



2023 ANNUAL REPORT



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MISSION

To provide financial protection, broad coverage, and risk management services responsive to members' needs

PURPOSE

To provide reliability in a risky world

VALUES

We enjoy opportunities to address members' needs

We have a genuine appreciation for the services public entities provide to our communities

We deliver professional quality results

We take ownership in knowing the success of Enduris depends on our respect for one another



Message from Chair & Executive Director

In 2023 Enduris positioned itself to be a stronger more resilient pool in the face of challenges that continually plague the insurance and pooling industries. The reinsurance market remains as hard as ever, and the increasing cost of goods is stretching member budgets thin while simultaneously driving claims expenses higher. Amid this difficult environment Enduris has been resolute in its efforts to keep member rates as low as possible while strengthening the financial position of the pool.

The board's work with the actuary on the Capital Adequacy Assessment was formalized into policy, setting a 'capital target range' for the pool. Identifying this range is a cooperative effort between the actuary and the board. The actuary quantifies various financial risk drivers, and the board determines an appropriate risk tolerance for the Pool. Monitoring the pool's net position in relation to this range provides the board with valuable insight into the financial health of the organization. The board has set targets for the Pool's net position to withstand a 'black swan' type of event. The pool's financial position continues to strengthen ensuring members can continue to rely on Enduris well into the future.

The pool continued to feel the effects of a hard market seeing both liability and property reinsurance rates rise for yet another year. While these increases could be detrimental if passed directly on to members, the pool is able to absorb these types of fluctuations and insulate members from the swings of the market. To help combat the historically hard property market, Enduris renewed their property policy with an increased Self-Insured Retention (SIR) of \$500,000. Leveraging the pool's healthy net position to retain more of its own risk, Enduris can reduce the number of claims ceded to reinsurance and help improve property renewals in the future.

Enduris exists to serve its members, and their satisfaction is always top of mind. In 2023 Enduris conducted a member satisfaction survey to gain insight into how our members were using and benefiting from our services. The results of the survey were very positive and highlighted the staff's dedication to our membership.

Looking ahead to the next year, Enduris is well positioned to tackle whatever challenges it is sure to bring. With a clear vision for the health of the pool, a strong financial position, and growing member engagement that helps us all reduce our collective risk, Enduris looks forward to serving our members in the years to come.

Matt Schanz *Sheryl Brandt*

WE ARE RELIABILITY IN A RISKY WORLD

Enduris is a joint self-insurance program authorized by RCW 48.62 to serve local government entities for their property and liability coverage needs.



By jointly self-insuring or 'pooling' their resources, members are able to reduce cost, increase services, and have a voice in the direction of Enduris. Lead by a board of directors elected from the membership, Enduris is able to meet the unique needs of the special purpose district which it serves better than other traditional coverage options.

Enduris is able to offer limits that would otherwise be cost prohibitive of individual members; Blending the exposures of a diverse membership spreads risk amongst different types of operations and geographically across the state, combining the overall total insured value of the membership's property gives Enduris greater purchasing power, and self-insuring claims at higher limits allows Enduris to secure broad coverage through the reinsurance market that passes value along to individual members.

Enduris Washington offers its members government risk specialists that have a passion for serving those that serve our communities. Enduris manages claims in-house and provides a broad array of in-depth loss control services, training, and risk consultation. Enduris is widely recognized as the leading risk pool for special purpose districts in Washington State.



