

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

Thursday-Friday, March 26-27, 2015
The Resort at Semiahmoo, Blaine, Washington

Board Members in Attendance

County	Appointment	Present	Name
Adams	Director	<input type="checkbox"/>	Jeffrey Stevens
	Alternate Director	<input checked="" type="checkbox"/>	Patricia Phillips
Benton	Director	<input checked="" type="checkbox"/>	Bryan Perry *
	Alternate Director	<input checked="" type="checkbox"/>	Ryan Lukson (Thursday only, left at 3:45)
Chelan	Director, <i>Secretary/Treasurer</i>	<input checked="" type="checkbox"/>	Keith Goehner *
	Alternate Director	<input type="checkbox"/>	Cathy Mulhall
Clallam	Director	<input type="checkbox"/>	Rich Sill
	Alternate Director	<input type="checkbox"/>	James A. Jones
	Alternate Director	<input checked="" type="checkbox"/>	Mark Nichols (Left Friday at 9:45)
	Alternate Director	<input checked="" type="checkbox"/>	Annie Achziger
Columbia	Director, <i>President</i>	<input checked="" type="checkbox"/>	W.A. "Drew" Woods *
	Alternate Director	<input type="checkbox"/>	Dwight Robanske
Cowlitz	Director	<input checked="" type="checkbox"/>	Clyde Carpenter *
	Alternate Director	<input checked="" type="checkbox"/>	Claire Hauge
Douglas	Director	<input type="checkbox"/>	Steve Clem
	Alternate Director	<input checked="" type="checkbox"/>	Thad Duvall *
	Alternate Director	<input type="checkbox"/>	Ken Stanton
Franklin	Director	<input type="checkbox"/>	Robert Koch *
	Alternate Director	<input type="checkbox"/>	Shawn Sant
	Alternate Director	<input checked="" type="checkbox"/>	Tim Dickerson (Left Friday at 11:05)
Garfield	Director	<input type="checkbox"/>	Wynne McCabe
	Alternate Director	<input checked="" type="checkbox"/>	Jennie Bowman (Left Friday at 9:45)
	Alternate Director	<input checked="" type="checkbox"/>	Robert Johnson (Left Friday at 9:45)
Grays Harbor	Director	<input type="checkbox"/>	Wes Cormier
	Alternate Director	<input checked="" type="checkbox"/>	Vickie Raines
	Alternate Director	<input checked="" type="checkbox"/>	Dale Gowan
Island	Director	<input checked="" type="checkbox"/>	Jill Johnson (Out Thursday 3:45-4:30)
	Alternate Director	<input checked="" type="checkbox"/>	Elaine Marlow
Jefferson	Director	<input checked="" type="checkbox"/>	Philip Morley (Out Thursday 3:30-4:30)
	Alternate Director	<input type="checkbox"/>	David Alvarez *
Kittitas	Director, <i>Vice President</i>	<input checked="" type="checkbox"/>	Lisa Young *
	Alternate Director	<input type="checkbox"/>	Judy Pless
Lewis	Director	<input checked="" type="checkbox"/>	Paulette Young
	Alternate Director	<input checked="" type="checkbox"/>	Gary Stamper (Left Friday at 9:45)
	Alternate Director	<input checked="" type="checkbox"/>	Michael Strozyk
Mason	Director	<input checked="" type="checkbox"/>	Tim Sheldon (Friday only)
	Alternate Director	<input checked="" type="checkbox"/>	Dawn Twiddy
	Alternate Director	<input type="checkbox"/>	Randy Neatherlin
	Alternate Director	<input type="checkbox"/>	Terri Jeffreys
Okanogan	Director	<input type="checkbox"/>	Sheilah Kennedy
	Alternate Director	<input type="checkbox"/>	David Jorgensen
	Alternate Director	<input type="checkbox"/>	Tanya Craig
Pacific	Director	<input checked="" type="checkbox"/>	Kathy Spoor

