

2020 ANNUAL REPORT



enduris™

MESSAGE



A handwritten signature in blue ink that reads "Sheryl Brandt".

Sheryl Brandt, Executive Director

A handwritten signature in blue ink that reads "Patsy Martin".

Patsy Martin, Board Chair

One of the hallmarks of Enduris has always been service. We work hard to provide service to members which, in turn, supports members' service to their communities. Our favorite way to connect with members is in person, at a conference, walking your property and reviewing risks, or at one of the many training classes. This year we had the opportunity, because of the pandemic shutdowns, to explore new ways to connect and add value to the membership. We were able to experience how extraordinary, innovative, and adaptable we all can be when serving each other.

In March 2020, the Enduris staff began working remotely from home, just like many of you did. Several members told us they never knew when that transition occurred as the service appeared seamless. As you likely already know, the Enduris staff consists of some amazing, intelligent, committed, and innovative individuals that work hard to provide members with exceptional risk management and claims services.

Enduris is deeply committed to safety. This includes safety of the staff, members, and the communities they serve. We are, after all, in the business of risk. We work hard identifying it, analyzing it, mitigating it and/or removing it. We approached the pandemic in the same fashion. We not only managed risk to the Pool, but we also carefully evaluated risk for each member type. While this work continues, we can report we ended the policy year 2020 in a stronger financial and risk management position than prior years.

Over the last two years, the reinsurance and excess insurance market presented challenges as the market hardened, which means costs increase as coverage and capacity decrease. Enduris has established strong partnerships in this market and negotiated a strong renewal with the best value for members. The Board of Directors' leadership and the Pool's efforts to mitigate risk provides confidence to the reinsurance and excess market so that Enduris is seen as a solid risk management partner and we get the lowest rates possible.

Human beings want to be a part of something bigger than themselves, and they want to be connected with something that makes a difference. What motivates the Enduris staff and Board of Directors is providing service to the membership with integrity and excellence so you can provide service to your communities.

ABOUT

Enduris Washington offers its members government risk specialists that have a passion for serving those that serve our communities. We are widely recognized as the leading risk pool for special purpose districts in Washington State. Enduris provides coverage and risk management solutions that are comprehensive and uncomplicated. The membership includes almost 550 local government or special purpose districts that pool resources to share risk and reduce cost. By blending the risk

exposures of a diverse membership and combining total insured values, Enduris uses its collective purchasing power to secure broad coverage through the reinsurance market that passes value along to individual members. As the risk management arm of members, Enduris manages claims in-house and provides a broad array of in-depth loss control services, training, and risk consultation. We provide stability in the midst of uncertainty, allowing members to focus on serving their communities.

We are Reliability in a Risky World.

RESPONSIVE

“Responsive, friendly and helpful staff at all levels.”

Corey Margolis, Everett Public Facilities District

“I can reach an agent quickly no matter what my concern or issue is and always receive full attention to whatever it is.”

Laurie Orton, San Juan Island Library



MISSION

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

PURPOSE

To provide Reliability in a Risky World.

VALUES

- 1) We enjoy opportunities to address members' needs.
- 2) We have a genuine appreciation for the services public entities provide to our communities.
- 3) We deliver professional quality results.
- 4) We take ownership in knowing the success of Enduris depends on our respect for one another.

MISSION
PURPOSE
VALUES



“Everyone is friendly, knowledgeable, and responsive. It’s easy to get my questions answered.”

Sandra Strieby, Methow Valley Irrigation District

“Admin staff and risk management staff in particular have been great.”

Cynthia Krass, Snoqualmie Valley Watershed Improvement District

KNOWLEDGEABLE

BOARD



Front row from left to right

Cheryl Duryea, Legal Counsel

Vicki Carter, Vice-Chair, Spokane Conservation District

Sheryl Brandt, Enduris Executive Director

Patsy Martin, Chair, Port of Skagit

Jeri Sevier, Director, Port of Olympia

Back row from left to right

Noel Hardin, Director, Asotin County FPD #1

BiJay Adams, Secretary/Treasurer, Liberty Lake Sewer & Water District

Kim Bedier, Director, Everett PFD

Matt Schanz, Director, Northeast Tri-County Health District

The Enduris Board of Directors represents, leads, and serves members. They govern the risk pool by establishing expectations for organizational results, goals for high level quality of service and monitoring actual performance against those standards. The Enduris Board of Directors has set the following goal to measure overall operational success.