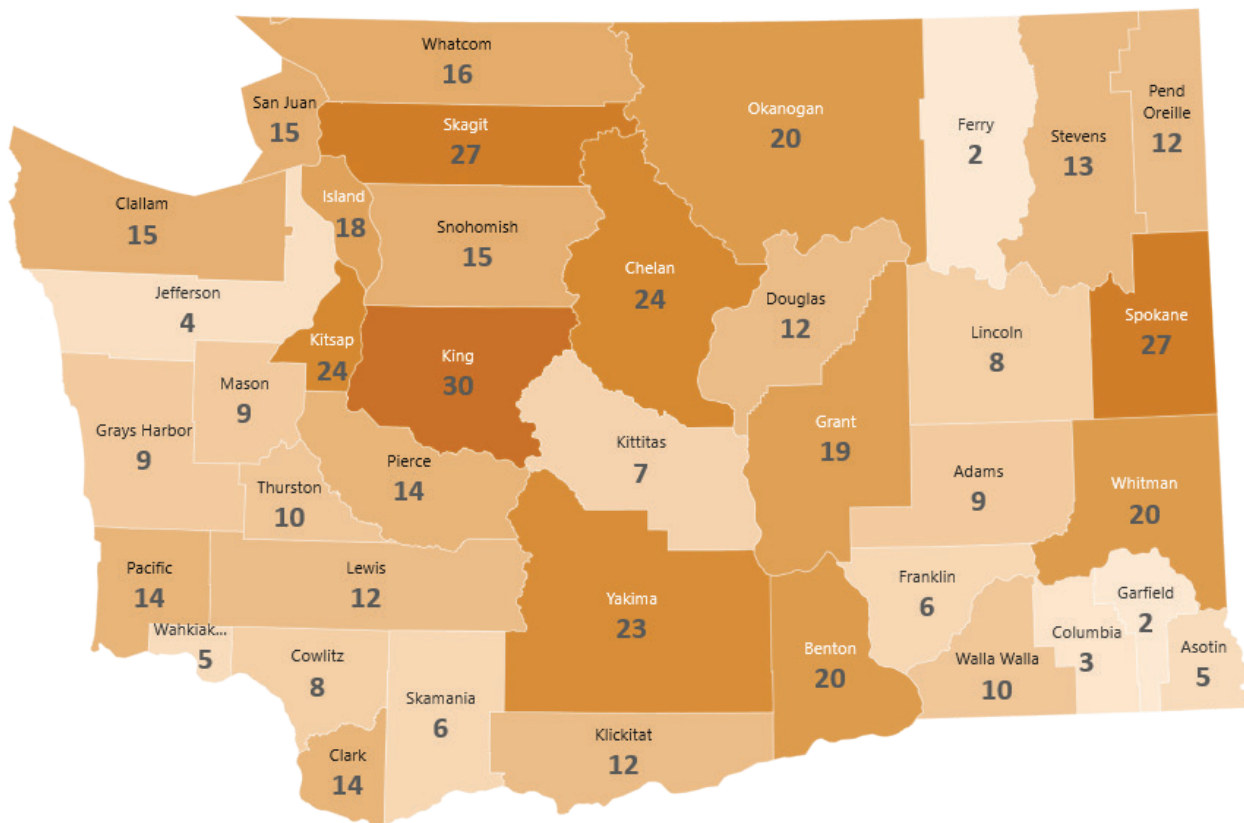
Membership

In Policy Year 2023 Enduris had **519 members**. These members represent **17** different types of public entities and are spread across all **39** counties of Washington State.

Membership diversity is a key element to the long-term success of Enduris. Diversity in the types of entities and their geographic location ensures the membership as a whole is protected from any unexpected losses contributed to a single type of exposure or location.

All Enduris members provide vital services to our communities, From Fire Protection Districts to Water Districts, and from Public Health districts to Library Districts, Enduris is proud to serve those that serve our communities.

MEMBERSHIP DIVERSITY IS A KEY ELEMENT TO THE LONG-TERM SUCCESS OF ENDURIS.



Coverage

The Enduris' program provides for various forms of joint self-insurance and reinsurance coverage for its members. All coverages (with the exception of pollution coverage) are written on a "occurrence" form which provides coverage for members for any claims that occur during the policy period, even if the claim is made after the policy is ended or the member is no longer part of the pool.

