



OFFICE OF THE INSURANCE COMMISSIONER

In the Matter of)	No. 09-102
)	
The Financial Examination of)	FINDINGS, CONCLUSIONS,
TACOMA LUTHERAN HOME AND)	AND ORDER ADOPTING REPORT
RETIREMENT COMMUNITY)	OF EXAMINATION

A Domestic Charitable Gift Annuity Issuer.

BACKGROUND

An examination of the financial condition of **TACOMA LUTHERAN HOME AND RETIREMENT COMMUNITY** (TLRC) as of December 31, 2007, was conducted by examiners of the Washington State Office of the Insurance Commissioner (OIC). TLRC holds a Washington certificate of exemption to issue charitable gift annuities. This examination was conducted in compliance with the laws and regulations of the state of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the OIC.

The examination report with the findings, instructions, and recommendations was transmitted to TLRC for its comments on July 28, 2009. TLRC's response to the report is attached to this order only for the purpose of a more convenient review of the response.

The Commissioner or a designee has considered the report, the relevant portions of the examiners' work papers, and the submissions by TLRC.

Subject to the right of TLRC to demand a hearing pursuant to Chapters 48.04 and 34.05 RCW, the Commissioner adopts the following findings, conclusions, and order.

FINDINGS

Findings in Examination Report. The Commissioner adopts as findings the findings of the examiners as contained in pages 1 through 7 of the report.

CONCLUSIONS

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the financial examination of **TACOMA LUTHERAN HOME AND RETIREMENT COMMUNITY** and to order TLRC to take the actions described in the Instructions and Comments and Recommendations sections of the report. The Commissioner acknowledges that TLRC may have implemented some of the Instructions and Comments and Recommendations prior to the date of this order. The Instructions and Comments and Recommendations in the report are appropriate responses to the matters found in the examination.

ORDER

The examination report as filed, attached hereto as Exhibit A, and incorporated by reference, is hereby ADOPTED as the final examination report.

TLRC is ordered as follows, these being the Instructions and Comments and Recommendations contained in the examination report on pages 1 - 2.

1. TLRC is ordered to comply with RCW 48.38.030(4) and 48.38.030(5) and the OIC Annual Report Instructions by including in the annuity contract the age of the person during whose life payment is to be made and the reasonable value as of the date of the agreement of the benefits created. Instruction 1, Examination Report, page 1.
2. TLRC is ordered to report the statutory reserve calculated by the actuary pursuant to RCW 48.38.010(c), and an additional 10% surplus as required by RCW 48.38.020(1) and (3). Instruction 2, Examination Report, page 2.
3. TLRC is ordered to comply with reporting requirements in accordance with RCW 48.38.010(10)(a) and the OIC Annual Report Instructions. Instruction 3, Examination Report, page 2.
4. It is ordered that TLRC consider adhering to its investment guidelines and policies by requiring the investment manager to report on investment results to the BOG at least on a quarterly basis. It is also ordered that the BOG consider approving any investment transactions and document the approval in the BOG minutes.

IT IS FURTHER ORDERED THAT, TLRC file with the Chief Examiner, within 90 days of the date of this order, a detailed report specifying how TLRC has addressed each of the requirements of this order.

ENTERED at Olympia, Washington, this 2nd day of October, 2009.

A handwritten signature in black ink, appearing to read "Mike Kreidler", written in a cursive style.

MIKE KREIDLER
Insurance Commissioner



TACOMA LUTHERAN RETIREMENT COMMUNITY

Quality Care, Quality Living.

September 8, 2009

RECEIVED

SEP 11 2009

Mr. James T. Odiorne, CPA, JD
Deputy Insurance Commissioner
Company Supervision Division
P.O. Box 40255
Olympia, WA 98504

INSURANCE COMMISSIONER
COMPANY SUPERVISION

Re: Financial Examination Report of Tacoma Lutheran Retirement Community

Dear Mr. Odiorne:

This is to confirm that we have received the Financial Examination Report of Tacoma Lutheran Retirement Community as of December 31, 2007. We have implemented the reporting requirements in accordance with Chapter 48.38.010 RCW and the OIC Annual report Instructions.

As for the comments and recommendations we will be reviewing Tacoma Lutheran Retirement Community investment policy this fall with our Finance Committee. We disagree to the recommendation that the BOG approve any investment transactions and document the approval in the BOG minutes. Daily transactions are done by the investment manager through US Bank. The BOG oversees major changes in the investments and reviews the accounts quarterly.

If you have any further questions please contact me at (253)756-7550.

Sincerely,

Paul M. Opgrande
Chief Executive Officer
Tacoma Lutheran Retirement Community