

**WASHINGTON COUNTIES RISK POOL
EXECUTIVE COMMITTEE MEETING**
Friday, June 15, 2018
Red Lion Hotel Seattle Airport
18220 International Blvd, Seattle, WA

ATTENDANCE:

Name	Relationship		Comment
Tammy Devlin	President (2008-20)	<input checked="" type="checkbox"/>	
Steve Bartel	Vice President (2008-19)	<input checked="" type="checkbox"/>	
Mike Thomas	Secretary/Treasurer (2016-19)	<input checked="" type="checkbox"/>	Arrived at 9:19am
Lisa Young	Member (2012-18)	<input checked="" type="checkbox"/>	Left at 2:00pm
Steve Clem	Member (2004-12, 2015-18)	<input checked="" type="checkbox"/>	Left at 2:00pm
Robert Koch	Member (2016-18)	<input type="checkbox"/>	Absent and Excused
VACANT	Member (2012-19)	<input type="checkbox"/>	Drew Woods resigned April 30, 2018
David Alvarez	Member (2013-19)	<input checked="" type="checkbox"/>	
Jill Johnson	Member (2015-20)	<input checked="" type="checkbox"/>	
Karen Goens	Member (2017-20)	<input checked="" type="checkbox"/>	
Vickie Raines	Member (2017-20)	<input checked="" type="checkbox"/>	
Derek Bryan	Executive Director (<i>ex-officio</i>)	<input checked="" type="checkbox"/>	

OTHERS ATTENDING:

Name	Relationship		Comment	County/Organization
Rich Sill	Risk Management Committee Chair	<input checked="" type="checkbox"/>		Clallam County
Thad Duvall	Finance Committee Chair	<input checked="" type="checkbox"/>	Joined telephonically at 9:04am Left call at 11:00am	Douglas County
Adam Kick	Underwriting Committee Chair	<input checked="" type="checkbox"/>		Skamania County
Kevin Wick	Actuary	<input checked="" type="checkbox"/>		PwC
Craig Scukas	Actuary	<input checked="" type="checkbox"/>		PwC
Liz Miser	Broker Producer	<input checked="" type="checkbox"/>		AJG
John Chino	Broker Producer	<input checked="" type="checkbox"/>	Arrived at 9:12am	AJG
Susan Looker	Claims Manager	<input checked="" type="checkbox"/>		WCRP Staff
Sue Colbo	Accounting Officer	<input checked="" type="checkbox"/>		WCRP Staff
Jill Lowe	Loss Control Coordinator	<input checked="" type="checkbox"/>		WCRP Staff
Erin Konrady	Admin & Accounting Specialist	<input checked="" type="checkbox"/>	Left at 2:25pm	WCRP Staff

Welcome, Roll Call & Introductions: President Devlin called the meeting to order at 9:03am. She welcomed everyone and confirmed that a quorum existed.

Agenda: President Devlin recommended an amendment to the agenda as presented, by adding an announcement about the Executive Director Evaluation process after the Executive Director Report and moving the Risk Management Committee Report to follow the Executive Director's Report.

David Alvarez moved, and Lisa Young seconded to approve the agenda as amended; the motion passed.

Approval of Minutes: Jill Johnson moved, and Steve Bartel seconded to approve the March 16, 2018 Executive Committee meeting minutes; the motion passed.

Executive Director Report: Mr. Bryan provided the Executive Committee with an update on administrative activities, to include working with the Executive Committee on further defining the roles and responsibilities of Directors and Alternate Directors, as voted on at the January 26, 2018, Executive Committee meeting. Mr. Bryan provided an update on Phase I of the three-year appraisal project with AssetWorks, noting that the first phase is nearing completion. Mr. Bryan announced that he intends to re-engage strategic planning with the Executive Committee and he would like to collaborate and brainstorm with the Executive Committee about the direction of the WCRP prior to conducting strategic planning with the full Board at the Fall Conference and BOD meeting. Mr. Bryan provided an update on the staffing and recruitment status for the Senior Claims Analyst position. The position is still open and posted. Lastly, Mr. Bryan provided details about his communication with CSC regarding the Risk Master program, used for claims handling at the WCRP. The five-year contract is up for renewal in Fall of 2018 and the WCRP would be able to contract for a shorter term. Because converting to another program will be quite an expense, it seems holding off as additional research is conducted would be the most logical step to take

at this point. Mr. Bryan let the Executive Committee know he will keep them informed as it gets closer to sign a contract.