Enduris directly pays for covered losses that fall within its Self-Insured Retention (SIR). For claims that exceed the Pool's SIR, Enduris purchases excess and reinsurance policies that provide coverage up to the policy limits. Detail tables of the Pool's SIR, reinsurance limits and member deductibles/co-pays by coverage type can be found in the Pool's fiscal 2023 Financial Statements with the Washington State Auditor's Office (SAO) Audit Reports on our website.



LIABILITY COVERAGE:

Enduris includes General, Automobile, Public Officials' Errors and Omissions, Terrorism and Employment Practices in their liability program. Enduris self-insures liability losses up to \$1 million and procures reinsurance for losses up to their liability policy limit of \$20 million. Generally, members have a \$1,000 deductible though other deductible options are available.



PROPERTY COVERAGE:

Enduris includes Building and Contents, Mobile Equipment, Boiler and Machinery, Business Interruption/Extra Expense, Automobile Physical Damage (APD), and Cyber coverage in their property program. Enduris provides a broad and specialized property form for members under the Alliant Property Insurance Program (APIP), the largest public entity property program in the world. Members deductibles are generally \$1,000 for basic property and \$250 for APD though other deductible options are available.



OTHER COVERAGES:

Enduris offers other coverages designed to meet the unique needs of the public entities which it serves. **Identity Fraud Expense Reimbursement** coverage is provided for members' full time employees with no deductible and a \$25,000 limit per member. Fire district members have access to a \$25,000 in the **Line of Duty Accident and Health** coverage.

Enduris can also assist members in procuring specialty policies. Specialty coverages are not part of the pool and procured by Enduris agent of record. Specialty policies include Airport Liability, Marina Operators Legal Liability, Pollution Liability, Railroad Liability, Notary Bonds and more.

Special event coverage is available for short-term, third party users for events held at a member location.