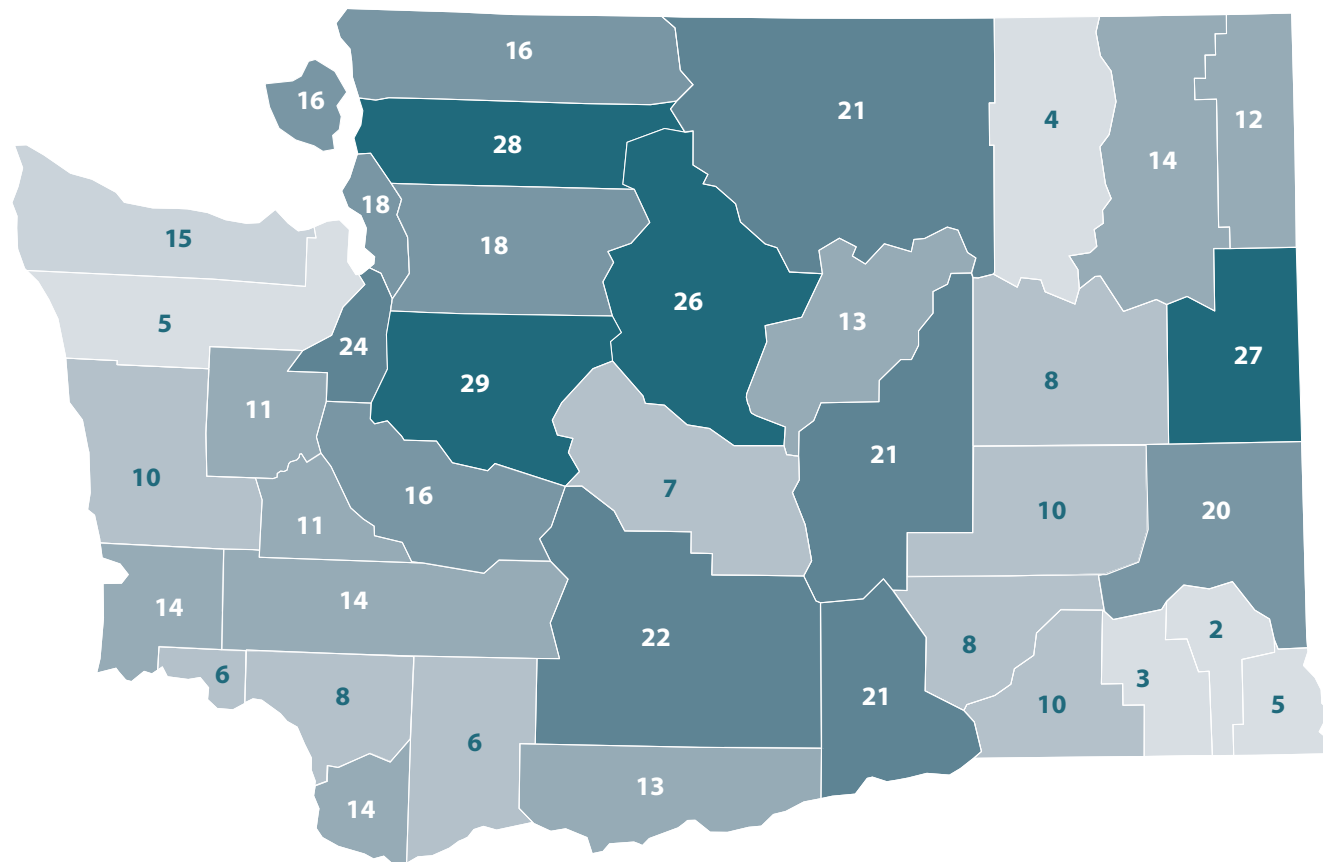
Members have long-term protection from property and liability loss through the long-term viability and financial stability of Enduris.

DIVERISTY

Enduris is a pool of 547 members representing 17 special purpose district types across all 39 counties of Washington State. Membership diversity is a key element to the long-term success of Enduris. Diversity in entity types along with geographic locations ensures the membership contains varying groups of exposure that keeps risk spread across different entities and sites. Membership variety equates to risk exposure and losses being spread across numerous areas, ensuring the negative effects of exposures are minimized for individual members.

