

**WASHINGTON COUNTIES RISK POOL
EXECUTIVE COMMITTEE**

MINUTES

**9:45 a.m. Thursday, April 18, 2002
Wyndham Airport Hotel, SeaTac**

ATTENDANCE:

President – David Goldsmith, Jefferson County Administrator
Executive Committee –

Rose Elway, Grays Harbor County Director of Management Services

Vyrle L. Hill, Pacific County Administrative Officer

Leon Long, Spokane County Risk Manager

Steve M. Lowe, Franklin County Prosecuting Attorney

R. S. Zirkle, Yakima County Prosecuting Attorney

State Risk Management – John Nicholson, Acting Assistant Director for Risk Management

Broker – Mike Croke, ARM, Senior Vice President, Willis Corroon of Seattle

Actuary – Craig Scukas, FCAS, MAAA, Principal Consultant, PricewaterhouseCoopers LLP

Risk Pool Staff - John Crawford, Executive Director

Alicia Johnson, Claims Manager

WELCOME and ROLL CALL: President David Goldsmith called the meeting to order at 9:50 a.m., and announced that a quorum was present.

APPROVAL:

Minutes: Vyrle Hill moved to approve the minutes of the February 21st and March 21st meetings at Tumwater and SeaTac. The motion was seconded by Rose Elway and approved.

Vouchers: Steve Lowe moved to approve the vouchers vouchers (Administration: 10267 through 10409 totaling \$118,449.34, and Claims: 11194 through 11395 totaling \$1,028,054.87). The motion was seconded by Vyrle Hill and approved.

REPORTS, DISCUSSION AND ACTION:

Minutes of Board Spring Meeting: The minutes of the March 21, 2002 Spring Meeting of the Board were included in the meeting materials.

Claims: Alicia Johnson reported about the frequency of claims and that there are 449 open claims as of March 31st. Since the beginning of the Risk Pool, there have been 158 large losses (over \$100,000) that total \$59.8 million, of which 12 are million-dollar losses that total \$19.2 million. It appears that since 1988, ultimate losses for counties are estimated at \$47.3 million, Risk Pool ultimate losses are approximately \$44.6 million, and excess and reinsurance losses are in excess of \$18.0 million, for a total of more than \$109.9 million.

The Executive Committee went into executive session from 10:21 a.m. to 10:31 a.m. to discuss open claims, reserves, and litigation.

After returning from executive session, there was a discussion about underwriting surpluses and deficits and the state risk management ratios. John Crawford reported that the Risk Pool will begin billing member deductibles more frequently than the quarterly billings now being sent.

Actuary Report: Craig Scukas gave his observations about trends and rates. With the mix of general liability, employment practices liability and automobile liability rates and deductible elections, the loss funding at the \$100,000 self-insured retention layer may be slightly less than last year.

Reinsurance: Insurance ratings and analysis for Swiss Re, Discover Re, and Royal & Sun Alliance companies were placed in the meeting materials. Mike Croke will complete the marketing materials and post them on a password protected Internet website for reinsurance underwriters to use. He discussed different possibilities and will try to give a full report, with quotes and options, at the next meeting.

Property Insurance: Mike Croke sent out property insurance information to three counties that have expiring programs. He also sent environmental impairment information to several insurance companies and will report feedback and quotes.

Finance Committee: Committee Chair Vyrle Hill analyzed the quarterly financial information that was in the meeting materials. He also called a meeting of the Finance Committee to be held in Olympia on May 23rd for work on the budget for next year and Risk Pool financial reserves.

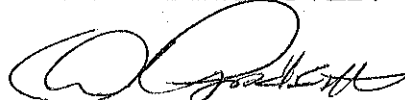
Risk Management Committee: Materials on the e-learning program were placed in the meeting folder. Committee Chair Leon Long described several meetings with county risk managers interested in jointly participating in a computer risk management information system (RMIS) that improves on the counties' and Risk Pool systems. He needs to move forward quickly because the Spokane County system has strained its limits. Vyrle Hill moved to commit the Risk Pool to participate in the efforts of our member counties and to work with Spokane and other interested counties in drafting an interlocal agreement that can be submitted to the Executive Committee and Board for approval. The motion was seconded by Rose Elway and approved.

ADJOURNMENT: With no further business, the meeting was adjourned at 1:46 p.m.

FUTURE MEETINGS:

Executive Committee – Wednesday June, 2002, Bellevue
Board Summer Training, Workshop & Annual Meeting, July 23-26, Spokane

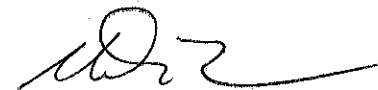
MINUTES APPROVED:



David Goldsmith, President

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Attest:



Steve M. Lowe, Secretary