

**RESOLUTION NO. 12-80(b)**  
**OF THE WASHINGTON FIRE COMMISSIONERS ASSOCIATION**  
**CREATING AN INSURANCE RESERVE FUND ACCOUNT**

(Text includes all amendments made to the resolution and are referenced in detail at the end of the document by date of adoption.)

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WHEREAS, the Washington Fire Commissioners Association is an association formed under RCW 52.08.030(5) for the purpose of, among other things, promoting more economical and efficient operation of the Associated Fire Protection Districts, and

WHEREAS, one of WFCAs programs involves the acquisition, premium collection and payment of medical and dental insurance for member fire protection districts, qualified regional fire authorities, qualified retirees, qualified WFCAs employees, qualified fire commissioners, qualified retired fire commissioners, contract personnel approved by the IRSRA Committee, qualified employees of municipal fire departments, and qualified public authorities authorized under RCW 35.21.730 through 35.21.759 that undertake, assist and facilitate an enhanced 911 system supporting member fire protection districts and other public safety member organizations in the coverage area, and

WHEREAS, from time to time WFCAs receives, or is entitled to receive, premium returns or refunds, dividends, and other funds from medical and dental insurers, being rate stabilization reserves, and

WHEREAS, in the past, said funds have been retained by the medical and dental insurance companies and invested by said companies, and

WHEREAS, if WFCAs received said monies for investment and for obtaining competitive and lower medical and dental insurance rates, such would promote a more economical and efficient operation of member fire protection districts, and

WHEREAS, the Board of Directors of WFCAs, at its October 26, 1980 meeting, authorized and directed the creation of an insurance rate stabilization reserve account to administer said monies.

NOW, THEREFORE, for the purpose of carrying out and giving effect to the above stated intentions of WFCAs and to improve and facilitate the providing of medical and dental insurance for member fire districts, qualified regional fire authorities, qualified retirees, qualified WFCAs employees, qualified fire commissioners, qualified retired fire commissioners, contract personnel approved by the IRSRA Committee, qualified employees of municipal fire

departments, and qualified public authorities authorized under RCW 35.21.730 through 35.21.759 that undertake, assist and facilitate an enhanced 911 system supporting member fire protection districts and other public safety member organizations in the coverage area, it is hereby resolved by the Board of Directors of the Washington Fire Commissioners Association as follows:

1. CREATION OF THE INSURANCE RATE STABILIZATION RESERVE ACCOUNT. WFCOA hereby creates and establishes an insurance rate stabilization reserve account (hereinafter referred to as IRSRA) for the exclusive purposes set forth below.

2. IRSRA ADMINISTRATION COMMITTEE. WFCOA hereby creates and establishes an IRSRA Administration Committee (hereinafter referred to as the Committee) to administer funds in the insurance rate stabilization reserve account. The Committee shall administer funds in the IRSRA under the continuing direction, supervision and approval of the Board of Directors of WFCOA. The Committee shall consist of no fewer than three fire commissioners; all committee members shall represent jurisdictions enrolled in the WFCOA health care program. Current members are: Chair JACK HENSLEY, Spokane 4, GENE CARMODY, Port Ludlow Fire & Rescue, KEN EAKIN, Yakima 12, JIM FARRELL, Mountain View Fire & Rescue and BRAD LANGDELL, Walla Walla 5. The executive director of WFCOA shall serve as secretary to the Committee.

At any time during the lifetime of the IRSRA, the WFCOA Board of Directors shall have the right, without the consent of the other then members of the Committee to:

- (a) Appoint a new member to fill any vacancy in the Committee, which member must be a Fire Commissioner from a member district of WFCOA, and
- (b) To increase the number of members on the Committee,
- (c) To discharge any member of the Committee.

On all matters delegated to them, the decision of the majority of the then members of the Committee shall govern and control, except as otherwise expressly provided herein to the contrary.