113

**IN-PERSON
MEMBER VISITS**

21

**ENDURIS TRAINING
SEMINARS**

1277

**TRAINING
ATTENDANCE FOR
ENDURIS-PROVIDED
TRAININGS**

89

**PRE-DEFENSE
INQUIRIES HANDLED
BY ENDURIS**

1852

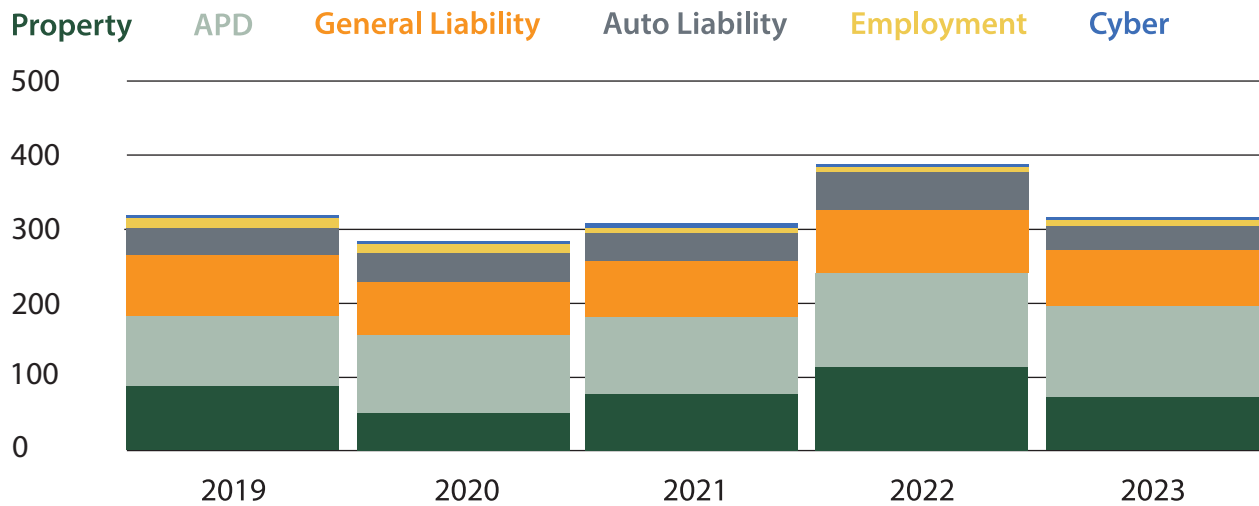
**LOCAL GOVU
COURSE COMPLETED**

Claims

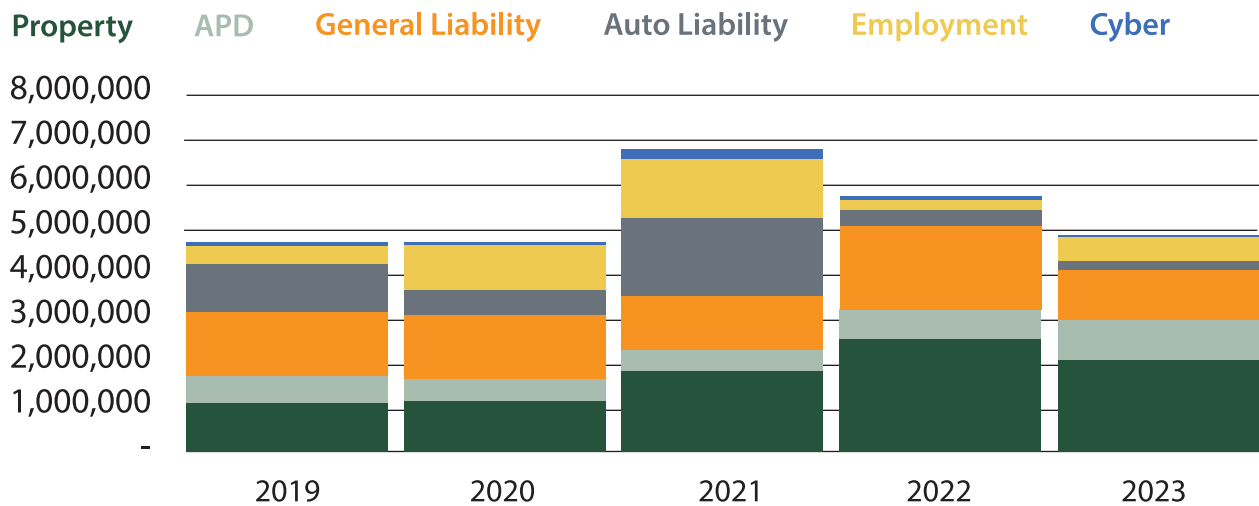
The Enduris claims team works diligently with members to ensure that claims are addressed accurately and fairly. Claims decisions are made locally and managed by Enduris staff. Members' claim satisfaction survey results are consistently above 90%.

There were 311 claims reported in policy year 2023, slightly lower than the five year average of 316. These claims represent approximately \$4.8 million in claim costs to the Pool. For policy year 2023 the Pool's actuary projects the ultimate claim costs to be \$8.7 million.

