

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

Thursday-Friday, March 23-24, 2017
Blaine, WA

Board Members in Attendance

Name	Appointment	County
Not Represented		Adams
Ryan Lukson	Alternate Director	Benton
Keith Goehner*	Director	Chelan
Rich Sill	Director	Clallam
W.A. "Drew" Woods*	Director	Columbia
Clyde Carpenter*	Director	Cowlitz
Jordyn Giulio	Alternate Director	Douglas
Robert Koch*	Director	Franklin
Bob Johnson	Alternate Director	Garfield
Joy Carossino	Alternate Director	Grays Harbor
Jill Johnson*	Director	Island
Philip Morley (arrived at 2:20pm Thursday)	Director	Jefferson
Lisa Young*	Director	Kittitas
Paulette Young	Director	Lewis
Dawn Twiddy	Alternate Director	Mason
Tanya Craig	Alternate Director	Okanogan
Not Represented		Pacific
Teresa Brooks	Director	Pend Oreille
Mike Thomas*	Director	San Juan
Not Represented		Skagit
Adam Kick	Director	Skamania
Steve Bartel*	Director	Spokane
Bud Blake	Director	Thurston
Not Represented		Walla Walla
Karen Goens	Director	Whatcom
Joe Brusic	Director	Yakima

* Denotes Executive Committee Member

Others in Attendance

Name	Designation/Title	
Tammy Sullenger	HR Analyst	Clallam
Mike Talbott	Commissioner	Columbia
Claire Hauge	OFM Director	Cowlitz
Shawn Sant	Prosecuting Attorney	Franklin
Adam Hodges	Risk Manager	Garfield
Chris Horner	DPA	Kittitas
Randy Neatherlin	Commissioner	Mason
Jennifer Silva	Budget Manager	Mason
Albert Lin	Civil DPA	Okanogan
James Wolf	HR and Risk Manager	San Juan
Milene Henley	County Auditor	San Juan
Sharon DuBois	Safety & Health Tech	Skagit
Tom Lannen	Commissioner	Skamania
Debra Van Camp (arrived @ 2:15pm Thursday)	Human Resource	Skamania
Tammy Devlin*	Risk Manager	Thurston
Neysa Caywood	Risk Analyst	Thurston

Chris Quinn	Deputy Prosecuting Attorney	Whatcom
Thad Duvall	Auditor	Douglas
Liz Miser	Area Vice President	AJGRMS
John Chino	Area Senior VP	AJGRMS
Joey Sylvester		AJGRMS
Kevin Wick	Managing Director	PwC
Craig Scukas	Director	PwC
Richard Vincelette	President	Berkley Public Entity
Derek Bryan	Executive Director	WCRP Staff
Susan Looker	Claims Manager	WCRP Staff
Sue Colbo	Accounting Officer	WCRP Staff
Jill Lowe	Loss Control Coordinator	WCRP Staff
Hanna Braennstroem	Member Programs Specialist	WCRP Staff
Holly Nelson	Sr. Claims Analyst	WCRP Staff
Mike Cook	Sr. Claims Analyst	WCRP Staff
Lisa McMeekin	Claims Analyst	WCRP Staff
Cort Campbell	Claims Representative	WCRP Staff
Sally King	Claims Assistant	WCRP Staff

* Denotes Executive Committee Member

CALL TO ORDER / WELCOME: WCRP President Goehner called the Board of Directors' Meeting to order Thursday, March 23, at 2:01 pm. He welcomed all in attendance. Around the room introductions took place. President Goehner confirmed a quorum.

AGENDA: President Goehner asked for a motion to approve the agenda as presented. Tammy Devlin moved to accept the agenda as amended, Bob Johnson seconded; the motion passed.

MINUTES: Steve Bartel moved to approve the minutes of the December 1-2, 2016, Board of Directors Meeting, Jill Johnson seconded; the motion passed.