Enduris Membership

Members have long-term protection from property and liability loss through the long-term viability and financial stability of Enduris.



FIRETENDERS

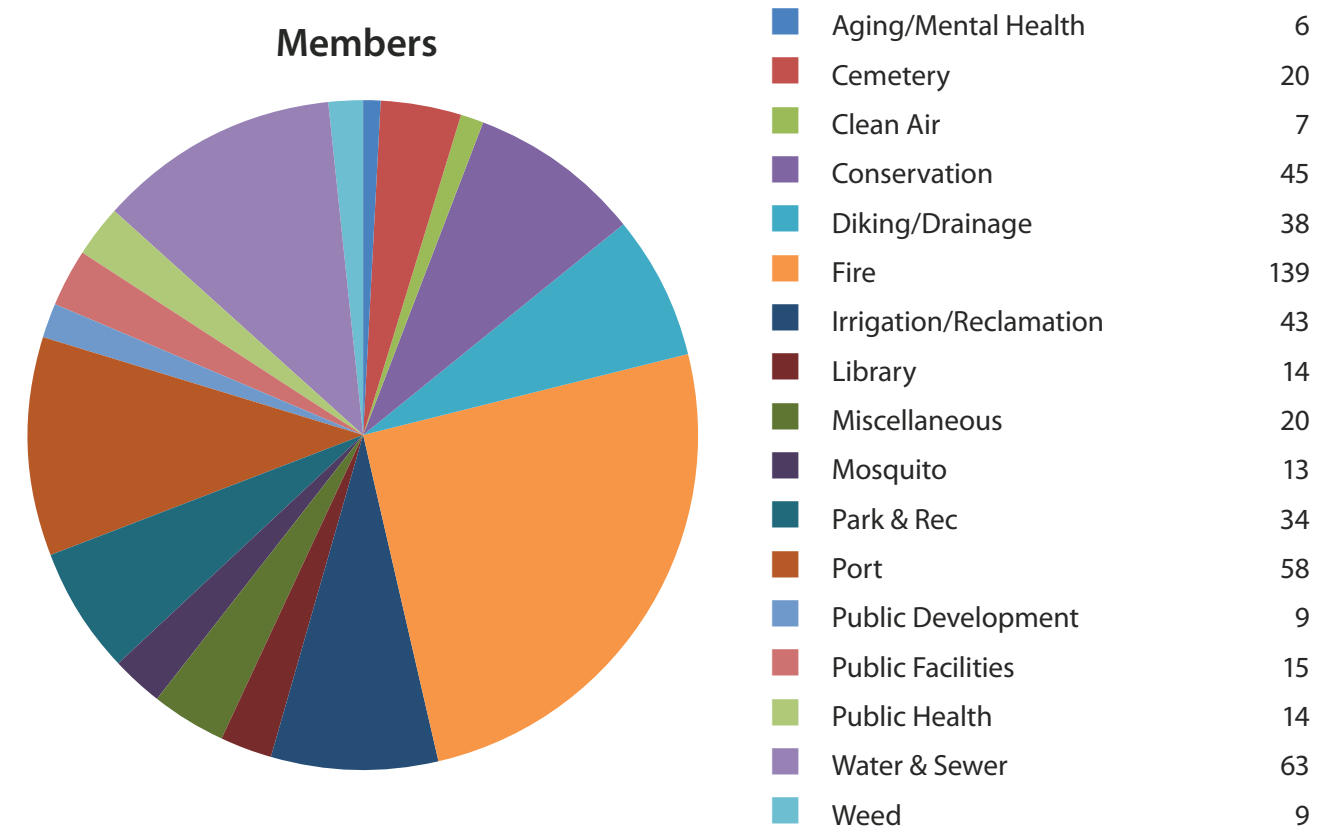
“During the past year our Fire District faced new challenges and was more than impressed with the service that we received from Enduris. The depth and quality of their staff was beyond compare, the Enduris team demonstrated that they are not “just” an insurance company. Thank you!”

Alwynn Whitaker, CPA, Clallam County Fire District 3

“The Enduris staff is good about answering calls, returning calls and giving real answers to questions.”