3. COMPOSITION OF THE INSURANCE RATE STABILIZATION ACCOUNT. The IRSRA shall consist of refunds, premium refunds, dividends, overpayments, or rate stabilization reserve funds received from medical and/or dental or other insurers or contractors of which WFCOA is the named policy holder. Deposits into the account may also come from contributions or payments made by member participating fire protection districts, qualified

regional fire authorities, qualified retirees, qualified WFCAs employees, qualified fire commissioners, qualified retired fire commissioners, contract personnel approved by the IRSRA Committee, qualified employees of municipal fire departments, and qualified public authorities authorized under RCW 35.21.730 through 35.21.759 that undertake, assist and facilitate an enhanced 911 system supporting member fire protection districts and other public safety member organizations in the coverage area. As used herein the term “employee” includes volunteer firefighters who are eligible for such medical insurance coverage.

All monies received as aforesaid are hereby referred to as the “Account Fund”. The Administration Committee, under the supervision of the Board of Directors of WFCAs, shall receive, hold, manage and administer the account funds for the exclusive purposes hereinafter set forth and according to the terms and provisions of this resolution.

Effective January 1, 1999, after consideration and recommendation by the Committee, the WFCAs Board of Directors authorized the Committee to institute a self-funded WFCAs health care program under the authority within the state of Washington Risk Management Division. This action was taken after review by the state of Washington Risk Manager asserting IRSRA funds were adequate for a self-funded program. Service and cost from the insured program were deemed unsatisfactory to the Committee and WFCAs Board. Audit programs for the self-funded health care program are in place. The Committee was instructed to report at every WFCAs Board meeting on the progress of the WFCAs health care program.

4. EXCLUSIVE PURPOSES OF IRSRA. The IRSRA account is created and shall exist and operate exclusively for the purpose of improving and facilitating medical and dental insurance for member participating fire protection districts, qualified regional fire authorities, qualified retirees, qualified WFCAs employees, qualified fire commissioners, qualified retired fire commissioners, contract personnel approved by the IRSRA Committee, qualified employees of municipal fire departments, and qualified public authorities authorized under RCW 35.21.730 through 35.21.759 that undertake, assist and facilitate an enhanced 911 system supporting member fire protection districts and other public safety member organizations in the coverage area, including but not limited to advancing funds to reduce the cost of medical and/or dental insurance.

5. PAYMENTS FROM THE IRSRA ACCOUNT. The Administration Committee shall make payments of and from the IRSRA account to accomplish the purposes of the account

and is authorized in the administrative powers of the Administration Committee as set forth below.

6. BANKS. The account shall be kept at such banking institutions, including savings and loan associations, as the Committee shall designate so long as the same are fully insured by an agency of the Federal Government or administered by the state of Washington.

7. ADMINISTRATIVE DUTIES AND POWERS. The Administration Committee shall have the following powers and duties in the administration of the trust fund, all of which are subject to the supervision, direction and approval of the Board of Directors of WFCA, to wit:

(a) To retain suitable agents and counsel specifically approved by the Board of Directors of WFCA.

(b) To recommend the payment of reasonable expenses and compensation for suitable agents and counsel.

(c) To reimburse the members of the Administration Committee for travel, per diem, and the like in the same manner as members of the Board of Directors of WFCA are reimbursed.

(d) To require books of accounts at all time and accurate minutes of all meetings.

8. BOND REQUIRED OF MEMBERS OF THE ADMINISTRATION COMMITTEE. The members of the Administration Committee and the executive director shall be bonded insuring their honest and faithful performance of their duties as set forth in this resolution. Any bond premium shall be paid out of IRSRA.

9. WITHDRAWAL OF MEMBER DISTRICTS. No individual member participating district has any right or interest in this fund because of its nature as a rate stabilization fund and therefore, in the event any member participating district, regional fire authority, municipal fire department, or qualified public authorities authorized under RCW 35.21.730 through 35.21.759 withdraws from WFCA, such withdrawing member, its employees and dependents, qualified retirees, qualified WFCA employees, qualified fire commissioners, qualified retired fire commissioners, and contract personnel approved by the IRSRA Committee, shall forfeit all right and interest to the account fund.

