

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

MINUTES

**9:00 a.m. Thursday, April 15, 2004
Icicle Inn, Leavenworth**

ATTENDANCE:

President – Leon Long, Spokane County Risk Manager

Executive Committee –

Rose Elway, Grays Harbor County Dir, Mgmt Services, Budget, Insurance & Risk Mgmt

David Goldsmith, Jefferson County Administrator

Vyrle L. Hill, Pacific County Administrative Officer

Barbara Razey, Kitsap County Risk Manager

Mike Shelton, Island County Commissioner

Si A. Stephens, San Juan County Auditor

Randall J. Watts, Whatcom County Chief Civil Deputy Prosecuting Attorney

R.S. Zirkle, Yakima County Prosecuting Attorney

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 – Marge Upham, Director of Personnel / Risk Management – Director

Toni Gilbert, Safety / Training Specialist – Alternate

Columbia County – Scott W. Smith, County Engineer – Alternate

Cowlitz County – Clyde W. Carpenter, Risk Manager – Director

Douglas County – Steven M. Clem, Prosecuting Attorney – Director

Grays Harbor County – Bob Beerbower, County Commissioner – Director

Island County – Betty Kemp, Director of General Services – Alternate

Kittitas County – Max Golladay, County Commissioner – Director

Lewis County – Dennis Hadaller, County Commissioner – Director

Paulette Young, Safety Officer

Mason County – Herb Baze, County Commissioner – Director

Ione Siegler, Budget and Finance Director – Alternate

Okanogan County – Dan Powers, Human Resources / Risk Manager – Alternate

Pacific County – Bryan Harrison, Community Development Director – Alternate

Pend Oreille County – Jim Marthaller, Assistant County Engineer – Alternate

Skagit County – Billie Kadrmas, Risk Manager – Alternate

Spokane County – Tim Durkin, Senior Deputy Prosecuting Attorney – Alternate

Skamania County – Marilyn J. Butler, Director of Administrative Services – Director

Thurston County – Diane Oberquell, County Commissioner – Director

Tammy Devlin, Risk Manager – Alternate

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

Actuary – Craig Scukas, FCAS, MAAA, PricewaterhouseCoopers

Broker – Mike Croke, Senior Vice President, Willis of Seattle, Inc.

Risk Pool Staff - John Crawford, Executive Director

Alicia Johnson, Claims Manager

Rich Bodell, Programs Manager
Kitty Bottemiller, Programs Assistant

WELCOME and ROLL CALL: The meeting was called to order at 9:00 a.m. by President Leon Long who welcomed all in attendance and noted that a quorum was present.

APPROVAL:

Minutes: Mike Shelton moved to approve the minutes of the November 6th Autumn Meeting at Vancouver. The motion was seconded by Randy Watts and approved.

REPORTS, DISCUSSION AND ACTION:

Executive Committee: The minutes of the February 20th and March 18th meetings of the Executive Committee were placed in the meeting packet.

Personnel Committee: The minutes of the September 23rd meeting and March 12th conference call of the Personnel Committee were placed in the meeting packet. Chair Ron Zirkle reported that the committee will have another conference call after receiving a revised report from the Thurston County HR person who is developing the salary schedule.

Underwriting Committee: The minutes of the December 12th meeting and March 30th conference call of the Underwriting Committee were placed in the meeting packet. Co-chair Marilyn Butler reported that the committee met in Leavenworth on April 14th to review drafts of the exclusionary language for landfill public nuisances. An environmental attorney will review the proposed language, and the committee will have another conference call before the next Executive Committee meeting.

David Goldsmith moved to approve the revised definition of an occurrence as recommended by the Underwriting Committee. The motion was seconded by Randy Watts and approved.

Executive Session – Claims: At 9:24 a.m., the chair conducted the meeting in executive session in accordance with RCW 48.62.101, to discuss litigation and settlement of claims. Public discussion would impair the Risk Pool's ability to conduct its business effectively; and/or it was for the purpose of setting reserves. The Executive Session was concluded at 10:12 a.m.

Mike Shelton moved to hire a new litigation attorney to represent the Risk Pool in its efforts to collect the reinsurance receivables from Coregis and Discover Re. The motion was seconded by Marilyn Butler and approved. Si Stephens moved to authorize the President to appoint a litigation management team to assist the attorney. The motion was seconded by Marilyn Butler and approved. The President initially appointed Steve Clem, Tim Durkin, Vyrle Hill, and Mike Shelton to the committee, to be assisted by Alicia Johnson.

Financial Report: Committee Co-chairs Vyrle Hill and Si Stephens reviewed our financial report with and without a contra account for the reinsurance receivables from Coregis and Discover Re. Randy Watts moved to seek a letter from independent counsel if necessary for an opinion regarding the collectibility of the receivables. The motion was seconded by Marilyn Butler and approved. They reported that our exit conference with the state auditor is April 20th. The President called a special meeting of the Executive Committee to meet with the state auditor in Tumwater then.

Actuary Rating Report: Craig Scukas gave the actuary rating report. General liability and employment practices liability rates are slightly down, and the automobile liability rate is slightly

up, for an overall decrease from last year. Mike Shelton offered that it is time for the Risk Pool to build some equity reserves. Si Stephens concurred; otherwise reassessments will be too difficult.

Risk Management Committee Report: Tammy Devlin reported that the Risk Managers Roundtable in Leavenworth on April 14th had been well attended by most county risk managers.

Programs Report: Rich Bodell gave a report that highlighted training activities so far this year.

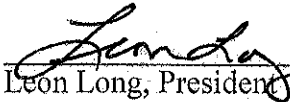
Broker Report: Mike Croke reported that the reinsurance renewal marketing was on track and on time for rate quotes from the reinsurance companies by the June Executive Committee meeting.

Good-Byes: The President gave good wishes to Barbara Razey and Tim Durkin as they leave Kitsap and Spokane Counties, and thanked them for their service to the Risk Pool.

FUTURE BOARD MEETINGS: The Summer Workshop and Annual Meeting will be at the Shiloh Inn in Ocean Shores on Wednesday and Thursday, July 21st and 22nd.

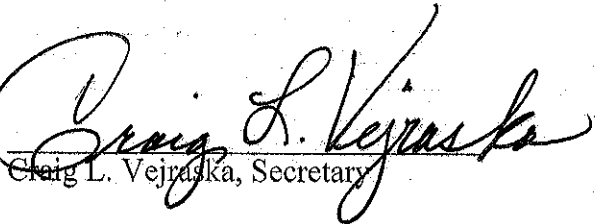
With no further business, the meeting was adjourned at 11:55 a.m.

MINUTES APPROVED:


Leon Long, President

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Attest:


Craig L. Vejraska, Secretary