Jim Oatey, Douglas County Fire District 4

Special purpose districts within the state of Washington are limited to performing or providing services separate from a city, town, or county. A special purpose district is created through the county legislative process to meet the specific needs of the community. Typically a special purpose district will provide a single function for their communities. Services provided can include dike and drainage, electricity, fire protection, flood control, health, housing, irrigation, parks and recreation, library, water, sewer, stadiums, convention centers and entertainment facilities. There are approximately 80 different types of special purpose districts with just over 1,650 individual government agencies. To date, 17 entity types create the Enduris membership. **Our goal is to have a diverse membership base to spread risk. With this in mind, each new member as well as each entity type is well vetted.**



DIVERSE

“Staff is why we do business with Enduris.”

Sandra Malcom, Kittitas County FPD #7w

“Keep up the good work. It is always a nice experience when the need arises to contact you. Thank you for making this process easy and stress free.”

Christine Wolfe, Klickitat County FPD 11

COVERAGE

COVERAGE

Enduris Washington provides a broad array of coverages that include liability and property for members. By aggregating individual member exposures all members receive the benefit of expansive limits. We assist members that require specialty coverage outside of the Memorandum of Coverage (MOC) as needed. Most coverage limits and sub-limits are per member and not shared among members. Enduris works diligently to ensure that members have the coverage they need in relation to the risk they have.

Liability

The liability program offers coverage based on member's specialized needs. Liability coverage includes General Liability, Auto Liability, Professional, Employment Practices Liability and Public Officials Errors and Omissions. Limits of \$20 million per occurrence are per member and not shared. The Enduris liability MOC is an occurrence form. The basic deductible is a \$1,000 per occurrence. Higher deductible limits are available to members. The Self-Insured Retention (SIR) for Enduris liability losses is \$1 million. Losses over the SIR are reinsured on the private insurance market.

