewed the budget, reinsurance, and premiums in its July 31st meeting, and held an executive session reviewing claims.

Expansion of Size of Executive Committee: Chair Steve Lowe reported that under our Bylaws we can expand the size of the Executive Committee from 9 to 11 members. The motion was made by Vyrle Hill, seconded by Mike Shelton, and approved to do so.

Election of Executive Committee Members and Officers: Nominating Committee Chair Steve Lowe stated that David Goldsmith had been nominated for the new fourth position of the class of 2004, Vyrle Hill had been nominated for the new fourth position of the class of 2005, and Barbara Razey, Randy Watts, and Ron Zirkle had been nominated for the three open positions of the class of 2006 on the Executive Committee. There were no nominations from the floor. Mike Shelton moved that the nominations be closed and a unanimous ballot cast for nominees as proposed. The motion was seconded by Craig Vejraska and approved.

Chair David Goldsmith then put forth the nominations of Spokane County Risk Manager Leon Long as President and Okanogan County Commissioner Craig Vejraska as Secretary / Treasurer for next year. Seeing no further nominations from the floor, Mike Shelton moved that the nominations be closed and a unanimous ballot cast for Mr. Long and Mr. Vejraska. The motion was seconded by Diane Oberquell and approved.

Steve Lowe gave his President's Report about the Risk Pool's accomplishments this year. He recognized the special efforts by committee chairs Leon Long, Marilyn Breckel, Ron Zirkle and Vyrle Hill. He also thanked Leon Long for his work as Secretary/Treasurer.

John Crawford gave fifteen-year recognition plaques to Marilyn Butler, Rose Elway, Vyrle Hill and Marge Upham, ten-year baskets to Barbara Razey, Mike Shelton, Melina Wenner, and Jay Winter, and a five-year pen to Toni Gilbert for recognition of their service on the Board.

Programs Report: Rich Bodell reported on the e-learning training. He also announced that we are changing member counties access to the new risk management information system software. He will coordinate training and start dates with member counties.

State Risk Manger's Report: John Nicholson gave a PowerPoint presentation about claims trends with municipal risk pools, and about changes in state risk management.

Finance Committee: The financial report was placed in the meeting packet, and Chair Vyrle Hill and Si Stephens used the report to explain the Risk Pool finances.

Actuary Report: PricewaterhouseCoopers LLP Principal Consultant Kevin J. Wick gave a report on his "Actuarial Review of Loss Rates for Pool Year 2004" at the Board Workshop on July 31st. He projected a 4% overall decrease in the 2003 loss rate for the Pool's \$100,000 retention. Vyrle Hill moved to accept the report for filing. The motion was seconded by Rose Elway and approved.

Vyrle Hill moved to use the actuary recommended rates, to set premiums at the "expected" confidence level, and to offer member deductibles of \$10,000 / \$25,000 / \$50,000 / \$100,000 / \$250,000 and \$500,000. The motion was seconded by Neva Corkrum and approved.

Reinsurance: Mike Croke gave a report on the state of the insurance market at the Board Workshop on July 31st.

Si Stephens moved to purchase reinsurance from Swiss Re and AIG/Insurance Company of Pennsylvania as recommended by the broker, staff and the Executive Committee, but to authorize them to work further on improving the placement, including changing carriers if necessary. The motion was seconded by Mike Shelton and approved.

New Members: Mike Shelton moved to ratify and accept the admissions of Pend Oreille and Skagit Counties. The motion was seconded by Dean Burton and approved.

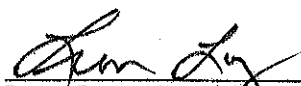
Budget and Premiums: Si Stephens moved to approve an administrative budget of \$1,009,099 that covers general, programs and claims administration. The motion was seconded by Neva Corkrum and approved.

Mike Shelton moved to allow members the opportunity until the end of business on August 31st to change deductible elections and correct exposure information, to allow members to pay 105% of the present premium by September 30th, with the balance due by January 31, 2004 with no interest charges, and to charge 6% interest on unpaid amounts. The motion was seconded by Diane Oberquell and approved.

FUTURE BOARD MEETINGS: On the recommendation of incoming President Leon Long, the Board approved holding the 2004 Summer Workshop and Annual Meeting in Ocean Shores.

With no further business, the meeting was adjourned at 11:32 a.m.

MINUTES APPROVED:



Leon Long, President

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Attest 
Craig Wejraska, Secretary