

November 18, 2004

**WASHINGTON COUNTIES INSURANCE FUND
BOARD OF TRUSTEES MEETING**

MINUTES

Thursday, November 18, 2004
Red Lion at Columbia Center
Kennewick, Washington

THOSE PRESENT:

Dwight Robanske, Columbia County Commissioner
Dean Burton, Garfield County Commissioner
Mac McDowell, Island County Commissioner
Richard Graham, Lewis County Commissioner (Chair)
Pat Hamilton, Pacific County Commissioner
George Trott, Wahkiakum County Commissioner
Jerry Finch, Whitman County Commissioner (Vice Chair)
Kitty Wallace, WCIF Executive Director
Rita Fanning, WCIF Deputy Director
Frank Campbell, WCIF Marketing Executive
Aaron Pollock, Marsh USA Benefits Consultants

OPENING OF MEETING: Commissioner Richard Graham opened the meeting at 8:00 am and welcomed all attendees. Kitty Wallace presented yellow roses to each trustee in appreciation for their contributions to WCIF during the 2004 year.

<p>APPROVAL OF MINUTES of September 16, 2004. Motion was made by Pat Hamilton and seconded by Jerry Finch to approve the minutes as presented. Motion carried.</p>

FINANCIAL REPORT. Rita Fanning presented the 3rd Quarter Financial Statements for board review. She also presented copies of the 2003 audit which had no findings.

MARKETING REPORT. Frank Campbell presented the new WCIF/WCIP marketing brochures and gave a progress report for September and October. He has made contact with King, Klickitat, Skamania, Okanogan, San Juan, and Whatcom counties as well as Skagit Transit. He remarked that Premera Blue Cross appears to dominate the Washington marketplace. He also asked the board to assist him in making contacts with the Benefax counties. Jerry Finch agreed to help out as did Dean Burton.

Kitty commented that the WCIP Board (which meets later in the morning) will discuss a proposal to rate new business outside the self insured pool rates. This should help grow the pool, and will also assist Frank in his marketing efforts. She remarked that this will not affect the WCIF sponsored benefits which include Group Health Options medical plans, dental, life, and vision.

2005 PROPOSED BUDGET. Rita Fanning presented the proposed 2005 budget which reflected no COLA increase and step increases only for WCIF Staff. There was much discussion about the Wellness Program increase to \$20,000.

Motion was made by Mac McDowell and seconded by Pat Hamilton to leave the Wellness Program category at \$16,000. Motion did not carry.

Motion was made by Dean Burton and seconded by George Trott to approve the Proposed Budget as presented. Motion carried.

WSAC DISCUSSIONS "NEW BUSINESS MODEL". Dean Burton reported that the discussions with WSAC have bogged down. He proposed that a committee be appointed from among the involved organizations in order to keep the process going. He would like to take that recommendation to the WSAC Executive Committee meeting on Friday, November 19, 2004.

Pat Hamilton asked if the WCIF would pay travel expenses and Kitty confirmed that would be the case. Pat and Mac McDowell agreed to serve on the committee if so approved.

Motion was made by Mac McDowell and seconded by Dave Carey that two persons from each organization (WCIF, WCIP, WSAC, WCRP) be appointed to a committee for continuing discussions about the new business model. Motion carried.

ELECTION OF WCIF VICE CHAIR FOR 2005.

Motion was made by Dean Burton and seconded by Pat Hamilton to appoint George Trott as Vice Chair of the WCIF Board in 2005. Motion carried.

EXECUTIVE DIRECTOR SEARCH. Kitty Wallace presented a list of applicants for the position of Executive Director and asked for a Review Committee to assist in selecting finalists.

Motion was made by Mac McDowell that a committee be appointed to review resumes, prescreen applicants, and recommend finalists for the position of Executive Director. Motion carried.

Committee members appointed were: Jena Thrasher, Dick Toft, Larry Grove and Kitty Wallace. Kitty recommended that the WCIP Board be invited to participate in the final interviews to take place on January 20, 2005, and there were no objections.

2005 MEETING CALENDAR. Jerry Finch remarked on the importance of holding meetings in Eastern Washington. Rita commented that the meeting room rental in Eastern Washington is lower than SeaTac by several hundred dollars, and hotel rooms are also less expensive. 2005 WCIF Board of Trustees schedule is confirmed as follows:

January 20, 2005 – SeaTac Location

March 17, 2005 – Insurance Advisory Committee and both boards - Spokane

September 15, 2005 – Insurance Advisory Committee and both boards –SeaTac

November 17, 2005 – Kennewick

(Please Note: WCIP Board of Directors meets on August 18, 2005, to set rates for 2006. WCIP board members should refer to WCIP minutes for November 18, 2004.)

Motion was made by Dave Carey and seconded by Dwight Robanske that the WCIF Board meeting be adjourned. Motion carried.

ADJOURNMENT. Meeting was adjourned at 10:35 am.

MINUTES APPROVED (Date)

Richard Graham, Chair

Jerry Finch, Vice Chair

FUTURE WCIF BOARD MEETINGS IN 2005:

Thursday, January 20, 2005 – SeaTac Location

Thursday, March 17, 2005 – Insurance Advisory Committee and both boards - Spokane

Thursday, September 15, 2005 – Insurance Advisory Committee and both boards –SeaTac

Thursday, November 17, 2005 – Kennewick