

**Enduris  
Board of Directors  
Meeting Minutes**

February 16, 2024

**Call to Order:** Chair Matt Schanz called the meeting to order at **8:30 a.m.**

**ROLL CALL**

Board Members Present: Matt Schanz, Chair; BiJay Adams, Vice-Chair; Vicki Carter, Secretary/Treasurer; Noel Hardin, Board Member; Kelly Williquette, Board Member; Donna Watts, Board Member; Sara Young, Board Member; and Sheryl Brandt, Executive Director.

Others Present: Heather Yakely, Enduris General Counsel; Holly Nelson, Enduris Director of Claims; Kimberly Millikan, Enduris Director of Finance; Joe Davis, Enduris Director of Risk Management and Member Relations; Alric Balka, Director of Operations; Shawna Masterton, Executive Assistant; Ryan Wilson, Technology/Business Systems Coordinator

**Mr. Schanz started the meeting with introductions.**

**Public Comments – RCW 42.30.340**

➤ No public present. – No comments were made.

**ADOPT AGENDA**

**WATTS/HARDIN moved to adopt the revised agenda as recommended. Motion carried.**

**BOARD CONSENT AGENDA**

**Board Policy GC-2.6 states** that the Board will use a Consent Agenda as a means to expedite the disposition of routine matters and to dispose of other items of business it chooses not to discuss administrative matters delegated to the Executive Director that are required to be approved by the Board will be acted upon by the Board via the Consent Agenda. An item may be removed from the Consent Agenda upon approval by a majority of the Board.

**Board Consent Agenda**

- Annual Board Meeting Minutes – November 16, 2023

**CARTER/ADAMS moved to approve all items on the Board Consent Agenda. Motion carried.**

**Executive Director Consent Agenda**

- Expenses (November 2023, December 2023, January 2024)

**ADAMS/HARDIN moved to approve all items on the Executive Director Consent Agenda. Motion carried.**

## **EXECUTIVE DIRECTOR REPORT**

**Board Policy OE-8 states** that the Executive Director shall ensure that the Board is fully and adequately informed about matters relating to Board work and significant organizational concerns.

### **Generative Thinking Workshop Recap**

Mrs. Brandt and the board discussed the outcomes during yesterday's Generative Thinking Workshop. They discussed the strategies outlined in the Strategic Plan and the Generative Trends. The group was highly impressed with the work of Mrs. Ann Gergen and grateful for the valuable lessons she imparted. Mrs. Gergen's extensive experience in this field was evident, and the organization gained some helpful knowledge that will aid them in moving forward.

### **Pooling and Membership Update**

Mrs. Brandt has informed the board that Kathy Johns, who has been with Enduris for 24 years, is retiring. We highly value her knowledge and contribution to the company, and she will be greatly missed. The job vacancy has been announced, and we are pleased to have received some excellent candidates. Since Kathy's last day is March 30th, we hope to fill the position as soon as possible to facilitate training.

### **Legislative Update**

Mrs. Brandt briefly updated the board members about the Liability Reform Coalition. She discussed the Pre-Judgment Interest Senate Bill 5059 and some other bills she closely monitors. She also shared her conversation with Judy Gladstone regarding the bill's impact on litigation and increased costs. Ms. Brandt presented the Risk Pooling perspective and shared some relevant facts.

### **Government Entities Mutual (GEM) Board Meeting Update:**

Ms. Brandt stated that she attended the in-person GEM Members Sessions and Board Meeting held in Tucson, AZ, on January 23-25, 2024. Ms. Brandt gave a high-level summary of the significant discussions and decisions at the GEM meeting and mentioned that a copy of the meeting recap was in the board packet.

### **Association of Governmental Risk Pools (AGRiP)**

Ms. Brandt informed the board about the upcoming Association of Government Risk Pools Governance (AGRiP) Conference. The conference will take place in Nashville, TN, from March 3-6, 2024, and will be held in person. This year's conference has received a high number of registrations, with two directors and two board members planning to attend.

### **Quarterly Summary**

Ms. Brandt provided an update on the highlights of last quarter.

- Working on synchronizing policy upload data with APIP underwriting data, cleansing Origami contacts data to make it more consistent, and performing property appraisals to ensure insurance to value. Mrs. Brandt also reported that APIP underwriters conducted 117 desk audits, and the APIP property program SIR was increased to \$500k for PY24.
- Explored cyber third-party support for members; Increased member visits/ consultations. Reviewed APIP desk audits with members to discuss changes in property value.
- We have improved our claims processes in Origami to handle such complex claims better. We also developed accident kits for our members and provided training on using the kit.
- Enhanced physical security at the office building; Filed necessary reports and documents with the State Risk Manager; Collaborated with the SAO audit team on the FY23 audit. Completed calendar year-end filing for W2s and 1099s.

