

**WASHINGTON COUNTIES RISK POOL
EXECUTIVE COMMITTEE MEETING**

Friday, July 10, 2015

Red Lion Hotel, 18220 International Blvd., SeaTac, WA

ATTENDANCE:

Name	Relationship	7/10	Comment
W.A. "Drew" Woods	President (2012-16)	<input checked="" type="checkbox"/>	
Lisa Young	Vice President (2012-15)	<input checked="" type="checkbox"/>	
Keith Goehner	Secretary/Treasurer (2005-17)	<input checked="" type="checkbox"/>	
Thad Duvall	Member (2012-15)	<input checked="" type="checkbox"/>	
Robert Koch	Member (2013-15)	<input type="checkbox"/>	Excused
David Alvarez	Member (2013-16)	<input checked="" type="checkbox"/>	
Lisa Ayers	Member (2013-16)	<input type="checkbox"/>	Excused
Steve Bartel	Member (2008-16)	<input checked="" type="checkbox"/>	
Clyde Carpenter	Member (2014-17)	<input checked="" type="checkbox"/>	Telephonic
Tammy Devlin	Member (2008-17)	<input checked="" type="checkbox"/>	
Vyrie Hill	Executive Director (<i>ex-officio</i>)	<input checked="" type="checkbox"/>	

OTHERS ATTENDING:

Name	Relationship	7/10	Comment	County/Organization
Mike Lithgow	Risk Management Committee Chair	<input checked="" type="checkbox"/>	Telephonic, Left at 10:45	Pend Oreille
Liz Miser	Producer/Area Vice President	<input checked="" type="checkbox"/>		AJGRMS
John Chino	Producer/Area Senior Vice President	<input checked="" type="checkbox"/>	Telephonic, Left at 9:00 am	AJGRMS
Craig Scukas	Actuary/ Director	<input checked="" type="checkbox"/>		PwC
Greg Prothman	Recruitment Consultant/President	<input checked="" type="checkbox"/>	From 10:40-11:35	Prothman Company
Susan Looker	Staff/Claims Manager	<input checked="" type="checkbox"/>		WCRP
Jill Lowe	Staff/Loss Control Coordinator	<input checked="" type="checkbox"/>		WCRP
Stacey Spears	Staff/Administrative Assistant	<input checked="" type="checkbox"/>		WCRP

Call to Order, Welcome and Roll Call: President Woods called the meeting to order at 8:30 am and welcomed all those attending. He announced that he could confirm a quorum existed.

Agenda: Ms. Young moved and Mr. Bartel seconded to approve the agenda; the motion passed.

Consent Agenda: Mr. Bartel moved and Ms. Young seconded to approve the Consent Agenda; the motion passed. Included were:

1. Minutes of June 12, 2015 Executive Committee meeting.
2. Minutes of June 19, 2015 Executive Committee telephonic meeting.
3. Voucher Approval Request No. 15-04, i.e. check numbers 9425 through 9651 (administrative payments) and checks 40030 through 400315 (claim payments) totaling \$2,870,519.75 and transfers in the amount of \$324,808.70.
4. Claims Settlement Confirmation No. 2015-7-10, i.e. Farris, et al v Franklin County, et al.

Insurance Producer (Broker) Services Report: Mr. Chino and Ms. Miser presented the 2015-16 program renewal proposals for reinsurance as well as excess, property and cyber insurances. Mr. Chino reviewed the Cyber program coverage and premium options, noting the carrier won't provide binding coverage and a final price quote more than thirty (30) days prior to renewal, so premium ranges of \$150k and \$175k were provided. It was noted there were two cyber claims for the current policy year. Discussion took place regarding the status of the two claims and the premium range. Ms. Miser then reviewed the Casualty program renewal, noting a slight increase of approximately 2% but she noted these are preliminary numbers. Discussion took place. Ms. Miser then reviewed the Property program and reported the participants and structure are pretty much the same as the current year and a rate of \$0.0924/\$100 TIV, which she communicated as being an 8% reduction. She stated she is looking at two-year renewal option possibilities. Discussion took place regarding a possible two-year renewal. Ms. Miser agreed to further research two-year options for the Property

program. Ms. Miser then previewed the services/grants that will be provided by Berkley and Arthur J Gallagher that include Enquiron, AJG loss control services, and a \$150,000 grant from Berkley to support loss control programs agreed upon by the reinsurer and the WCRP.

