

**WASHINGTON COUNTIES RISK POOL  
 SPRING BOARD OF DIRECTORS MEETING  
 MINUTES  
 Thursday-Friday, March 24-25, 2016  
 TRAC Center, Pasco, WA**

**Board Members in Attendance**

<b>Name</b>	<b>Appointment</b>	<b>County</b>
Patricia Phillips	Alternate Director	Adams
Lexi Wingfield (Friday only)	Director	Benton
Sandra Maine-Delepierre (Thursday only)	Alternate Director	Benton
Keith Goehner *	Director, <i>Vice President</i>	Chelan
Rich Sill	Director	Clallam
W.A. "Drew" Woods *	Director, <i>Secretary/Treasurer</i>	Columbia
Clyde Carpenter *	Director	Cowlitz
Steve Clem *	Director	Douglas
Robert Koch *	Director	Franklin
Robert Johnson	Alternate Director	Garfield
Vickie Raines	Director	Grays Harbor
Jill Johnson *	Director	Island
Philip Morley (on Friday arrived at 9:15 am)	Director	Jefferson
Lisa Young *	Director, <i>President</i>	Kittitas
Paulette Young	Director	Lewis
Tim Sheldon (Friday only)	Director	Mason
Dawn Twiddy (Left Friday at 10:00 am)	Alternate Director	Mason
Tanya Craig	Alternate Director	Okanogan
Albert Lin	Alternate Director	Okanogan
Lisa Ayers *	Alternate Director	Pacific
Mike Lithgow	Director	Pend Oreille
Mike Thomas	Director	San Juan
Arne Denny	Alternate Director	Skagit
Sharon DuBois (Left Friday at 9:50 am)	Alternate Director	Skagit
Adam Kick	Director	Skamania
Steve Bartel *	Director	Spokane
Bud Blake (Left Friday at 10:00 am)	Director	Thurston
Tammy Devlin *	Alternate Director	Thurston
James Duncan	Alternate Director	Walla Walla
Karen Goens	Director	Whatcom
Joseph Brusic	Director	Yakima

\* Denotes Executive Committee Member

**Others in Attendance**

<b>Name</b>	<b>Designation/Title</b>	<b>County/Organization</b>
Tom Reyes	Civil Investigator	Clallam
Tammy Sullenger	Alternate Director	Clallam
Claire Hauge	Alternate Director	Cowlitz
Thad Duvall (Left Friday at 10:00 am)	Alternate Director	Douglas
Jordyn Giulio	Alternate Director	Douglas
Dale Gowan (Left Friday at 10:00 am)	Alternate Director	Grays Harbor
Joy Carossino (Left Friday at 10:00 am)	Claims Administrator	Grays Harbor
Elaine Marlow	Alternate Director	Island
Christopher Horner (Thursday only)	Claims Administrator	Kittitas
Gary Stamper (Left Friday at 10:00 am)	Alternate Director	Lewis
Julie Almanzor (Left Friday at 10:00 am)	Claims Administrator	Mason

Pamela Morais (Thursday only)	Alternate Director	San Juan
Doug McKenzie	Alternate Director	Skamania
Debra Van Camp	Alternate Director	Skamania
Bob Hamlin (Thursday only)	Commissioner	Skamania
Jeff Sawyer (Thursday only)	Alternate Director	Whatcom
Cindy Erwin	Alternate Director	Yakima
Shannon Stuber	LGSI Program Administrator	Washington State DES
John Chino	Area Senior Vice President	AJGRMS
Liz Miser	Area Vice President	AJGRMS
Kevin Wick (Thursday only)	Managing Director	PricewaterhouseCoopers
Craig Scukas (Thursday only)	Director	PricewaterhouseCoopers
Julie Hughes (Thursday only)	VP, Portfolio Strategist	Chandler Asset Management
Derek Bryan	Executive Director	WCRP Staff
Vyrle Hill	Retiring Executive Director	WCRP Staff
David Goldsmith	Specialty Services Consultant	WCRP Staff
Jill Lowe	Loss Control Coordinator	WCRP Staff
Susan Looker	Claims Manager	WCRP Staff
Sue Colbo	Accounting Officer	WCRP Staff
Stacey Spears	Administrative Assistant	WCRP Staff

**CALL TO ORDER / WELCOME:** WCRP President Lisa Young called the 2016 Spring Board of Directors Meeting to order Thursday, March 24, at 2:05 pm. She welcomed all in attendance. Around the room introductions took place. President Young confirmed a quorum.