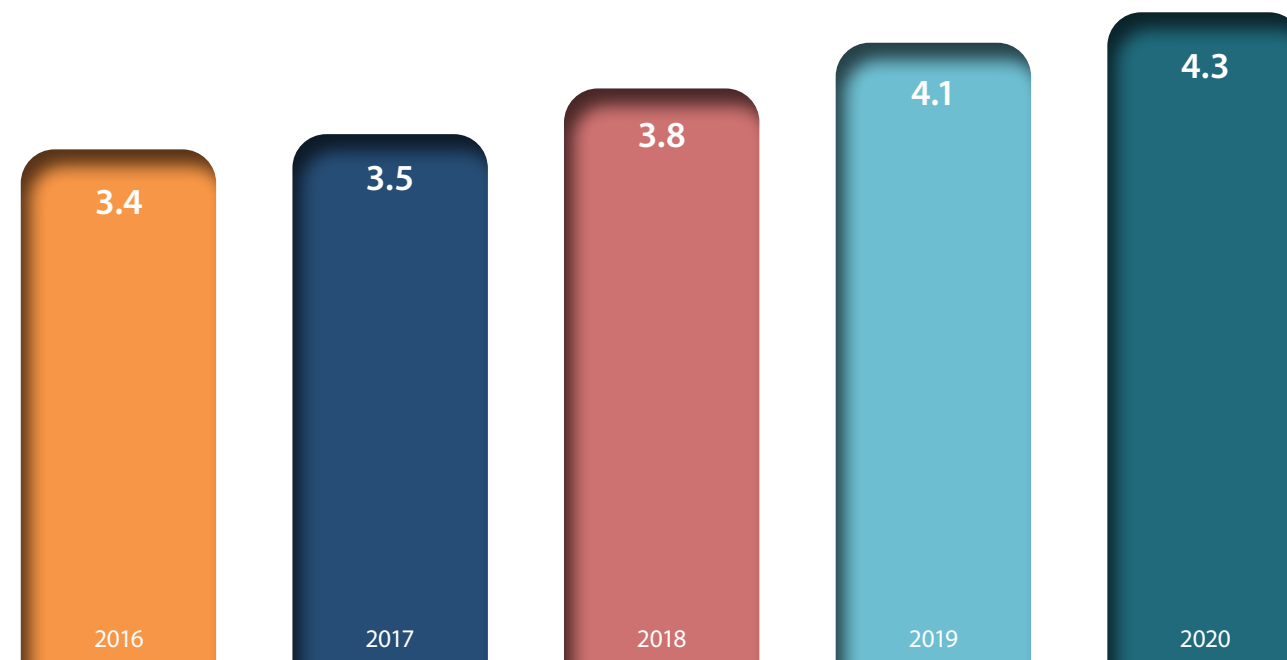
Property

Enduris provides property coverage through the Alliant Property Insurance Program (APIP). Enduris provides a broad and specialized property form for members that is backed by the largest public entity property program in the world. The policy includes Property (buildings, content, equipment), Earthquake, Flood, Boiler and Machinery, Crime, Cyber, and Auto Physical Damage (APD). Members generally have a \$1,000 deductible for basic property and content loss and a \$250 deductible for APD. Members have the option to choose higher deductibles according to their needs. This expansive coverage provides a \$800 million blanket policy limit per occurrence. The property SIR for Enduris is \$250,000.

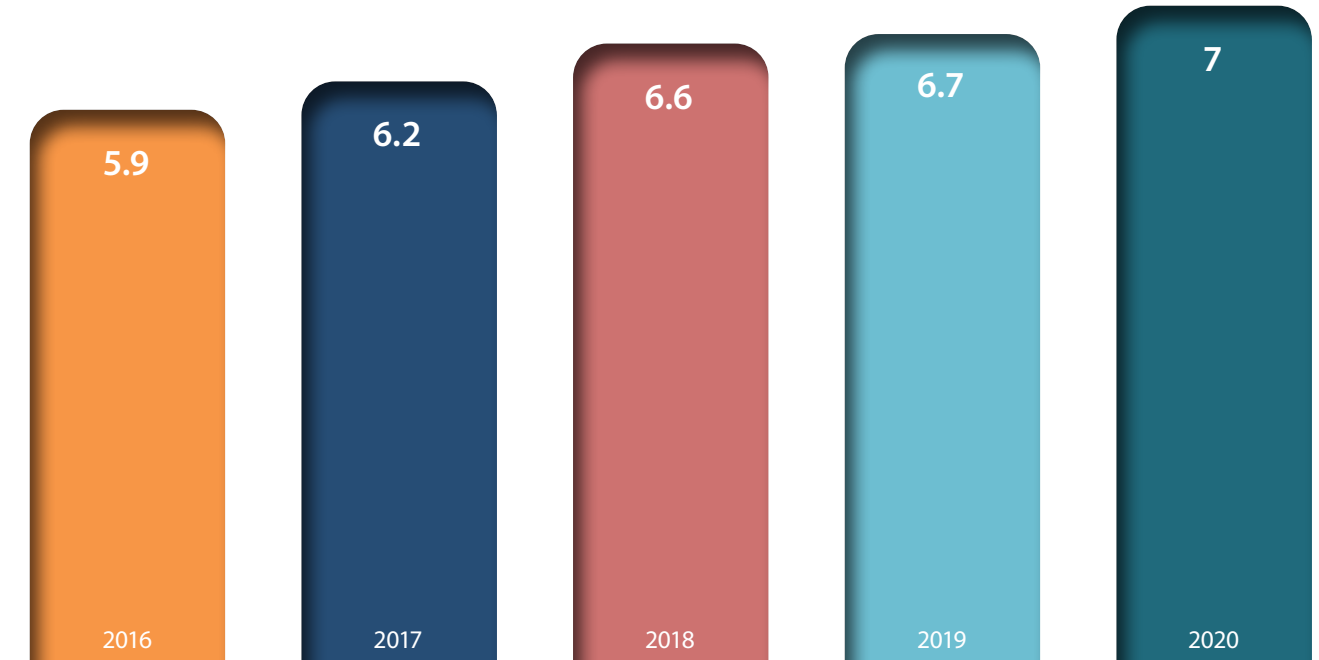
Specialty

Enduris meets the needs of members that have additional exposures and require specialty coverage for those risks extending beyond the Enduris MOC. Enduris provides Identity Fraud Expense Reimbursement as a value-added benefit for member's full-time employees and elected officials. Enduris assists members in need of specialty policies such as Airport Liability, Marina Operators Legal Liability (MOLL), Pollution Liability, and Railroad Liability to name a few. Special event coverage is available for short-term, third party users for events held at a member location. In PY 2020 164 policies were secured on behalf of members. Enduris fire district members have access to a \$25,000 in the line of duty Accident and Health coverage.

