

**WASHINGTON COUNTIES RISK POOL
EXECUTIVE COMMITTEE**

MINUTES

**9:30 a.m., Thursday, July 2, 1998
WestCoast Sea-Tac Hotel, SeaTac**

ATTENDANCE:

President - Dick Dixon, Grays Harbor County Commissioner
Secretary/Treasurer - Mary Jo Cady, Mason County Commissioner
Frank A. Bishop, Cowlitz County Budget Director
Steve M. Lowe, Franklin County Prosecuting Attorney
Mike Shelton, Island County Commissioner
David Goldsmith, Jefferson County Deputy Director of Public Services
Spence Higby, Okanogan County Commissioner
Ron Zirkle, Yakima County Chief Deputy Prosecuting Attorney

Broker - Mike Croke, Vice President, Willis Corroon of Seattle
Robert Curtis, Willis Corroon of Seattle

Actuary - Kevin L. Wick, FCAS, MAAA, Director, PricewaterhouseCoopers LLP
Craig J. Scukas, FCAS, MAAA, Senior Consultant, PricewaterhouseCoopers LLP

Risk Pool Staff - John Crawford, Executive Director
Alicia Johnson, Claims Manager
Jay Winter, Programs Manager
Aileen Boren, Financial Officer

WELCOME and ROLL CALL: The meeting was called to order at 9:33 a.m. by President Dick Dixon who welcomed all in attendance. Everyone introduced themselves and the President noted that a quorum was present.

APPROVALS:

Minutes of March Meeting: Mike Shelton moved to approve the minutes of the March 19th Meeting at SeaTac. The motion was seconded by Steve Lowe and approved.

Actuarial Services Agreement: The President and Secretary signed the actuarial services agreement that was approved at the Spring Board Meeting. PricewaterhouseCoopers Director Kevin Wick signed the agreement on behalf of the company.

DISCUSSION and ACTION:

Nominating Committee: After discussion about diversity of eastern and western counties, large and small deductibles, and elected officials and appointed staff, Frank Bishop moved to recommend that Mary Jo Cady be nominated for the position of President and Ron Zirkle be nominated for Secretary/Treasurer. Frank also moved to recommend that Marilyn Breckel

(Skamania), Spence Higby (Okanogan), Steve Lowe (Franklin), Melina Wenner (Benton) and Dave Zeretzke (San Juan) be nominated for the three open positions on the Executive Committee. The motions were seconded by Dave Goldsmith and approved.

Joint Self-Insurance Liability Policy: The committee reviewed changes to the joint self-insurance liability policy approved by the Board at the last meeting regarding underinsured motorists and employment practices stop-gap coverage. Steve Lowe moved to recommend approval of the language suggested by attorney Bill Hight, but with further clarification regarding a suggested phrase in paragraph 7 of the UIM endorsement. The motion was seconded by Mike Shelton and approved.

Actuary Report: Actuaries Kevin Wick and Craig Scukas presented a report on their recommended rates that the Pool should charge for the new policy year. After discussion, Steve Lowe moved to accept the report as presented and recommend forwarding it to the Board. The motion was seconded by Mike Shelton and approved.

Reinsurance: Brokers Mike Croke and Robert Curtis reported on their efforts to market a lower Pool self-insured retention level to either \$250,000 or even \$100,000 per occurrence to take advantage of the Pool's group buying power and the soft insurance marketplace. Frank Bishop moved to authorize Willis Corroon to market a lower Pool SIR and also a finite risk program. The motion was seconded by Mike Shelton and approved. Mike Shelton also moved to authorize Willis Corroon to use the actuary report in its marketing efforts. The motion was seconded by Spence Higby and approved.

Administrative Budget: John Crawford described the proposed administrative budget for next year. Personnel Committee Chair Mary Jo Cady recommended that Claims Representative Sue Looker be reclassified effective on October 1st to the exempt position of Claims Analyst and be placed at step 1 on the salary grid. Frank Bishop moved to accept the recommendation and forward it to the Board for action. The motion was seconded by Ron Zirkle and approved.

Mary Jo Cady recommended that optional benefits (paid by the employee) continue to be available to all Pool employees. Frank Bishop moved to accept the recommendation and forward it to the Board for action. The motion was seconded by Ron Zirkle and approved.

President Dick Dixon read a letter from the Executive Board of the Washington Counties Insurance Fund requesting that the present administrative services agreement be terminated as of December 31st and converted into a lease agreement. Frank Bishop moved to direct staff to investigate going commercial rates and the leasehold excise tax rate and report back at the next Executive Committee meeting. The motion was seconded by Steve Lowe and approved.

Frank Bishop moved to conduct a salary survey of local pool administrators. The motion was seconded by Ron Zirkle and approved.

Steve Lowe moved to delete the proposed \$100,000 line item for implementation of the membership compact. The motion was seconded by Dave Goldsmith and approved. Steve also asked for more information on the pre-defense review line item.

REPORTS:

Financial Report: Aileen Boren distributed the six month financial report for the period ending March 31st and answered questions about the finances.

Risk Management Committee: The meeting of the risk management committee was cancelled because of schedule conflicts.

Willis Corroon: Mike Croke reported that the Pool could assume the property group purchase insurance program currently marketed by Willis Corroon. It could be a voluntary option similar to the fairgrounds/special events program. The proposal will be assigned to a committee for review and report back.

Claims: Alicia Johnson reported that employment practices claims were a larger part of the claims losses; but she believes that the number and severity of claims will start to decline somewhat.

Programs: Jay Winter reported on EPL training provided by the WSDOP HELP Academy, loss control evaluations self-assessments, skid car, and the year 2000 (Y2K) computer errors and omissions study.

PRIMA Annual Conference: Frank Bishop reported on the recent PRIMA Annual Conference that he attended. John Crawford is the new President of the PRIMA Pooling Section.

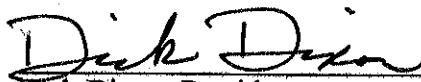
Board Spring Meeting: The minutes of the Board Spring Meeting were included in the packet

OTHER BUSINESS:

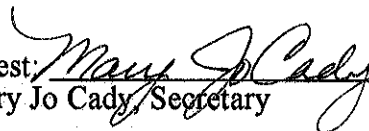
Future Board Meetings: The Summer Board Workshop and Annual Meeting will be Thursday and Friday, July 23rd and 24th at the Enzian Inn in Leavenworth, WA. The next Executive Committee Meeting will be Thursday, September 17th at the WestCoast Sea-Tac Hotel in SeaTac.

With no further business, the meeting was adjourned at 2:14 p.m.

MINUTES APPROVED: 9 / 17 / 98



Dick Dixon, President
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Attest: 
Mary Jo Cady, Secretary