Executive Director Evaluation Process: President Devlin announced to the Committee that she will be sending out evaluation forms to the Executive Committee after the Summer Conference & Board Meeting, which can then be addressed and discussed at the next Executive Committee meeting and presented to the Board of Directors at the Fall Conference & Board Meeting. President Devlin reminded the Committee that Mr. Bryan's contract expires in 2019, so contract renewal will not be part of the process this year.

Risk Management Committee Report: Rich Sill, Chair of the WCRP Risk Management Committee, provided the Executive Committee with an update on the Committee's activities, to include a re-cap of the May 16, 2018 committee meeting. The Executive Committee was provided with the recently requested data analysis, which consisted of loss trends over the Pool's SIR and/or member deductibles, along with identifying claim trends from specific departments. Proposed changes to the Certification Document, WCRP Risk Management Policy, and the WCRP Membership Compact were provided to the Executive Committee, and the members were asked to review and recommend WCRP Board approval. Discussion took place. Jill Johnson expressed concern about changing the Membership Compact, which she believes would require agreement by all of the member counties' boards of county commissioners or other legislative authority, until conversations with all of these can take place.

Lisa Young moved to recommend the WCRP Board of Directors approve the proposed changes to the WCRP Risk Management Certification Requirements, with the Advanced Certifications spelled out, to change the ARM certification requirement to ARM-P and to differentiate the certifications pertaining to Risk Management versus Claims Administration. She further moved to re-assign the WCRP Risk Management Policy and the WCRP Membership Compact back to the Risk Management Committee for Executive Committee review again in the Fall. Steve Bartel seconded; the motion passed.

Thad Duval, Chair of the WCRP Finance Committee, announced that he would need to leave the meeting at 11:00am. President Devlin recommended the Finance Committee Report be rescheduled so Mr. Duval could present prior to 11:00am. Mr. Sill provided that there would be no issue in doing so, and that the remainder of his report could be completed after the Finance Committee Report.

Finance Committee Report: Thad Duval, Chair of the WCRP Finance Committee, provided the Committee with a brief overview of the activities of the Finance Committee, to include an overview of the proposed FY2019 WCRP budget. Discussion took place about moving costs the Pool incurs for independent adjusting into the administrative budget, from claim file expenses. Discussion took place regarding this and Mr. Bryan explained that independent adjusters are considered third-party consultants and using them should be a Pool administrative expense, rather than paid through the respective claim file and then reimbursed by the member through their deductibles.

David Alvarez moved and Steve Clem seconded to forward the proposed FY2019 Budget for approval by the Board of Directors, with the removal of the independent adjusting line item, returning that expense to continue being paid through claim files. President Devlin called for a vote and David Alvarez, Steve Clem, Tammy Devlin, and Lisa Young voting yes to the motion, with Steve Bartel, Mike Thomas, Karen Goens, Vicki Raines and Jill Johnson voting no. The motion failed.

Vickie Raines moved and Jill Johnson seconded to forward the FY2019 budget as proposed to the Board of Directors for approval. President Devlin called for a vote and Vickie Raines, Jill Johnson, Karen Goens and Mike Thomas voted yes to the motion, with Steve Clem, David Alvarez, Tammy Devlin, Steve Bartel and Lisa Young voting no. The motion failed.

Jill Johnson moved to forward the FY2019 WCRP Budget to the WCRP Board of Directors for approval without a recommendation from the Executive Committee, and for the Board to discuss and decide upon the independent adjusting line item in the budget. Karen Goens seconded; the motion passed.

President Devlin recessed the meeting from 11:22am until 11:38am

Risk Management Committee Report: Mr. Sill provided an overview of the Targeted Risk Management program, and the recommendation to forward a recommendation the WCRP Board of Directors to approve a continuation of the current program.

Lisa Young moved, and David Alvarez seconded to recommend the WCRP Board of Directors approve the continuation of the current Targeted Risk Management Program; the motion passed.

Financial Report: The WCRP Accounting Officer, Sue Colbo reported on 2nd Quarter FY2018 and provided a SAO Accountability Report along with a SAO Financial Statement Report. The Committee was provided with a document identifying a favorable audit with only two minor exit items and staffs' responses to those.

The Executive Committee was also provided with Voucher Approval Request No. 18-03.

Jill Johnson moved, and Steve Clem seconded to approve the Voucher Approval Request No. 18-03; the motion passed.

Vickie Raines moved, and David Alvarez seconded to approve the FY2018 2nd Quarter financials; the motion passed.

Independent Actuary Report: Mr. Scukas and Mr. Wick of PricewaterhouseCoopers presented on the Initial Rating Study for FY2019, showing 2018-19 projected costs and alternative retentions. Discussion took place.