Property Total Insured Value in Billions



Liability Exposures (L&I or Emergency Runs) in Millions



FINANCIALS

	2020	2019
Assets		
Current Assets		
Cash and Cash Equivalents	\$35,570,072	\$21,771,141
Receivables:		
Member Contributions	1,163	8,701
Accrued Recoverables	238,863	920,572
Prepaid Excess/Reinsurance	3,704,928	3,032,191
Other Current Assets	170,546	145,298
Total Current Assets	\$39,685,572	\$25,877,903
Non-Current Assets:		
Non-depreciable Capital Assets	\$1,417,375	\$1,408,807
Capital Assets (net of accumulated depreciation)	3,647,356	3,909,164
Investment in GEM	2,651,264	2,008,416
Total Non-Current Assets	\$7,715,995	\$7,326,387
Total Assets	\$47,401,567	\$33,204,290
Deferred Outflows of Resources:		
Deferred Outflow related to Pensions	\$224,113	\$152,994
Liabilities:		
Current Liabilities:		
Accounts Payable	\$61,629	\$72,846
Accrued Liabilities	61,782	49,430
Compensated Absences	73,502	62,175
Unearned Member Contributions	14,009,811	5,652,285
Claim Reserves:		
Incurred But Not Reported (IBNR)	3,692,004	3,597,651
Open Claims	1,395,871	995,119
Unallocated Loss Adjustment Expenses (ULAE)	344,254	311,626
Claim Reserves	\$5,432,129	\$4,904,396
Lease Obligations	2,495	2,270
Other Current Liabilities	75,038	22,162
Total Current Liabilities	\$19,716,386	\$10,765,564
Non-Current Liabilities:		
Compensated Absences	\$103,816	\$37,843
Claim Reserves:		
Incurred But Not Reported (IBNR)	5,650,111	5,302,337
Open Claims	2,137,206	1,466,640
Unallocated Loss Adjustment Expenses (ULAE)	526,834	459,284
Claim Reserves	\$8,314,151	\$7,228,261
Net Pension Liability	682,356	585,870
Lease Obligations	7,264	9,761
Total Non-Current Liabilities	\$9,107,587	\$7,861,735
Total Liabilities	\$28,823,973	\$18,627,299
Deferred Inflows of Resources:		
Deferred Inflow related to Pensions	\$231,963	\$381,883
Net Position:		
Investment in Capital Assets	\$5,064,731	\$5,317,971
Unrestricted Net Position	13,505,013	9,030,131
Total Net Position	\$18,569,744	\$14,348,102

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

For the Fiscal Year August 31

	2020	2019
Operating Revenues:		
Member Contributions	\$17,356,158	\$15,170,040
Other	4,600	7,800
Total Operating Revenues	\$17,360,758	\$15,177,840
Operating Expenses:		
Incurred Loss and Allocated Loss Adjustment Expenses:		
Claims Paid, net of recoveries	\$4,610,598	\$5,416,978
Change in Liabilities for Unpaid Claims	1,513,445	(144,536)
Unallocated Loss Adjustment Expenses:		
Change in ULAE Reserve	100,178	(88,359)
Claims Expense, net	\$6,224,221	\$5,184,083
Excess/Reinsurance Costs	4,685,357	3,981,211
Contracted Services	318,870	461,633
General and Administrative Expense	2,737,089	2,724,410
Depreciation	261,808	74,544
Total Operating Expenses	\$14,227,345	\$12,425,881
Operating Income	\$3,133,413	\$2,751,959
Non-Operating Revenues (Expenses):		
Interest and Investment Income	\$531,744	\$431,367
Interest Expense	(1,074)	-
Other Non-Operating Expense	(85,289)	-
Change in Equity in GEM	642,848	210,935
Total Non-Operating Revenues (Expenses):	\$1,088,229	\$642,302
Change in Net Position	\$4,221,642	\$3,394,261
Net Position, beginning of year September 1	\$14,348,102	\$10,953,841
Net Position, end of year August 31	\$18,569,744	\$14,348,102

STABILITY

APPRECIATIVE

“You never know what you will need you until you do. Much of your participation in WACD is actually timely and ahead of the curve as the saying goes. Very appreciative.”