EXECUTIVE COMMITTEE REPORT: President Goehner provided an overview of the Executive Committee meeting of March 10, 2017, which included much of the information being presented. The Committee was provided with an overview of the proposed changes to the WCRP rating system.

Mr. Goehner also reminded the group that attending these meetings is important for the success of the Pool and for all member counties to have the opportunity to hear presentations and vote.

QUARTERLY AND YEAR-END FINANCIAL REPORT: Accounting Officer Colbo reviewed the 1st Quarter FY2017 (October 1 – December 31) Financials, including the Statement of Revenues and Expenses, the Pool's Net Position and Year-To-Date Expenditures.

Thad Duvall moved to accept the 1st Quarter and Year-End Financials as presented, Karen Goens seconded; the motion passed.

INDEPENDENT ACTUARY REPORT: Kevin Wick and Craig Scukas with PricewaterhouseCoopers presented a review of alternative retentions. They presented an actuarial analysis of losses and ALAE at alternative retentions as of September 30, 2016.

BROKER/PRODUCER Presentation: Liz Miser and Joey Sylvester of Arthur J. Gallagher gave the Board a presentation on terrorism coverage options. AJG had researched and evaluated “stand-alone” versus “add-on” terrorism coverage. This will be discussed further at the Summer Board Meeting when the Board selects WCRP’s various coverages.

UNDERWRITING COMMITTEE REPORT: Committee Chair Adam Kick provided an overview of the items discussed by the Underwriting Committee at their March 4, 2017, meeting. The Committee discussed two recent inquiries the Pool had received from members. The first related to coverage involving member-operated daycare programs, which the Committee will be discussing again at a future meeting and will be considering if and how the MLC does and/or should address these.

The second related to the pollution exclusion found within the MLC and how it applies to sewer-related claims. There are a few members who are responsible for sewer lines and an exception to the exclusion is being considered. Discussion took place and it was agreed that Pool staff would work with the broker to determine what, if any, premium increase there would be from excess and reinsurance, and what, if any, other, stand-alone, coverage may be available for members with this exposure.

President Goehner recessed the meeting from 3:15 PM until 3:25 PM.

Mr. Kick provided an overview of the recent work PwC had done analyzing the WCRP’s rating system. Kevin Wick and Craig Scukas gave the board a presentation on the analysis and recommendations. Discussion took place and Mr. Wick and Mr. Scukas answered questions from members of the Board.

Adam Kick moved and Mike Thomas seconded that the WCRP Board of Directors approve the proposed changes to the WCRP rating system. The motion passed with one opposed, Mike Talbott, Columbia County.

President Goehner recessed the meeting at 4:14 PM until Friday, March 24, at 9:00 AM.

DAY TWO

CALL TO ORDER / WELCOME: WCRP President Keith Goehner reconvened the 2017 Spring Board of Directors Meeting on Friday, March 24, 2017, at 9:00 AM. He welcomed all in attendance and confirmed a quorum.

INVESTMENT COMMITTEE REPORT: Chair Woods reviewed the most recent Investment Activities Worksheet, to include an overview of the cashflow as it relates to investments. Mr. Woods explained that the WCRP staff will be developing a process for dealing with any cashflow issues, to include thresholds for investing and reinvesting based on cashflow needs.

INDEPENDENT INVESTMENT CONSULTANT REPORT: Scott Prickett and Julie Hughes from Chandler Asset Management (CAM) presented the board with an overview of WCRP’s current investment activities. It was reported that \$16M is invested in the portfolio. Mr. Prickett and Ms. Hughes also gave a presentation and update on the current economic conditions.

FINANCE COMMITTEE REPORT: Committee Chair Thad Duvall provided the Board with an overview on activities of the Finance Committee, to include changes to the WCRP Travel Policy. The Board was also provided with a recent report from the Department of Retirement Systems. Mr. Duvall noted that the DRS identified that a part-time WCRP employee had reached the threshold for hours worked, making the position/employee eligible for participation in the Public Employee Retirement System (PERS). The WCRP has paid the employer and employee share for the months in which the employee had PERS eligibility.