	Alternate Director	<input checked="" type="checkbox"/>	Lisa Ayers *
	Alternate Director	<input type="checkbox"/>	Mark McClain
Pend Oreille	Director	<input checked="" type="checkbox"/>	Mike Lithgow
	Alternate Director	<input type="checkbox"/>	Teresa Brooks
	Alternate Director	<input type="checkbox"/>	Alan Botzheim
San Juan	Director	<input checked="" type="checkbox"/>	Mike Thomas (Left Friday at 11:20)
	Alternate Director	<input checked="" type="checkbox"/>	Pamela Morais (Left Friday at 11:20)
Skagit	Director	<input checked="" type="checkbox"/>	Jessica Neill Hoyson
	Alternate Director	<input checked="" type="checkbox"/>	Donnie LaPlante
	Alternate Director	<input type="checkbox"/>	Arne Denny
	Alternate Director	<input type="checkbox"/>	Tim Holloran
Skamania	Director	<input type="checkbox"/>	Doug McKenzie
	Alternate Director	<input checked="" type="checkbox"/>	Jennifer Jackson
Spokane	Director	<input checked="" type="checkbox"/>	Steve Bartel *
	Alternate Director	<input type="checkbox"/>	Rob Binger
Thurston	Director	<input checked="" type="checkbox"/>	Sandra Romero
	Alternate Director	<input checked="" type="checkbox"/>	Tammy Devlin *
	Alternate Director	<input type="checkbox"/>	Jon Tunheim
Walla Walla	Director	<input checked="" type="checkbox"/>	Jesse Nolte
	Alternate Director	<input checked="" type="checkbox"/>	James Duncan
	Alternate Director	<input checked="" type="checkbox"/>	Lucy Schwallie (Left Friday at 11:45)
Whatcom	Director	<input checked="" type="checkbox"/>	Karen Goens
	Alternate Director	<input checked="" type="checkbox"/>	Dan Gibson (Thursday only)
Yakima	Director	<input checked="" type="checkbox"/>	Joseph Brusic
	Alternate Director	<input type="checkbox"/>	Cindy Erwin
	Alternate Director	<input type="checkbox"/>	Terry Austin

* Denotes Executive Committee Member

Others in Attendance

County/Organization	Designation/Title	Name
Mason	Clerk of the Board	Julie Almanzor (Thursday only)
Spokane	Prosecuting Attorney	Lawrence Haskell (Out Thursday 3:45-4:30)
Thurston	Chief Civil DPA	Elizabeth Petrich
Emery Advisors, LLC	Consultant	Jenny Emery (Thursday only, left at 4:30)
WA State DES	Program Administrator	Shannon Stuber (Left Friday at 11:45)
AJGRMS	Area Senior Vice President	John Chino (Thursday only)
	Area Vice President	Liz Miser
Berkley	President	Rich Vincellette
PricewaterhouseCoopers	Managing Director	Kevin Wick (Thursday only)
	Director	Craig Scukas (Thursday only)
Bennett Bigelow & Leedom	Counsel	William Leedom (Friday only 9:15-9:45)
WSAC	Executive Director	Eric Johnson (Thursday only)
WCRP Staff	Executive Director	Vyrle Hill
	Specialty Services	David Goldsmith
	Claims Manager	Susan Looker
	Loss Control Coordinator	Jill Lowe
	Accounting Officer	Sue Colbo
	Administrative Assistant	Stacey Spears
	Senior Claims Analyst	Mike Cook (Thursday only, left at 3:45)
	Senior Claims Analyst	Joe Campeau (Thursday only, left at 3:45)
	Claims Representative	Lisa McMeekin (Thursday only, left at 3:45)

WELCOME AND CALL TO ORDER: WCRP President Andrew Woods called the 2015 Spring Board of Directors Meeting to order Thursday, March 26th at 1:45 pm. He welcomed all in attendance and introduced Jenny Emery.

BOARD EFFECTIVENESS: Jenny Emery with Emery Advisors, LLC conducted a workshop on Board Effectiveness. The workshop included an overview of Pooling, Board Member responsibilities, Governance and Service. The group brainstormed ideas of the Pool's service successes that have benefited member counties. Models of Governance were presented and the characteristics of a Policy Board were discussed. The Board Member survey results and Governing Models were presented and discussed, followed by information regarding Fiduciary, Strategic, and Generative modes of governance. It was noted the AGRiP Public Entity Pooling *Questions to Ask Board Members, Directors or Trustees* were included in the packet. The Workshop participants divided into groups to discuss Strengths and Weaknesses or Opportunities and Threats; a group discussion and sharing took place.

RECESS: President Woods recessed the meeting at 3:45 pm and reconvened at 4:00 pm.

CALL TO ORDER: President Woods visually confirmed a quorum and reminded the attendees about the voting rules.

AGENDA: Tammy Devlin moved and Dale Gowan seconded to accept the agenda; the motion passed.