President Devlin recessed the meeting for lunch from 12:28pm until 12:42pm

Investment Committee Report: Mike Thomas, Chair of the WCRP Investment Committee, noted that the most recent investment report is included in the packet and recommended that if the Executive Committee did not have any questions, the meeting move along to the Broker Report. There were no questions and no discussion took place.

Broker/Producer Report: Liz Miser and John Chino of Arthur J. Gallagher provided a current market update to the Executive Committee. Ms. Miser thanked the Executive Committee and the Officers for continued participation with the annual marketing trips and meetings with Underwriters. Ms. Miser reported that AJG is hearing back from re-insurers for the FY2019 liability program renewal and bids will take place soon. Underwriters are reporting that it appears the working layer for the WCRP is \$2 million, and most carriers are interested in attaching above that working layer. The Committee discussed that the WCRP has anticipated an increase in its SIR, has funded for, and is prepared for doing so. AJG plans to have an overall recommendation for the Committee by the July 10, 2018, Executive Committee meeting. Discussion took place.

Claims Report: Susan Looker, WCRP Claims Manager, reviewed Settlement Confirmation No. 2018-06-15, which was also being presented for approval.

David Alvarez moved, and Steve Clem seconded to approve Settlement Confirmation No. 2018-06-15; the motion passed.

Underwriting Committee Report: Adam Kick, Chair of the WCRP Underwriting Committee, provided the Executive Committee with an update on the committee's activities which included an overview of the May 18, 2018, the Underwriting Committee meeting and review of proposed changes the WCRP Underwriting Policy, the Claims Handling Policies & Procedures, and the Memorandum of Liability Coverage. The Executive Committee was asked to review the documents and make a recommendation for WCRP Board approval.

Mr. Kick provided an overview of the Underwriting Policy. Discussion took place regarding Section H, Withdrawal, which provides an opportunity for any member who has submitted notice of intent to

withdraw, to rescind that notification six months prior to the end of the year. The Committee discussed possibly moving that to the WCRP Bylaws.

David Alvarez moved and Steve Bartel seconded to recommend the WCRP Board of Directors approve the changes to the Underwriting Policy as proposed, leaving Section H, Withdrawal, in the Underwriting Policy until the Bylaws are changed again at a later time.

Mr. Kick provided an overview of the proposed FY2019 MLC, noting that the Underwriting Committee recommends removal of Section J, Withdrawal, and Section N, Assessment, from the MLC. Section Q, Settlement Authority, was discussed, which is also found in the Claims Handling Policies and Procedures. It was recommended that this section be removed from the MLC as well, to avoid duplication.

Vickie Raines moved, and Karen Goens seconded to recommend the WCRP Board of Directors approve the 2018-19 MLC as proposed including the removal of sections J, N & Q; the motion passed.

Mr. Kick then provided an overview of the proposed Claims Handling Policies & Procedures, making note of specific changes that were discussed and proposed by the Underwriting Committee. Discussion took place throughout the review of the document, with much of the discussion centering around changes to Section 2, Settlement. Mr. Bryan explained his reasons for changes to this section.

Vickie Raines moved and Karen Goens seconded to recommend the WCRP Board of Directors approve the Underwriting Committee's proposed Claims Handling Policies & Procedures, to also include the removal of Section 4c, having to do with individual county reserve funds, the inclusion of David Alvarez's suggested additions at Section E1d, *Mail Phone Calls and Other Communication*, and Section E1f, *Management Review and Oversight*, the inclusion of Tammy Devlin's addition at Section F6k(9), *Legal Defense and Administration-Billings*, and the changes proposed to Section 2, *Settlement*, which specifies that the Executive Director will seek direct authority from the Executive Committee for settlement authority requested above the Pool's Primary Authority, which will increase from \$50,000 to \$100,000 over a member's deductible; the motion passed.

Loss Control Report: Due to time constraints, President Devlin announced that since there were no further action items, the Executive Committee will receive the Loss Control Report during the Board Meeting at the Summer Conference.

Upcoming Meeting and Conferences: President Devlin reminded members that the packet includes a list of upcoming meetings, which consist of the July 10th Executive Committee Meeting, Summer 2018 Board of Directors' Conference, and the Autumn 2018 Conference.

Adjournment: President Devlin thanked everyone for participating and adjourned the meeting at 2:40 pm.

MINUTES APPROVED this 10 day of July, 2018.



President

Attest: 

Secretary/Treasurer