NUMBER OF CLAIMS REPORTED IN POLICY YEAR 2023



COST OF CLAIMS REPORTED IN PY 2023





\$4.8B

COMBINED
PROPERTY AND
VEHICLE TIV

6.7M

REPORTED L&I
HOURS

181K

REPORTED FIRE/
EMS RUNS

311

CLAIMS OPENED

\$4.8M

COST OF REPORTED
CLAIMS

\$8.7M

PROJECTED
ULTIMATE LOSS FOR
POLICY YEAR 2023

Financial Overview

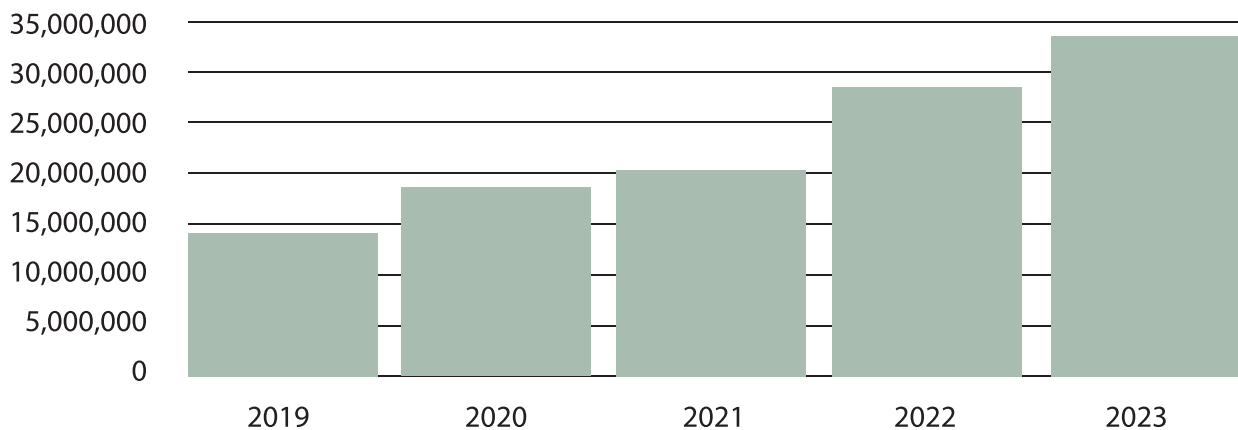
Enduris provides financial protection to its members by maintaining a strong net position with reserves ready to pay claims and insulate members from the volatile nature of the reinsurance market.

Like our members, Enduris is a public entity. We do not operate with commissions and any funds in excess of expenses stay within the program to keep rates as low as possible and ensure Enduris

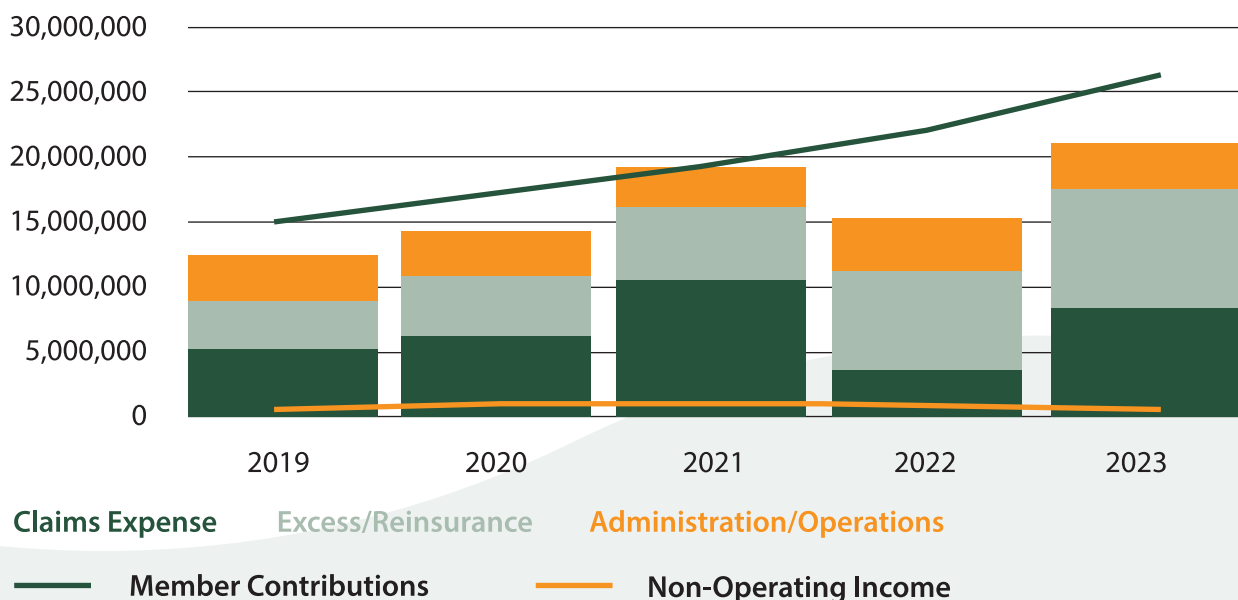
will remain positioned to provide broad coverage to our members far into the future.

