

**GRANDVIEW CITY COUNCIL
STUDY SESSION MINUTES
AUGUST 18, 2008**

1. CALL TO ORDER

Mayor Norm Childress called the study session to order at 6:00 p.m. in the Council Chambers at City Hall.

Present were: Mayor Norm Childress and Councilmembers Pam Horner, Diana Jennings, Jan McDonald, Bill Moore, Jesse Palacios and Joan Souders. Councilmember Mike Bren was absent.

Staff present were: City Administrator Scott Staples, City Attorney Jack Maxwell and City Clerk Anita Palacios.

2. WCIA PUBLIC OFFICIALS ORIENTATION

Lisa Roberts, ALCM, ARM-P, Senior Risk Management Representative of the Washington Cities Insurance Authority (WCIA) provided Public Official Orientation for the Mayor and Councilmembers. She explained that the WCIA was a municipal organization of Washington public entities that joined together for the purpose of providing liability and property financial protection to its members. WCIA was created in 1981 by Interlocal Agreement as authorized under RCW 48.62 and 39.34, to perform like a private insurance company. Membership included 117 cities and regional entities spanning the entire State of Washington. Through the use of an actuary, the group annually created over \$25 million in assessments to cover liability and property risks. WCIA has over \$120 million in assets, of which \$37 million was undesignated member reserves to handle contingencies beyond actuarially predicted events. With an administrative budget of \$3 million, WCIA handles 1,800 claims annually and spends \$6 million in litigating 300 pending lawsuits. WCIA believes in aggressive litigation as opposed to loss settlement to discourage unwarranted claims. WCIA annually wins over 65% of all litigation, including a policy win at the U.S. Supreme Court. To actively reduce the number of claims and lawsuits, WCIA aggressively promotes annual risk management and training requirements to each member, which include both mandatory and voluntary elements provided at no cost. All employees and elected officials were required to participate in some manner. Failure to participate in the systematic training program, called the COMPACT, results in substantial peer-induced financial or coverage-related penalties. A pie chart identifying significant public official liability losses in comparison with other city departments was presented. Another chart presented was the City's overall risk profile by department, compared to its peer members of the pool. Public official losses largely consist of Mayor/City Administrator employment practice activity; i.e., management of personnel. Council losses consist of land use issues and interference with administration activity; i.e., deviating from strategic policy making functions, appearance of fairness, conflict of interest, and quasi-judicial due-process violations. Actual public official losses, emanating from violations of clear RCW-created roles and responsibilities, misassumption of powers, and deviation from city policy were reviewed and discussed.

3. ADJOURNMENT

The study session adjourned at 6:50 p.m.

Mayor Norm Childress

Anita Palacios, City Clerk