Mike Talbot moved and Tammy Devlin seconded to approve the proposed changes to the WCRP Travel Policy and for WCRP to waive the recovery of the employee's share of the payment made to PERS for the months the employee was eligible. The motion passed.

BROKER/PRODUCER REPORT: Liz Miser and John Chino of Arthur J. Gallagher provided the Board with an update on activities. They reported that work on the renewal of the liability, property, and cyber programs is underway and that arrangements have been made for AJG and WCRP staff to travel for the annual marketing trips and anticipate obtaining indications and quotes from insurers and reinsurers soon after.

John Chino also provided a brief overview of upcoming ARM 54 classes that he has agreed to teach for the WCRP. Members were encouraged to contact the WCRP staff if interested in registering.

CLAIMS REPORT: Claims Manager Looker provided the Board with an update on activities of the WCRP Claims Department. Ms. Looker reported on claims activity noting that during 2016 480 new claims were filed and 485 claims were closed. She gave an update on lawsuits that had been dismissed; and reviewed trial verdicts, open large losses; jail liability, and the open file count by adjuster.

RISK MANAGEMENT COMMITTEE REPORT: Committee Chair Rich Sill provided the Board with a report on activities of the Risk Management Committee. He reported that all 26 member counties have responded to the County Medical Survey which had been sent. A summary of that report was discussed and Loss Control will follow up with member counties who responded that policies and procedures/trainings are not up-to-date and with those counties who replied that they do not require the contractor to hold the county harmless, to be named as an additional insured or who have not provided proof of liability coverage.

Mr. Sill also discussed some data analysis work that the WCRP staff has been working on, using data entered over many years by the Claims Department. Mr. Sill thanked both claims and loss control for their work on this and advised the Board that the Risk Management Committee looks forward to reviewing some of the data to establish the Pool's Targeted Risk Management plan for FY 2017-18.

LOSS CONTROL REPORT: Loss Control Coordinator Lowe provided the Board with an update on Loss Control activities of the WCRP, this included Lexipol and the implementation of the 80/80/80 reimbursement; Risk Managers and Claims Administrators compact compliance; and the annual loss control meetings.

MEMBER PROGRAMS REPORT: WCRP Member Programs Specialist, Hanna Braennstroem, provided the Board with an update on dates/locations of upcoming trainings; the name of member counties that were awarded WCRP scholarships to attend the PRIMA Conference in June 2017; member counties who had staff attending the Labor Relations Institute in May; and an update on changes being made to the WCRP website and newsletter. She also thanked Berkley for paying the registration cost for Lewis County to send one staff member to PRIMA.

EXECUTIVE DIRECTOR REPORT: Mr. Bryan provided a report on administrative activities of the WCRP, to include the status on recruitments for open positions and work to be done for the coming year.

UPCOMING MEETINGS AND CONFERENCES: President Goehner referred the Board to the overview of the upcoming Executive Committee meetings, WCRP Conferences and Board of Directors meetings, as well as of national conferences. President Goehner asked for a discussion and decision on where to hold the 2018 Spring Conference & Board Meeting, as well as the 2018 Summer Conference & Annual Meeting.

Discussion took place and Bob Koch moved and Thad Duvall seconded to hold the 2018 Spring Conference & Board Meeting at Leavenworth; the motion passed.

Steve Bartel moved and Tammy Devlin seconded to hold the 2018 Summer Conference and Annual Board Meeting at the Yakima Convention Center; the motion passed

ADJOURNMENT: With no further business to conduct, President Goehner thanked all in attendance and adjourned the meeting at 10:30 a.m.,

MINUTES APPROVED this 21st day of July, 2017.

Keith W. Goehner
President

Attest:

William A. [Signature]
Secretary/Treasurer