In policy year 2023 Enduris' net position grew by \$5.1 million, to a total net position of \$32.6 million. While growing, the Pool's net position is still slightly below the bottom range of the Capital Target Range set by the board and the Pool's actuary, currently set at \$35 million.

NET POSITION



REVENUES & EXPENSES





\$5.1M

**INCREASE TO NET
POSITION**

\$32.6M

TOTAL NET POSITION

\$25.8M

**MEMBER
CONTRIBUTIONS**

\$13.6M

**CLAIMS LOSSES
PAID IN POLICY
YEAR 2023**

\$18.2M

**TOTAL CLAIM
RESERVES PROJECTED
BY ACTUARY**

Financial Summary

FOR FISCAL YEARS ENDED

AUGUST 31, 2023, 2022 & 2021

The summary Financial information at August 31, 2023 has been derived from the Financial Statements with the Washington State Auditor's Office (SAO) Audit Reports for the Fiscal Years Ended August 31, 2023, 2022 and 2021. These reports are readily available on the Enduris website and on the SAO website at <https://sao.wa.gov/reports-data/audit-reports/>

The Enduris Financial Statements with the SAO's Audit Report are also filed with the Washington State Risk Manager at the Department of Enterprise Services, Office of Risk Management for Local Government and Self Insurance Programs.

This summary financial information is unaudited and does not contain all the disclosures, Management's Discussion and Analysis, and other required supplementary information required by generally accepted accounting principles as established by the Governmental Accounting Standards Board who considers that such information an essential part of financial reporting for placing basic financial statements in an appropriate operational, economic or historical context. Reading the Summary Financial Information at August 31, 2023, therefore, is not a substitute for reading the Financial Statements with the State Auditor's Report for the Fiscal Years Ended August 31, 2023, 2022 and 2021.



Scan for Washington State Auditor's Office (SAO) Audit Reports



CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Fiscal Years ended August 31st – Dollars in Millions

	2023	2022	2021
OPERATING REVENUES:			
Member Contributions	\$25.8	\$22.0	\$19.4
Operating Revenues	\$25.8	\$22.0	\$19.4
OPERATING EXPENSES:			
Claims Expense	\$8.4	\$3.7	\$10.5
Excess/Reinsurance	9.2	7.5	5.7
General & Administrative	3.7	4.2	2.8
Total Operating Expenses	\$21.3	\$15.4	\$19.0
Operating Income	\$4.5	\$6.6	\$0.4
NON OPERATING INCOME (LOSS):			
Interest Income (Expense)	\$1.0	\$0.4	\$0.4
Change in Equity In GEM	\$(0.5)	\$0.4	\$0.6
Other Non-Operating Income (Loss)	0.1	0.1	0.1
Non Operating Income	\$0.6	\$0.9	\$1.1
Change in Net Position	\$5.1	\$7.5	\$1.5
Net Position beginning of year	27.5	20.0	18.5
Net Position end of year	\$ 32.6	\$27.5	\$20.0