10. TERMINATION OF ACCOUNT. In the event this program is terminated, the account fund shall be distributed to WFCA or any successor association, authorized by RCW 52.08.030(5) for like purposes for use in any program with similar purposes.

PASSED BY THE BOARD OF DIRECTORS OF WFCA at a meeting on the 17<sup>th</sup> day of January, 1981.

*Original resolution, with Board of Directors' signatures, is on file in the association office.*

## AMENDMENTS TO RESOLUTION 12-80(b)

### 1982

**April 17** Appointed Commissioner Jim Potts (Whitman 5) to fill the vacancy created by the resignation of original committee member Kenneth Groth (Yakima 11).

### 1988

**April 30** Appointed Commissioner James E. Larson (Grant 10) as the fourth member of the committee.

### 1990

**April 21** Appointed Commissioner Donald Leggett (Woodinville Fire & Life Safety District/King 36) to fill the vacancy created by the resignation of original committee member Robert Yingling (Kitsap 7).

### 1991

**April 20**

1. Under item “2. IRSRA ADMINISTRATION COMMITTEE.”, at the end of the first paragraph, added: “The committee may appoint an investment officer who shall be confirmed by the Board of Directors and shall have the authority to invest assets of the IRSRA under the direction and control of the committee.” Pete Spiller was appointed as the Investment Officer.
2. Under item “6. BANKS.”, at the end of the paragraph, added: “or administered by the state of Washington.”

### 1993

**March 20** Appointed Commissioner Jack Hensley (Spokane 4) to fill the vacancy created by the resignation of Jim Potts.

### 1995

**December 9**

1. Included “qualified retirees” in sections referencing those eligible for coverage under the WFCAs self-funded health care program.
2. Under item 3, added the words “or other” after the word “dental” and “or contractors” after the word “insurers” and changed the word “firemen” to “firefighters”.

### 1996-1997

During 1996 through 1997, discussions were held regarding fire commissioner eligibility to participate in the WFCAs health care program. There was no action necessary from either the WFCAs Board of Directors nor the IRSRA Committee as the authority for commissioner participation is required in the Revised Code of Washington, Title 52 (52.14.010). The IRSRA Committee did authorize continued coverage for “qualified” retired commissioners.

### 1997

**December 6** Appointed Commissioner David Lawson (North Highline Fire District/King 11) to fill the vacancy created by the resignation of Donald Leggett.

### 1998

**January 24** Appointed Commissioner Emil Caruthers (Pacific 1) to fill the vacancy created by the resignation of James E. Larson.

**April 25** Appointed Commissioner Dennis Bjork (Grant 5) to fill the vacancy created by the resignation of Emil Caruthers.

**September 21** Effective January 1, 1999, after consideration and recommendation by the committee, the WFCAs Board of Directors authorized the committee to institute a self-funded WFCAs health care program under the authority within the state of Washington Risk Management Division. This action was taken after review by the state of Washington Risk Manager asserting IRSRA funds were adequate for a self-funded program. Service and cost from the insured program were deemed unsatisfactory to the committee and WFCAs Board. Audit programs for the self-funded health care program are in place. The committee was instructed to report at every WFCAs Board meeting on the progress of the WFCAs health care program.

**October 21** Appointed Commissioner James Osborne (Federal Way Fire Department/King 39) to fill the vacancy created by the resignation of David Lawson.

**December 5** Included “qualified WFCAs employees” in sections referencing those eligible for coverage under the WFCAs self-funded health care program.

### 2002

**January 29** Appointed Commissioner Russ Price (King 40) to fill the vacancy created by the resignation of James Osborne.

**December 7** Included “contract personnel approved by the IRSRA Committee” in sections referencing those eligible for coverage under the WFCAs self-funded health care program.

### 2003

**July 12** Appointed Commissioner Darold Doell (King 2) to fill the vacancy created by the resignation of original committee member James R. “Bubba” Larson (Clark 6).