Michael Tobin, North Yakima Conservation District

FY 2020 Expenses



- Administrative 23%
- Reinsurance 33%
- Claim expense 44%

ADMINISTRATION AND OPERATIONS



Left to right
Rafaela Ortiz, Chief Operating Officer
Sheryl Brandt, Executive Director
Joy Jelsing, Administrative Associate
Alric Balka, Information Systems Coordinator

The **Administration and Operations Team** at Enduris oversees the general administration and operations of the risk pool. Included in their duties are board relations, governance, contract management, human resources, oversight of audits, building maintenance, and overall responsibility for pool viability and sustainability.

Accomplishments:

- Enduris successfully transitioned to a remote work environment to serve members and their communities needs during a world-wide pandemic.
- Secured a tenant for a long-term lease of building.
- Negotiated fair reinsurance coverage and rates in a less than favorable market.

CLAIMS TEAM



Left to right
Carrie Miller, Claims Analyst **Kim Lewis**, Claims Associate
Lisa McMeekin, Claims Analyst **Kelly Allen**, Legal Counsel
Susan Looker, Director of Claims **Kathy Johns**, Claims Associate

The **Claims Team** at Enduris manages all aspects of member claims. The claims department work with member on EPL pre-defense, incidents, investigation, mediation, and settlements. Included in their duties are applying coverage, evaluating losses, adjusting claims and representing members when needed.

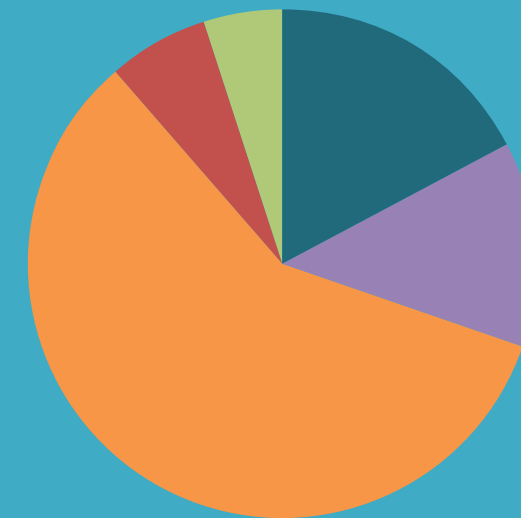
Accomplishments

- Enduris received 276 claims and managed 109 pre-defense incidents.
- Successfully managed and closed claims in a remote environment.
- Received a glowing Claims Audit Report.



“I appreciate the ease of processing claims, if and when they occur.”

Phillip Starr, Ferry County EMS District #1



Open claims per coverage

Property	40
Auto Physical Damage	30
General Liability	135
Auto Liability	15
Employment Practices	11
Crime	0