**AGENDA:** Philip Morley moved to accept the agenda, Jill Johnson seconded; the motion passed.

**MINUTES:** Vickie Raines moved to approve the minutes of the November 20, 2015 Board of Directors Meeting with the spelling error on page 3 corrected, Jill Johnson seconded; the motion passed.

**EXECUTIVE COMMITTEE REPORT:** President Young noted the minutes from the meetings detailed below were available in the notebook and asked if there were any comments or questions, there were none.

- November 19, 2015
- December 01, 2015
- December 10, 2015
- January 29, 2016
- March 4, 2016 (DRAFT)

**STATE RISK MANAGER'S REPORT:** Shannon Stuber reported that her office regulates the risk pools in Washington State as pools are exempt from regulation by the State's Insurance Commissioner. She reported the Pool recently submitted the required annual paperwork and that she has conducted an initial review of the information. Ms. Stuber stated she will meet with Mr. Bryan in the near future and there are no concerns at this time.

**FINANCE COMMITTEE REPORT:** Chair Duvall reported the Committee met the previous day and discussed the budget for the upcoming Pool Year as well as the financial reports that are provided for the Pool's Board Meetings.

**QUARTERLY FINANCIAL REPORT:** Accounting Officer Colbo reviewed the Statement of Revenues and Expenses, the Pool's Net Position and Year-To-Date Expenditures. She reported the state audit was recently completed and it was clean.

**INDEPENDENT ACTUARY REPORT:** Craig Scukas with PricewaterhouseCoopers reviewed the expected losses at alternative retentions for Policy Year 2016-17. He then reviewed ultimate loss estimates at \$100k and \$500k limits as well as ceded premium compared to ceded loss estimates.

Kevin Wick then spoke about retention levels and the Pool's funding adequacy noting the Net Position increased from \$10.2M in 2010 to \$19.4M at the end of 2014. Mr. Wick gave background information on the 2012 funding adequacy (capital modeling) study and stated the study will be updated this year. He then reviewed the capital modeling and risk measurement processes. Discussion took place regarding retention levels. Karen Goens moved to accept the Independent Actuary's Analysis of Alternative Retentions Report as of September 30, 2015, Thad Duvall seconded; the motion passed.

**INVESTMENT COMMITTEE REPORT:** Chair Woods reported an additional \$5M was recently transferred from the Spokane Investment Pool to the US Bank custodial account and has been invested as directed by Chandler Asset Management.

**INDEPENDENT INVESTMENT ADVISOR REPORT:** Julie Hughes with Chandler Asset Management gave an update on current economic conditions. She then reviewed the Pool's Account Portfolio including investment objectives, performance objectives, strategy and portfolio characteristics. Ms. Hughes reported that \$16M is now invested in the portfolio.

**ADJOURNMENT:** President Young adjourned the meeting at 3:06 pm until Friday, March 25 at 9:00 am.

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**CALL TO ORDER / WELCOME:** WCRP President Lisa Young reconvened the 2016 Spring Board of Directors Meeting on Friday, March 25, at 9:00 am. She welcomed all in attendance and confirmed a quorum. President Young welcomed Derek Bryan as the Pool's new Executive Director.

**CLAIMS REPORT:** Claims Manager Looker gave an update on the Clark County case noting Ashbaugh and Hill were dismissed from the case, \$1.5M in expenses has been paid on the case to-date, and amicus support. The Washington State Supreme Court will hear the case on May 10, 2016. She then reported an Island County jail death case was recently settled. Ms. Looker reported on claims activity noting in 2015 that 455 claims were filed and 478 claims were closed. She reviewed trial verdicts, lawsuit dismissals, open large losses, the file count by adjuster and claims staff training.