CONDENSED STATEMENT OF NET POSITION

As of August 31st – Dollars in Millions

	2023	2022	2021
ASSETS AND DEFERRED OUTFLOWS:			
Cash and Cash Equivalents	\$52.2	\$44.8	\$38.1
Receivables	2.2	-	0.1
Prepaid Excess/Reinsurance	10.4	7.6	6.2
Other Current Assets	-	0.2	0.2
Capital Assets, net	5.0	4.6	5.4
Investment in GEM	3.1	3.6	3.2
Lease Receivable	2.4	2.5	2.6
Pension Asset	0.6	0.6	1.6
Deferred Outflow related to Pensions	0.5	0.6	0.2
Total Assets & Deferred Outflows	\$76.4	\$64.5	\$57.6
LIABILITIES AND DEFERRED INFLOWS:			
Unearned Member Contributions	\$21.4	\$16.1	\$14.0
Claims Reserves-Current	6.2	4.8	6.5
Claims Reserves-Non-Current	12.0	12.2	12.3
Other Current Liabilities	0.7	0.3	0.3
Other Non-Current Liabilities	0.8	0.6	0.2
Deferred Inflow related to Pensions	0.4	0.6	1.7
Deferred Inflow related to Leases	2.3	2.4	2.6
Total Liabilities & Deferred Inflows	\$43.8	\$37.0	\$37.6
NET POSITION:			
Investment in Capital Assets	5.0	\$4.6	\$5.4
Restricted Net Position related to Pensions	0.8	0.8	0.2
Unrestricted Net Position	26.8	22.3	14.4
Total Net Position	\$32.6	\$27.5	\$20.0

Board of Directors



Noel Hardin

DIRECTOR
Asotin County Fire District #1



Vicki Carter

SECRETARY/TREASURER
Spokane Conservation District



Sara Young

DIRECTOR
Port of Skagit



Donna Watts

DIRECTOR
Port of Pasco



Bijay Adams

VICE-CHAIR
Liberty Lake Sewer and
Water District



Kelly Williquette

DIRECTOR
Spokane Water District #3



Matt Schanz

CHAIR
Northeast Tri County
Health District



Sheryl Brandt

EX-OFFICIO
Enduris

The Board of Directors is comprised of 7 members elected from the Enduris Membership. Board members represent a variety of member types from across the state, bringing diverse perspectives and coming together for the good of their fellow members. The Board sets the direction and organizational goals for the Pool and works closely with the Executive Director to serve the members.

Staff

The Enduris staff is here to serve the membership in a variety of ways. The **Administration and Operations Team** at Enduris oversees the general administration and operations of the risk pool. The **Member Relations & Risk Management Team** works directly with members to provide risk management resources, meet with members, maintain policies and answer member questions. The **Claims Team** at Enduris is responsible for working with members when they experience a loss and managing all aspects of member claims. The **Finance Team** provides support to the other Enduris teams assisting with member contributions, claim payments, billing and budgeting. Together the Enduris staff works as a single team focused on serving the members.

MEMBER RELATIONS & RISK MANAGEMENT



Mitch Eadon
RISK MANAGER



Eric Swagerty
MEMBER RELATIONS REPRESENTATIVE



Joe Davis
DIRECTOR OF RISK MANAGEMENT AND MEMBER RELATIONS



Kathy Johns
MEMBER RELATIONS ASSOCIATE



Sindy Joseph
MEMBER RELATIONS COORDINATOR

FINANCE



Alana Holmes
FINANCIAL ACCOUNTANT



Brittney Desjardins
FINANCIAL ANALYST



Kimberly Millikan
DIRECTOR OF FINANCE

**ADMIN/
OPERATIONS**



Alric Balka
DIRECTOR OF OPERATIONS



Shawna Masterton
EXECUTIVE ASSISTANT



Sheryl Brandt
EXECUTIVE DIRECTOR

CLAIMS



Ryan Wilson
TECHNOLOGY/BUSINESS
SYSTEMS COORDINATOR



Holly Nelson
DIRECTOR OF CLAIMS



Kim Lewis
CLAIMS ASSOCIATE



Lisa McMeekin
CLAIMS ANALYST



Cassie Sneddon
CLAIMS ANALYST



Karen Easterday
CLAIMS ANALYST



Kelly Allen
LEGAL COUNSEL