



WSTIP Policy Manual			
Document Name:	Actuarial Policy	Date Adopted:	5/28/2009
Category:	Finance	Revision Date:	04/29/10 with changes
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Actuarial Policy

Purpose

To maintain the integrity of Pool funds, to assist in the budget process and the maintenance of adopted target financial ratios, and to comply with legal and regulatory obligations and practices.

Authority

1. Interlocal Agreement, Section 3 (“all things necessary and proper for the establishment of self insurance programs”); and
2. Bylaws Sections 4 (“adoption of annual budget” and “assessment of . . . allocations and contributions”) and 37 (“Executive Committee shall establish policies with respect to internal controls [and] financial reports”).

Policy Statement

1. At least on an annual basis the Pool shall commission an actuarial study and report by a fellow of the Casualty Actuarial Society or a member of the American Academy of Actuaries to determine reserve adequacy.
2. Based upon the foregoing report the Pool shall allocate funding for losses, loss development, incurred but not reported losses, loss adjustment expenses, unallocated loss adjustment expenses, and adverse experience at levels set by the Board or Executive Committee.

Passed this 29th day of April, 2010
Executive Committee
Washington State Transit Insurance Pool



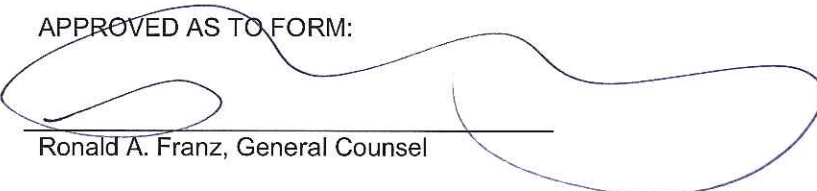
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ATTEST:



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