



Board of Directors Meeting

**ADMINISTRATION OFFICE
451 DIAMOND DRIVE
EPHRATA, WA
9:00 a.m. MONDAY, July 13, 2009**

MINUTES

The Washington Rural Counties Insurance Pool conducted the July Meeting as an All Board Sit Down meeting on Monday, July 13, 2009, at the Administration Office in Ephrata, Washington.

Chairman Friedman opened the meeting at 9:00 a.m.

ITEM 1 – INTRODUCTION AND ROLL CALL

Board members participating: Scott Hutsell, Lincoln County Commissioner; Richard Stevens, Grant County Commissioner; Malcolm Friedman, Stevens County Commissioner; Michael Largent, Whitman County Commissioner; Rex Johnston, Klickitat County Commissioner; Shannon Inzunza, Asotin County Commissioner and Brad Miller, Ferry County Commissioner. Also, participating from the Administration Office: Jenni Bates, Eric Homer, Phil Riche, Jim Cherf and Stefanie Lowry representing Canfield & Associates.

ITEM 2 – ADDITIONS

Additions to the agenda were called for. There were none.

ITEM 3 – APPROVAL OF VOUCHER

Riche gave an overview of the items listed on the Voucher Summary Vouchers audited and certified by the Auditing Officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required by RCW 42.24.090 have been recorded on a listing, which has been made available to the Board.

As of this date, July 13, 2009, the Board does approve for payment those vouchers included in the above list and further described as follows: Voucher # 08/09-11 in the total amount of \$58,865.96. Motion Stevens second Hutsell. Motion carried.

ITEM 3 - CONTINUED

As of this day, July 13, 2009, the Board does approve the June 2009 fiscal committee approved voucher # 08/09-10 in the amount of \$59,296.30. Motion Stevens. Second Miller, motion carried.

ITEM 4- MINUTES APPROVAL

The minutes for March – June 2009 were presented. Motion Hutsell to approve the minutes as presented with no changes. Second Inzunza, motion carried.

ITEM 5 – RENEWAL AND FINAL BUDGET

Cherf and Homer presented the 2009-2010 WRCIP renewal information to the WRCIP Board of Directors. They discussed at length the challenges of placing the excess insurance this year. The current carrier (Travelers) had presented a renewal that was not acceptable. Homer discussed the marketing efforts with other carriers and received quotes from One Beacon as well as Munich Re America. After considerable discussion the board decided on Munich Re America's proposal all things taken into consideration. Homer handed out several exhibits that were also shared previously with the WRCIP renewal committee. He explained at length the change from Insurance to a Memorandum of Coverage (MOC) using reinsurance. He also reminded the Board that with a MOC product the policy is not subject to the state guaranty fund. Exhibits (see attached) included current structure vs. proposed structure, renewal coverage comparisons and the chart of coverage's. In addition Cherf and Homer went over the Brown and Brown Public Entity Compensation disclosure, personal services agreement, the inclusion in the budget of claims fees under the MOC for the reinsurer and the coverage check list (see attached). Homer also went over the quote from Aspen Insurance UK for the Board of Directors errors and omissions liability policy.

Motion Stevens to purchase and provide E & O coverage for the Board of Directors with Aspen Insurance UK. Second Miller, motion carried unanimously.

Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA) was explained in detail all questions were answered. Motion Miller to reject the above coverage presented as (TRIPRA). Second Hutsell, motion carried unanimously.

Motion Stevens to give authority to C & A to bind coverage for the 2009/2010 policy year with Munich Re America and execute all documents to accomplish the same. In addition to adopt the MOC for the 2009/2010 policy year. Second Miller, motion carried unanimously.

BUDGET 2009-2010

Cherf presented the final budget for 2009-2010. He went over in detail each line in the budget. Combined property casualty aggregate was explained in further detail along with the Medicare/Medicaid reporting and options to fund the budget as well as provide additional funding for the anticipated WAC changes.

Motion Inzunza to adopt the 2009-2010 budget with the following changes a 4% increase to the membership and the use of \$150,000 program equity. Second Hutsell, motion carried. Michael Largent, Whitman County with an abstained vote.

ITEM 6

RESOLUTION 08/09-01

Motion Stevens to approve resolution 08/09-01 showing Canfield & Associates an authorized agent regarding section 111 of the Medicare and Medicaid and SCHIP extension act (MMSEA) of 2007. Second Largent, motion carried.

ITEM 7

DRIVERS TRAINING SIMULATOR (DTS)

Cherf explained to the board the allocation of reimbursement that the program receives and the costs involved to operate the DTS and how it is billed.

ITEM 8

INTERLOCAL AGREEMENT (LETS)

Cherf went over the interlocal agreement between the CIAW and the WRCIP regarding the new purchase of a truck and trailer (Law Enforcement Training Simulator). The details were discussed; everyone received a copy to review prior to the meeting. (Interlocal attached)

Motion Hutsell to sign the interlocal agreement in partnership with the CIAW as presented. Second Miller, motion carried unanimously.

ITEM 9

UP-COMING WAC HEARING

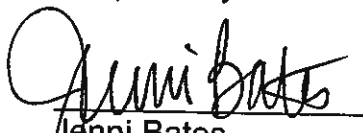
Bates went over the WAC hearing procedure. The four major concerns regarding the way the proposed WAC is currently written were discussed. The Board will attend in person and speak at these hearings.

ITEM 10

NEXT MEETING

Motion Largent to adjourn the meeting of July 13, second by Inzunza. Motion carried, the next meeting will be a fiscal committee call August 20, 2009 at 9:00 a.m.

Respectfully submitted,


Jenni Bates


Malcolm Friedman, Chairman