

WASHINGTON COUNTIES RISK POOL
EXECUTIVE COMMITTEE

REPORT

Regular Meeting
9:00 a.m., Friday, December 10, 1993
Doubletree Inn at Southcenter, Tukwila

ATTENDANCE:

President - Neva J. Corkrum, Franklin County Commissioner
Secretary/Treasurer - Frank Bishop, Cowlitz County Budget Director
Grays Harbor County - Rose Elway, Director, Department of Management Services
Island County - Mike Shelton, County Commissioner
San Juan County - Si Stephens, County Auditor

Executive Director - John Crawford
Claims Manager - Alicia Johnson
Training Coordinator - Jay Winter
Administrative Assistant - Aileen Boren

Insurance Broker - Mike Croke, Willis Corroon

WELCOME: The meeting was called to order at 11:35 a.m. by President Neva Corkrum who welcomed all in attendance. The agenda was approved as prepared.

The *Dollar\$ & Sense Investment Seminar: 1994 Investment Forecast* was held before the Executive Committee Meeting, with the following presenters: Lawrence "Chip" Gift, Jr. from Prudential Securities (San Antonio, Texas), Nicholas P. Callahan from Merrill Lynch (Federal Way), William Stansil (Seattle) and Buz Elgin (Portland, Oregon) from First Interstate Bank of Washington, and Don Koch from Vining-Sparks, Inc. (Seattle). They discussed market conditions, economic outlook and developments, anticipated investment conditions, investment strategies and rates of return. Also attending were county and city treasurers and financial and investment officers from Chelan, King and Spokane Counties, and the Cities of Renton and Tacoma.

APPROVAL:

Report of November Meeting. Mike Shelton moved to approve the report of the November 19th meeting of the Executive Committee. The motion was seconded by Si Stephens and approved.

Vouchers. Aileen Boren reported on finances, the 1992-1993 year-end budget, and the vouchers. Rose Elway moved to approve the vouchers. The motion was seconded by Frank Bishop and approved.

Douglas and Okanogan Counties. John Crawford reported the application of Douglas and Okanogan Counties to join the Risk Pool as of January dates. Frank Bishop made two separate motions to accept the two applications if the counties so elect to join the Pool, and premium and fee quotations. The motions were seconded by Rose Elway and approved.

REPORTS:

Member Counties. Neva Corkrum reported that she is working with the other two Franklin County Commissioners to create a human services department which would include a county risk manager. Si Stephens mentioned that San Juan County is studying a combined human services, senior services and public health services department.

Executive Director. John Crawford reported receiving a field audit manual from the State Risk Manager. He also referred to copies of the investment portfolio and will gain investment advice whether to "take profits" on some of the appreciated investments.

Finances. Aileen Boren reported that the state audit will begin next week.

Claims. Alicia Johnson reported on open claims and lawsuits.

Programs. Jay Winter gave a year-end review of the training performed during the year. He reported his activities in November and gave an update on land use/growth management training using WSU Cooperative Extension satellite down-links facilities and equipment. Jay also distributed a recap of his travel since March. The budget approved at the Summer Meeting budgeted the purchase of an automobile subject to Executive Committee review of his travel needs. Frank Bishop moved to authorize the purchase of an automobile within the budgeted amount. The motion was seconded by Mike Shelton and approved.

PREPARATION FOR WINTER BOARD MEETING:

PRIMA Certificate of Recognition. John Crawford reported receiving a PRIMA application form for a "Certificate of Recognition" of compliance with PRIMA pooling advisory standards. The application form requires a self-audit and verification by the pool governing body. John recommended that we revise the Investment and Risk Management Policies to incorporate written PRIMA advisory standards. Rose Elway moved that we perform the self-audit and apply for the PRIMA Certificate of Recognition. The motion was seconded by Frank Bishop and approved. The President appointed Si Stephens as the auditor to meet with staff and report to the Board in January.

Legislative Program. John Crawford distributed Bylaws revisions which had been approved in October, along with copies of the WSAC and WACO Legislative Packages.

Insurance:

* Pool Self-Insured Retention (SIR) Layer. John Crawford reviewed exhibits showing the existing Pool liability insurance programs and an example of how reinsurance would fit into the program. He recommended that the Pool market its insurance broadly in 1994 to both excess and reinsurance markets, and the Board decide in July whether to continue purchasing excess insurance or to increase the Pool SIR layer and reinsure the additional limits.

* **Medical Malpractice Coverage.** John Crawford reviewed the results of the member medical malpractice survey. Frank Bishop moved to join John's recommendation to amend the Pool's liability policy to cover medical malpractice exposure. The motion was seconded by Si Stephens and approved.

* **Property.** Mike Croke distributed information from the property survey and observed that the property insurance market is still priced competitively. Si Stephens moved to accept Mike's and John Crawford's recommendations that the Risk Pool not start a property insurance program at the present time, but to continue to monitor the property insurance market. The motion was seconded by Mike Shelton and approved.

* **Underground Storage Tanks.** Mike Croke distributed information about the response for a group purchase of UST environmental impairment liability insurance.

OTHER BUSINESS:

Future Meetings.

* **Board Workshop/Winter Meeting -- January 20-21, 1994, DoubleTree Inn, Tukwila.** John Crawford distributed copies of the Stephen R. Covey book, "Principle-Centered Leadership" to prepare for the *Quality Begins in the Boardroom* seminar at the Winter, 1994 Board Workshop. Committee members advised that the Board Workshop should begin at 9:30 a.m. on Thursday to give enough time for Board workshop review of proposed action items.

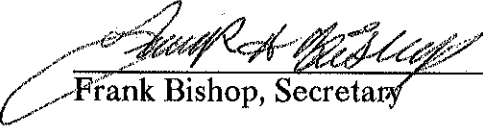
* **Notice of Intent --** John Crawford reported receiving Spokane County's notice of intent to preserve right of withdrawal, and the Executive Committee concurred with the Executive Director's response.


* **Executive Committee --** February 18th at 9:30 a.m., Wyndham Garden, SeaTac.

The meeting was adjourned at 1:55 p.m.

RESPECTFULLY SUBMITTED:

APPROVED: 3 / 18 / 94


Frank Bishop, Secretary


Neva J. Corkrum, President
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