President Woods recessed the meeting at 9:30 am for fifteen (15) minutes.

Investment Committee: Chair Goehner noted the minutes from the June 2015 Investment Committee were available and he reported that the Committee discussed investment strategies with Chandler. He then reported the money transferred to a custodial account has not yet been invested. He noted that the rate of return from Spokane County is as good as any other options available.

Nominating Committee: President Woods reminded the group that terms for Mr. Duvall, Ms. Young and Mr. Koch expire 9/30/2015 and that nominees are needed for three (3) positions with terms through September 30, 2018. In addition, Mr. Perry resigned effective June 30, 2015; nominee(s) are needed to fill the unexpired term through September 30, 2017. Lisa Young, Bob Koch and Steve Clem were selected as nominees at the previous Executive Committee meeting for the three (3) full term positions. It was reported that Jill Johnson, Paulette Young, Vickie Raines and Mike Thomas all expressed interest in serving on the Executive Committee. Mr. Bartel moved and Mr. Alvarez seconded to forward Jill Johnson as the Nominating Committee's candidate for the remainder of Mr. Perry's Executive Committee term commencing upon election through September 30, 2017; the motion passed.

Mr. Alvarez moved and Mr. Bartel seconded to hold the election for the Executive Committee three (3) full term positions, and then have an election for the unexpired term at the Annual Meeting; the motion passed.

Terms for President Woods and Secretary/Treasurer Goehner expire September 30, 2015. Vice President Young, if reelected to the Executive Committee will advance to Py2016 President. Nominees are needed to fill the Vice President and Secretary/Treasurer positions for Py2016. Mr. Bartel moved and Ms. Young seconded to forward Mr. Goehner as the Nominating Committee's candidate for Vice President / President-Elect; the motion passed. Mr. Bartel then moved and Ms. Young seconded to forward Drew Woods as the Nominating Committee's candidate for Secretary/Treasurer; the motion passed. President Woods reminded the group that nominations from the floor will be accepted for Executive Committee and Officer positions.

Standing Committee Reports

- **Finance:** Chair Duvall reported the Finance Committee met on July 9th and reviewed the FY-2016 WCRP Budget, Salary Schedule and Annual Work Plans. The Committee recommends approval of the FY-2016 budget as presented, the salary schedule without a COLA adjustment, and the Annual (Staff) Work Plan. It was noted that the Committee made a separate motion with a recommendation to not enact a negative COLA for staff based on the Consumer Price Index as outlined in the Pool's Personnel Policy. The Committee recommends considering other favorable options such as a VEBA account, Health Savings Account, etc. for staff and forwarded this information to the Chair of the Personnel Committee.

Chair Duvall then reported the Committee reviewed the allocation formulae for JSILP, WCPP and Cyber programs and recommends staying with the current methodologies. The Committee also discussed reserves, member equity and Self Insured Retention amounts. The Committee is not going to quantify member equity at this time. The Committee noted maintaining the Targeted Fund Balance was discussed and that it will be reviewed in the near future as the expectation was that the study would be scheduled for updating every three (3) years. Mr. Goehner moved and Mr. Duvall seconded to concur with the Finance Committee's support for the draft Budget, Salary Schedule with no COLA adjustment, and the Annual (Staff) Work Plan for FY-2016 and forward the same to the full Board for approval with the Executive Committee's favorable recommendation including the recommendation to use the current methodologies for the allocation formulae for the JSILP, WCPP and Cyber programs. The motion passed.