INTEGRITY

FINANCE TEAM



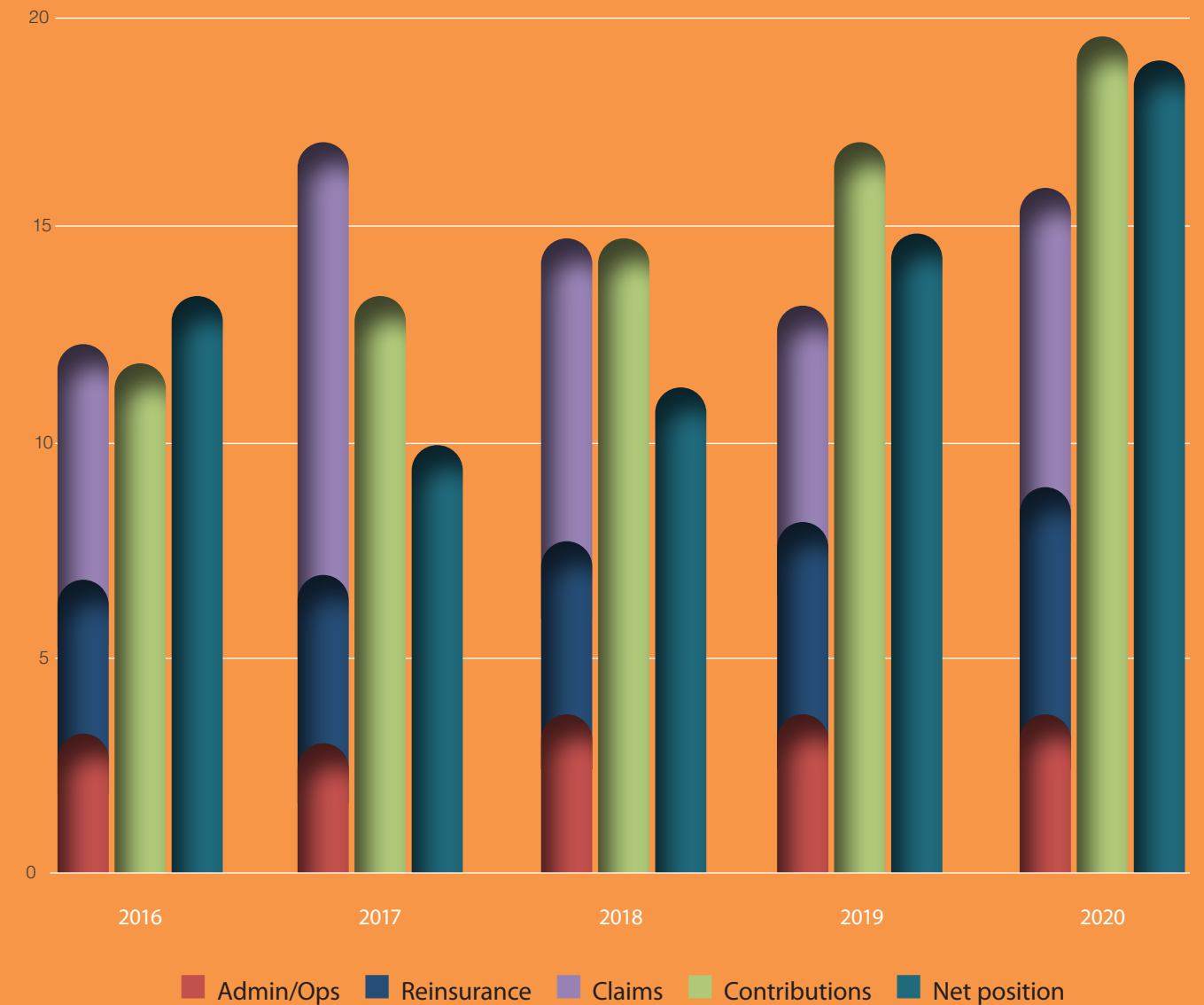
Left to right
Matt Krull, Financial Analyst
Kimberly Millikan, Director of Finance
Richard Urie, General Accountant

The Finance Team works closely with all other Enduris teams providing the necessary support and financial processes required for a successful organization. Included in their responsibilities are accounts payables, account receivables, budgeting and forecasting, financial reporting, annual financial audit, and oversees actuarial analysis, member rate development, and member billing.

Accomplishments:

- Net position improved by \$3.6 million to a total of \$16.9 million to meet board policy of 5% increase each year.
- Enduris continues to meet the solvency standards established by Washington Administrative Code (WAC) 200-100-03001.
- Enduris has a confidence level of 97% as it relates to claim reserves, higher than the minimum requirement set by the state of Washington of 80%.

Expenses - Contributions - Net Position



MEMBER RELATIONS TEAM



Left to right
Sindy Joseph, Member Relations Associate
Joe Davis, Director of Risk Management and Member Relations
Shellie Klink, Marketing & Membership Coordinator

The Member Relations Team at Enduris work with members every day to ensure their needs are met. They answer member-related questions regarding coverage, risk management, and value added benefits. The Member Relations team attends elected official meetings, conferences, and member trainings.

Accomplishments:

- The Member Relations Team, on average, fielded 10 risk management and coverage inquiries per day.
- Enduris converted from a live, in-person educational model to a virtual platform for risk management trainings.
- Successfully continued to serve members via virtual member meetings.

“The Health District is pleased, grateful and relieved and appreciates the great services provided by you and supported by Enduris.”

Grant Weed, Snohomish Health District

“I have enjoyed the supervisor trainings, great presenter.”

Elsa Bowen, Lincoln County Conservation District

“Staff accessibility to answer questions and explore topics is much appreciated.”

Valerie Hampton,
Cascadia Conservation District

ACCESSIBILITY



Questions concerning the information provided in this report or requests for additional information should be addressed to:

Enduris

Sheryl Brandt, Executive Director
1610 S. Technology Blvd., Ste. 100
Spokane, WA 99224
509-838-0910 | 800-462-8418


enduris™