During the presentation, Mr. Joe Davis shared key slides, talked about the member visits, and shared photos to showcase risk management in larger districts. Additionally, he provided an overview of the training sessions held in fiscal year 2023, which aimed to encourage more engagement among the members. Mr. Davis also demonstrated the improvements made to our website, which allows members to access various training opportunities easily.

Mrs. Brandt wrapped up the Quarterly Summary with an update on the financial results for the first four months of FY24, which are consistent with the budget and bring us closer to our Capital Adequacy targets. The Net Position has increased by \$1.2M, which was discussed in detail during the financial section of the presentation.

At the upcoming Board meeting in May, we expect to make a few recommendations regarding the Pool's target ratios. These recommendations may include changing from a 5-year rolling average to a 3-year rolling average to align with AGRIP and adjusting specific ratios to be more financially stable and in line with other pool comparatives.

If any changes are recommended, they will be part of the Board policy updates scheduled for August 2024 and apply to the upcoming year. This will allow us to review them as part of the Fiscal 2025 Budget development.

**Mr. Schanz recessed the meeting for a break at 10:25 a.m.**

**Mr. Schanz reconvened the meeting at 10:45 a.m.**

#### **EXECUTIVE SESSION**

*The Board entered into Executive Session at 10:45 a.m. for 44 minutes to review the status of open claims. A short break was taken at the end of the Executive Session. The meeting reconvened in Open Session at 11:27 a.m.*

#### **DISCUSSION/ACTION ITEMS**

##### **Financial Report and Financial Statements/SCIP Report**

**Board Policy OE-6** states that the Executive Director shall not cause or allow any financial activity or condition that materially deviates from the budget adopted by the Board; cause or allow any fiscal condition that is inconsistent with achieving the Board's *Goal* or meeting any *Operational Expectations* goals; or place the long-term financial health of the Pool in jeopardy.

The Board was provided with the financial reports for October, November, and December 2023. Also offered was the performance investment report as of December 31, 2023, from the Spokane County Investment Pool. Ms. Brandt and Ms. Millikan presented the financials for January 31, 2023.

**CARTER/WATTS moved to approve the September 30, 2023, October 31, 2023, November 30, 2023, and December 31, 2023, financial reports as presented. Motion carried.**

**WATTS/YOUNG moved to accept the activity report from the December 31, 2023 (SCIP) Spokane County Investment Report as presented. Motion carried.**

##### **Proposed Changes to Board Governing Policy OE 6.7**

Mr. Balka has provided an update to the Board regarding their interest in expanding the investment options available to the Pool by incorporating the Local Government Investment Pool (**LGIP**). The Administration suggests revising *Board Governing Policy OE 6.7* to include the LGIP per the attached recommendations.

In addition to the policy revisions, a resolution has to be filed with the Office of the State Treasurer to implement LGIP. A proposed resolution is attached for review and approval.

The board proposed adding Mrs. Brandt as an authorized individual to the LGIP Authorization form to make deposits and withdrawals.

**Recommended Motion:**

**CARTER/WATTS moved to approve the proposed changes to Board Governing Policy 6.7 as recommended by the Executive Director and to approve the Enduris Resolution 24.01, which authorizes investment in the Local Government Investment Pool with the LGIP Authorization Form modified to add the Executive Director.**

**DEBRIEF BY BOARD**

**Board Policy GC-2.4 states** that as a means to assure continuous improvement, the Board will regularly and systematically monitor all policies and will assess the quality of each meeting by debriefing the meeting following its conclusion.

The board members expressed their gratitude for the informative Generative Workshop. They found Ann Gergen's presentation to be very positive and insightful. The board also appreciated the excellent communication between the board members and staff, and their feedback was overwhelmingly positive. The presented information was well-received and helpful. Mrs. Carter went around and personally thanked the Enduris staff members and made respectful comments to each and every one of them.

**ADJOURNMENT**

*Mr. Schanz adjourned the Board meeting at 11:55 am.*

**ADAMS/HARDIN moved to adjourn the meeting. Motion carried.**



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**Matt Schanz, Chair**

The Enduris Board meeting minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.