### 2004

**April 24**

1. Adopted increase from four to five the number of members on the IRSRA (Health Care) Committee.

2. Appointed Commissioner James Farrell (Mountain View Fire & Rescue/King 44) to fill the vacancy created by the resignation of Darold Doell.
3. Appointed Commissioner Leon Thomas (North Kitsap Fire & Rescue/Kitsap 10) as the fifth member of the committee.

**2005**

**October 19** Appointed Commissioner Eugene Carmody (Port Ludlow Fire & Rescue/Jefferson 3) to fill the vacancy created by the resignation of Leon Thomas.

**2006**

**June 12** Russ Price resigned as a member of the committee effective immediately.

**2007**

**December 8** Appointed Pete Spiller to serve in 2008 “as the WFCa Investment Officer responsible for all IRSRA funds; Mr. Spiller shall report to the WFCa Executive Director and Board of Directors. Mr. Spiller shall have no duties in connection with the IRSRA (Health Care) Committee. The WFCa Board expands Roger Ferris’s duties to execute all IRSRA documents. He shall consult with the IRSRA Committee and WFCa Board prior to approving annual contracts with the health care broker and third party administrator.”

**2008**

- January 23**
1. Amended the motion made at the December 8, 2007 meeting in which Pete Spiller was appointed the Investment Officer and Roger Ferris was appointed the Contract Officer for the WFCa Health Care Program: it was the consensus of the Board and agreed to by Mr. Ferris that the language on line two should be amended to strike through the words “consult with” and insert the words “have the approval of”.
  2. Adopted inclusion of “Attachment B” to the Executive Director’s job description for his service as Contract Officer in 2008 and the additional duties of Investment Officer beginning in 2009.

**April 19** Appointed Commissioner Bill Gates (South King Fire & Rescue) to fill the vacancy created by the resignation of Russ Price.

**July 11** Included “qualified regional fire authorities” in sections referencing those eligible for coverage under the WFCa self-funded health care program.

**2009**

- January 24** Adopted:
1. Under item 2...
    - a. Insert “and approval” after the word “supervision”.
    - b. Change the 3<sup>rd</sup> sentence to read: “The Committee shall consist of no fewer than three fire commissioners; all committee members shall represent jurisdictions enrolled in the WFCa health care program.
    - c. Omit the amendment adopted on April 20, 1991 relating to the selection of an investment officer.
  2. Under item 7...
    - a. In the 1<sup>st</sup> sentence, insert the words “and approval” after the word “direction”.
    - b. Rewrite lettered items to read:
      - (a) To *retain* suitable agents and counsel specifically approved by the Board of Directors of WFCa.
      - (b) To *recommend the payment of reasonable expenses and compensation for suitable agents and counsel.*
      - (c) To reimburse the members of the Administration Committee for travel, per diem, and the like in the same manner as members of the Board of Directors of WFCa are reimbursed.
      - (d) To *require books of accounts at all time* and accurate minutes of all meetings.

**October 9** Bill Gates resigned as a member of the committee effective immediately.

**2010**

**January 19** Appointed Commissioners Jerry Bragg (Chelan 5) and Brad Langdell (Walla Walla 5) to fill the vacancies created by the resignation of Bill Gates and the retirement of Dennis Bjork as fire commissioner.

**October 27** Included “defined [qualified] employees of municipal fire departments” in sections referencing those eligible for coverage under the WFCa self-funded health care program.

**2014**

**April 12** Appointed Commissioner Ken Eakin (Yakima 12) to fill the vacancy created by the December 31, 2013 retirement of Jerry Bragg as fire commissioner.

**2016**

- October 25**
1. On page one, paragraph two, following the words “one of WFCa’s programs involves the acquisition, premium collection and payment of medical and dental insurance for member...”, replace “associations” with “fire protection districts”.
  2. Included “qualified public authorities authorized under RCW 35.21.730 through 35.21.759 that undertake, assist and facilitate an enhanced 911 system supporting member fire protection districts and other public safety member organizations in the coverage area” in sections referencing those eligible for coverage under the WFCa self-funded health care program.