**UNDERWRITING COMMITTEE REPORT:** Chair Bartel reported the committee will review the Memorandum of Liability Coverage that was implemented for the current pool year at the next Committee meeting.

**BROKER/PRODUCER REPORT:** John Chino with AJGRMS reviewed the Washington Counties Risk Pool Program Chart and the Broker Service Plan. He reported that one additional component will be added to the Contracts Manual on franchise agreements, and one additional contracts manual training will take place in September. He thanked Mr. Bartel and Mr. Clem for agreeing to participate in the upcoming contracts manual training. Mr. Chino also reported he will teach an RMPE course review and test prep class for members in September. Ms. Miser then gave a market update and spoke about the upcoming East Coast marketing trip. Discussion took place regarding retention levels.

Discussion then took place regarding the Pool's Claims Handling Policy and it was noted some revisions may be needed due to the new Memorandum of Liability (MLC) document. The topic was referred to the Underwriting Committee for review.

**RISK MANAGEMENT COMMITTEE REPORT:** Chair Lithgow thanked the Committee members and Jill Lowe for their participation. He reported the Committee met on February 19<sup>th</sup> and included presentations by Scott Moss regarding Enterprise Risk Management and Ned Newlin regarding Jail Liability. Mr. Lithgow stated the Committee is developing their budget for the upcoming year and announced new members are welcome on the Committee.

**LOSS CONTROL REPORT:** Loss Control Coordinator Lowe thanked the Risk Management Committee members. She then gave a training update, reviewed Risk Manager and Claims Administrator compact compliance, WASPC training and training for elected officials. Ms. Lowe informed the group that the Labor

Relations Institute will take place May 4-6 and that the Pool will pay one registration fee for each member county. Upcoming Loss Control activities include member self-assessments, and the three-year audit surveys.

**RECESS:** President Young recessed the meeting at 9:56 am and reconvened at 10:15 am.

**PERSONNEL COMMITTEE REPORT:** Chair Paulette Young reported the committee will re-visit VEBA accounts for staff next year. She stated a new payroll policy for staff was recently approved and will go into effect April 1, 2016. She thanked the committee members for their participation.

**SPECIALTY SERVICES REPORT:** Consultant Goldsmith gave an update on the implementation of the AMP database for property scheduling and management. Mr. Goldsmith reminded the members to update their data and enter as much information as possible in AMP as it assists with underwriting for the Property Program.

**EXECUTIVE DIRECTOR REPORT:** Executive Director Bryan reported he is planning to visit member counties in the upcoming months. He noted the State Audit was recently completed, and that it was a clean audit with a few minor items that were discussed. He further reported that work has begun on the Pool's Annual Report, that he attended the recent AGRiP Conference in Nashville with Drew Woods, and that he is looking forward the Annual Board of Directors meeting in July.

**UPCOMING MEETINGS AND CONFERENCES:** President Young announced the dates and a location for the 2017 Autumn Conference and Board Meeting need to be selected. Discussion took place regarding potential locations. Vickie Raines moved to hold the Autumn 2017 Conference and Board Meeting at Alderbrook Resort in Mason County, Tim Sheldon seconded; the motion passed. Discussion took place and it was decided that Campbell's Resort in Chelan County and Skamania Lodge in Skamania County would be back-up options if Alderbrook Resort was not available. Dates for the Autumn 2017 conference were then discussed. Vickie Raines moved to select November 30 – December 1 for the 2017 Autumn Conference and Board Meeting, Karen Goens seconded; the motion passed.

**OTHER BUSINESS:** Retiring Executive Director Vyrle Hill recognized Past Presidents of the Pool, he thanked the staff, and he thanked the Pool members for the opportunity to lead the organization as Executive Director for the last eleven years.

**ADJOURNMENT:** With no further business to conduct, President Young adjourned the meeting at 10:43 am.

MINUTES APPROVED this 21<sup>st</sup> day of July, 2016.

Kent W. Goehner  
President

Attest: [Signature]  
Secretary/Treasurer