- **Risk Management:** President Woods announced that Vice-Chair Michael Lithgow is now chairing the Committee due to Mr. Perry's departure. Chair Lithgow reported the Committee recommends Jail Liability as the focus of the 2016 Targeted Risk Management program. Ms. Lowe is working on

developing a Jail Liability training program that would be similar to the Management & Supervisory program rather than a one-time national presenter. Discussion took place. Ms. Devlin moved and Ms. Young seconded to forward the Committee's Targeted Risk Management recommendation to the full Board for approval with the Executive Committee's favorable recommendation; the motion passed.

Officer and Committee Member Reports:

Mr. Duvall moved and Ms. Devlin seconded to convene in executive session under the appropriate statutory authorities to evaluate the qualifications of an applicant(s) for public employment for an estimated thirty (30) minute session; the motion passed.

Acting in accordance with the WCRP Bylaws and RCW 42.30.110(g), and recognizing that public discussion would impair the Committee's ability to conduct its business effectively, **President Woods excused all those present except Committee members but including Consultant Greg Prothman and moved the Executive Committee into executive session at 10:45. At 11:15, President Woods extended the session for an additional fifteen (15) minutes. At 11:30, President Woods extended the session for an additional five (5) minutes.**

President Woods reconvened in regular session at 11:35 am with all of the earlier participants other than Mike Lithgow.

President Woods recessed the meeting at 11:35 am for ten (10) minutes.

Actuarial Report: Mr. Scukas announced that following the Finance Committee's recommendation, PricewaterhouseCoopers will move forward with the current methodologies and will have actuarial reports and basic Casualty program assessment allocations available for the Annual Meeting.

Standing Committee Reports continued

- **Personnel:** Chair Young reported that the Committee may look into the payroll documentation recommendations from State Auditor's Office and will look into VEBA and other options for staff as recommended by the Finance Committee.
- **Underwriting:** Chair Bartel reported the Committee met on July 9th. Recommendations regarding the JSILP coverage form were presented, including a new name for the coverage form, Memorandum of Liability Coverage (MLC). Mr. Bartel reported the document will continue to be revised to include the recommendations from the recent meeting. Discussion took place. Mr. Bartel moved and Mr. Alvarez seconded to forward the Memorandum of Liability Coverage as amended by the Underwriting Committee to the full Board for approval with the Executive Committee's favorable recommendation; the motion passed.

Staff Reports

- **Loss Control:** Loss Control Coordinator Lowe reported the cost for Lexipol in the FY-2016 budget was reduced to reflect the cost for the counties that are using the service.
- **Member (Specialty) Services:** As Specialty Service Representative Goldsmith was not available, no report was presented.
- **Claims Services:** Mr. Duvall moved and Mr. Alvarez seconded to convene in executive session under the appropriate statutory authorities for an estimated ten (10) minutes to discuss pending claims; 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 recognized those in attendance were pertinent to the privileged discussion and moved the Committee into executive session at 12:02 pm.**

At 12:12 pm President Woods reconvened the Executive Committee in regular session. Mr. Bartel moved and Ms. Young seconded to approve the settlement authorization requested by the Claims Manager in executive session for the Ruth v. Whatcom County matter; the motion passed.

- **Administrative Services:** Executive Director Hill reported that AGRiP Recognition was recently awarded to the Pool and is effective for three (3) years. Mr. Hill then stated that fifteen (15) County visits have been conducted with six (6) more scheduled prior to the Annual Meeting. He reported that property appraisals have begun and the appraisal reports should be available by the end of July. He then reported that one response was received with a bid for renovations to the Pool's Headquarters building. Discussion took place regarding the base bid and alternate items. Mr. Bartel moved and Ms. Young seconded to proceed with the remodel for the Headquarters building with the base bid of \$33,500 from Christensen Inc., and the alternate items excluded; the motion passed.

President Woods thanked everyone for their participation and adjourned the meeting at 12:24.

MINUTES APPROVED this 16th day of October, 2015.



President

Attest: 

Secretary/Treasurer