CONSENT AGENDA: Steve Bartel moved and Jesse Nolte seconded to approve the Consent Agenda, the motion passed. Included were:

1. Minutes of (November 13-14) 2014 Autumn Board of Directors Meeting

ACTUARIAL REPORT: Craig Scukas and Kevin Wick with PricewaterhouseCoopers presented the Actuarial reserve report. Topics covered were Net Unpaid Claims (as of September 30, 2014; the estimated total for net unpaid claims was \$14.68M), Paid & Incurred Loss charts (that showed a spike in 2009), Alternative Retentions and Reinsurance Costs Compared to Reinsurance Losses. It was noted that the Pool spends a large amount on reinsurance and the Pool's losses are below the premiums paid. Mr. Wick suggested that the option of increasing the Pool's Self Insured Retention should be on the table. A Funding Adequacy chart was presented, and it was reported the Pool's Funding Target minimum is \$11M based on 1-in-50 years and \$500k retention, and the maximum for 1-in-100 years assuming a \$1M retention is \$22M.

Dale Gowan moved and Bryan Perry seconded to accept the Actuarial Reserve Review and Analysis of Alternative Retentions both dated September 30, 2014; the motion passed.

PRODUCER'S (BROKER) REPORT: Liz Miser briefed the group on recent AJG activities including the Contracts Manual, White Papers (the newest is Fleet Operations), Blanket Evidence of Property Insurance, an introduction to RiskPartners, and the renewal marketing plans including visits to New York and Boston, and possibly San Francisco.

DES-LGSIP (STATE RISK MANAGER) REPORT: LGSIP Program Administrator Shannon Stuber reported the Pool meets all the State requirements. It was noted that an 80% confidence level is the state requirement and the Pool easily exceeds this requirement. She also stated that the Pool is well run and has a very engaged Board.

ADJOURNMENT: President Woods adjourned the meeting at 4:30 pm until Friday morning.

RECONVENE: President Woods reconvened the 2015 Spring Board of Directors Meeting on Friday, March 27th at 8:30 am. He welcomed those in attendance and visually confirmed a quorum. Around the room introductions took place.

EXECUTIVE COMMITTEE REPORT: President Woods asked if there were any questions or comments regarding the Executive Committee minutes dated January 29, 2015 and March 13, 2015; there were none.

INVESTMENT COMMITTEE REPORT: President Woods asked if there were any questions regarding the Investment Committee minutes that were provided; there were none. Chair Goehner reported on the recent Request for Proposals regarding Investment Advisory Services. The proposed Financial Management Policy amendments were presented and discussed.

Keith Goehner moved and Steve Bartel seconded to approve the amendments to the WCRP Investment (Financial Management) Policy as presented; the motion passed.

Steve Bartel moved and Bob Johnson seconded to approve the agreement with Chandler Asset Management for Investment Advisory Services; discussion took place. The motion passed.

WCRP V. CLARK COUNTY ET AL: Lisa Young moved and Dale Gowan seconded to convene in executive session under the appropriate statutory authorities to discuss pending litigation for an estimated thirty (30) minutes; the motion passed.

Acting in accordance with the WCRP Bylaws and RCWs 48.62.101(1) and 42.30.110(1)(i)(ii), and recognizing that public discussion would impair the Committee's ability to conduct its business effectively, **President Woods moved the Board Meeting into executive session with only appointed Directors, Alternate Directors, Executive Director Vyrle Hill and Claims Manager Susan Looker to confer with Counsel William Leedom at 9:15 am.**

At 9:45 am President Woods reconvened the Board Meeting in regular session with all previous attendees.

RECESS: President Woods recessed the meeting at 9:45 am and reconvened at 10:02 am.

STANDING COMMITTEE REPORTS

Finance: Chair Duvall reported the Pool's Annual Report has been filed with the State Auditor's Office. He stated the audit is complete, but the State Auditor's Office is waiting for Board approval of the Actuarial Reserve Review dated September 30, 2014 prior to the finalizing the audit and scheduling the exit interview. Thad Duvall moved and Karen Goens seconded to approve the Annual Report to the State Auditor's Office with End of Fy2014 Financial Reports; the motion passed.

Keith Goehner moved and Bryan Perry seconded to approve the Fy2015-Q1 Financial Reports; the motion passed.

Chair Duvall presented information on a supplemental budget request. Thad Duvall moved and Karen Goens seconded to approve the Fy2015 Supplemental Budget as presented; discussion took place. The motion passed.

Risk Management: Chair Bryan Perry reported on the March 2, 2015 Electronic Committee Meeting. He noted the Committee plans to look at revisions to the Self-Assessment form and will conduct a survey on the Scholarship Program. The Risk Management Committee asked Lisa Young to attend PRIMA's Enterprise Risk Management training with Jill Lowe.

