



**EDUCATIONAL
SERVICE
DISTRICT 112**

2500 NE 65 Avenue, Vancouver, WA 98661 | T 360 750 7500 F 360 750 9706 TDD 360 750 7510

SOUTHWEST WASHINGTON RISK MANAGEMENT INSURANCE COOPERATIVE

September 4, 2013

Devin Proctor, Rules and Policy Coordinator
Department of Enterprise Services
Contracts and Legal Division
PO Box 41410
Olympia, WA 98504-1410

Re: Comments on Proposed Changes to Chapter 200-100 WAC

Dear Mr. Proctor:

The Southwest Washington Risk Management Insurance Cooperative, one of the fifteen regulated joint property/liability programs, supports all the proposed changes to Chapter 200-100 WAC.

In the wake of continued national attention on public entity pool insolvency, we value the State Risk Manager's continued concern for and focus on solvency of joint property/liability programs in Washington. We recognize the efforts to protect the public interest through the use of two solvency tests using Primary Assets and Total Assets.

We appreciate the delineation of the three State Risk Manager response levels to help ensure that minimum financial solvency standards are met: corrective action that can include a Cease & Desist order, supervisory watch, and a supervisory Cease & Desist order.

We applaud the lengthy process taken to ensure that all stakeholders were heard on the relevant issues. Throughout this process, there were two distinct opinions related to the amount of needed assets, and we are glad that the State Risk Manager took the more conservative stand. However, even this conservative stand does not *guarantee* program solvency and it should be considered a minimum.

Lastly, we are encouraged by the shortening of the time for providing the audited financial statements to the State Risk Manager from one year to eight months so she can intervene earlier. We look forward to the State Auditor's Office rising to the challenge of auditing the fifteen regulated joint property/liability programs in a timely manner.

Sincerely,

Peggy Sandberg
Director of Risk Management

Counties

Clark
Cowlitz
Klickitat
Pacific
Skamania
Wahkiakum

Board of Directors

Kenneth Botero
Ann Campbell
Richard Graham
Patricia Kellogg
Marilyn Koenninger
Darlene Stickel
Steve Wrightson

Superintendent

Dr. Twyla G. Barne