Underwriting: Chair Bartel reported the Committee has two issues to bring to the Board at this time. He presented information on the proposed Amendments to the Bylaws. Steve Bartel moved and Thad Duvall seconded to approve the Amendments to the Bylaws as presented; the motion passed.

Chair Bartel then presented information on the proposed Amendments to the Underwriting Policy. Steve Bartel moved and Philip Morley seconded to approve the Amendments to the Underwriting Policy as presented; discussion took place. The motion passed.

Chair Bartel reported the Committee is working on revising the Memorandum of Coverage with Coverage Counsel Will Ashbaugh and expects to have further information for the Board at the Annual Meeting in July. The Committee is also looking at product liability issues. The next Committee meeting is scheduled to take place on May 7th.

OFFICERS' REPORTS

Executive Committee: President Woods reported that the Committee met on March 25, 2015 to discuss the candidates for the Executive Director position. From a pool of fourteen, the Committee selected five candidates and one alternate to continue in the process. Discussion took place regarding the additional Board Meeting planned for May 7-8, 2015 and the logistics of interviewing the candidates. Jesse Nolte moved and Sandra Romero seconded to move forward with the plan as discussed that includes Executive Committee interviews with the five candidates on May 7th with the final two candidates meeting and interacting with the Full Board on May 8th with final logistics to be determined, after which a voting/selection process will take place with the Full Board participating. Discussion took place. The motion passed.

Paulette Young moved and Thad Duvall seconded to authorize the Executive Committee to develop a salary range and compensation packet for the Executive Director position using the most recent Compensation Study; discussion took place. The motion passed.

President Woods then reported the Committee felt it was premature to move forward with any salary changes for staff due to the Executive Director recruitment taking place. Lisa Young moved and Steve Bartel seconded to adopt the new salary structure as presented but without staff placements in the schedule until after a new Executive Director is hired; discussion took place. The motion passed.

STAFF REPORTS

Loss Control: Loss Control Coordinator Jill Lowe reminded the attendees that AWC's Labor Relations Institute is May 6-8, 2015; she reported that 12 member counties are currently registered, and that the Pool will pay the registration fee for one representative from each member county to attend. She then reported the PRIMA Annual Conference will take place in Houston during the first week of June. Ms. Lowe gave an update on Compact Compliance for County Claims Administrator and Risk Manager Certification. She reported the Email Risk, Liability and Retention class offered in November at the Autumn Conference has been completely revamped and improved with a new instructor taking over. The Management and Supervisory training classes are completely full and a new Management and Supervisory 201 class has been added. She also noted the Pool has purchased access to the on-line AGRiP Pooling Basics curriculum that is now available for all Staff and Board Members.

Membership/Specialty Services: Specialty Services Representative David Goldsmith presented information on property valuation services and the recent Request for Qualifications. AssetWorks and HCA were selected as the finalists. As part of the discussion with the finalists, the topic of the Property Management Information Systems came up. Mr. Goldsmith provided an overview of the limitations of the Pool's current Property Information Management System and the options and features of different systems that are available. Philip Morley moved and Sandra Romero seconded to contract with AssetWorks and HCA for independent property valuation appraisal services for one to two year agreements; the motion passed.

Paulette Young moved and Dale Gowan seconded to form an ad-hoc committee of county users and staff to review PMISs and known alternatives (AMP and RiskPartner); the motion passed.

Claims: Claims Manager Susan Looker presented the Spring Claims Report. Topics covered included Claims Activity, Trial Verdicts, Lawsuit Dismissals, Large Losses, File Count by Adjuster and recent Staff Training.


Administrative & Financial Activities: Executive Director Hill gave an overview of the last 10 years for JSILP Participation and Exposures, WCPP Participation and Exposures, Categorized Revenues, Categorized Expenses & Net Operating Income, Categorized Assets, Categorized Liabilities & Net Position.

Kathy Spoor moved and Keith Goehner seconded to approve the Annual Report for Fy2014 to the State Risk Manager; the motion passed.

FUTURE WCRP CONFERENCES / BOARD MEETINGS: President Woods announced the 2015 Summer Conference and Annual (Board of Directors) Meeting will take place at the Marcus Whitman Hotel in Walla Walla. Discussions took place regarding the 2016 Summer and Autumn Meetings including possible dates and locations. Jesse Nolte moved and Thad Duvall seconded to hold the Summer 2016 Meeting at Semiahmoo for either the fourth or third week in July, and the 2016 Autumn Meeting at Great Wolf Lodge; the motion passed.

With no further business to conduct, President Woods adjourned the meeting at 12:04 pm.

MINUTES APPROVED this 8th day of May, 2015.



President

Attest: 

Secretary/Treasurer