



Enduris Board of Directors Meeting Minutes

Thursday, August 21, 2025

Call to Order: Chair Matt Schanz called the meeting to order at **8:32 a.m.**

ROLL CALL:

Board Members Present: Matt Schanz, Board Chair; Bijay Adams, Vice Chair; Donna Watts, Secretary/Treasurer; Kelly Williquette; Heather Yakely, Enduris General Counsel; and Sheryl Brandt, Enduris' Executive Director

VIA ZOOM: Sara Young, Board Member; Jennifer Boie and Noel Hardin, Board Member.

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

Mr. Schanz started the meeting with a roll call.

Public Comments – RCW 42.30.340

➤ *No public was present – no comments were made.*

ADOPT AGENDA

WATTS/ADAMS/ moved to adopt the agenda with the recommended Amendment as modified. Motion carried.

Mr. Schanz did not amend the agenda but did state that he would like at least 30 minutes for the Executive Session.

BOARD CONSENT AGENDA

Board Policy GC-2.6 states that the Board will use a Consent Agenda to expedite the disposition of routine matters and to dispose of other items of business it chooses not to discuss. The board will act on all the administrative issues delegated to the Executive Director that are required to be approved 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 Meeting Minutes – May 22, 2025

ADAMS/WILLIQUETT: Moved to approve all items on the Board Consent Agenda. Motion carries.

EXECUTIVE DIRECTOR CONSENT AGENDA

Expenses

- May 2025, June 2025, and July 2025

WILLIQUETTE/WATTS 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.

Pooling and Membership Updates

Ms. Brandt informed the Board that the team is diligently working on member renewals. She noted that we have achieved a 98% retention rate for renewals. Contributions are starting to arrive in the mail, leading to an increased volume of check processing with positive results.

Ms. Brandt mentioned that she is aware of three other risk pools in the Northwest that are looking for an Executive Director, all due to retirements. Mr. Adams also stated that the Water and Sewer Risk Management Pool are seeking an Executive Director, as well as WCIF, according to Ms. Nelson. There are 13 pools in the state, and five are looking for new directors.

Ms. Brandt noted that she included an article from the Seattle Times in the board packet, which reported that payouts from spiking lawsuits have left the Washington Self-Insurance Fund with a deficit of \$1 billion. She mentioned that a significant portion of this deficit is attributed to claims from the Department of Social and Health Services (DSHS). In addition to the unsettled jury verdicts we are monitoring, we are also paying attention to these evaluations.

GEM Summit, Board & Annual Meeting Update (Spokane, WA, July 24-25, 2025)

Ms. Brandt, Ms. Nelson, and Mr. Joe Davis attended the in-person GEM Summit, Board meeting, and Annual Meeting, held on July 29-31, 2025, in Portland, OR. This year's keynote speaker was James Donald Wetherbee (*Capt., USN, Ret. and NASA astronaut*).

Ms. Brandt noted the importance of GEM as a good partner for Enduris. Ms. Brandt also pointed out that the July 2025 Meeting Recap is in your packets.

AGRiP Board Retreat (Helena, MT, July 9-12, 2025)

Ms. Brandt mentioned that she attended the AGRiP Board Retreat in Helena, MT. She indicated that changes are forthcoming for AGRiP.

AGRIP CEO and Senior Staff Institute ~ Chicago, IL (August 3-6, 2025)

Mr. Balka attended the CEO and Senior Staff Institute in Chicago, IL. Typically, they invite a resident guest speaker, but this year the focus was entirely on AI. Mr. Balka noted that Enduris is in a similar spot with AI as many other pools and possibly somewhat ahead of the curve.

Ms. Brant also mentioned that Mr. Balka, Ms. Millikan, and Mr. Wilson were in Chicago, IL, that same week to meet with Origami, the company that manages our software. They met to discuss

an overhaul and remodeling. We have budgeted for this, and since we have been with Origami for eight years, it was time for an update. A lot of behind-the-scenes work is currently being done.

Strategic Plan Dashboard Update

Ms. Brandt provided an update on the progress of the Strategic Plan Dashboard, giving a high-level overview of the main Strategic Objectives, Action Items, Timelines, Statuses, and Reporting Dates. She mentioned that this is likely the last time this particular plan will be presented, as we have reached the end of our 3-year Strategic Plan and completed the necessary tasks.

Ms. Brandt also indicated that we will be presenting the new 3-year Strategic Plan to the board later in the meeting, and some aspects will look a bit different due to recent changes.

Quarterly Summary

Ms. Brandt and Ms. Millikan presented the quarterly summary and reviewed key topics that we will be focused on or have been completed, which included:

Policy/Reinsurance:

Property market conditions have improved. We renewed the APIP program with a \$500k SIR at a \$10.2 M premium, a decrease of \$423k (4%). Rates declined by 8.49%, but TIV increased by 5% to \$ 5.6 billion. The inflation rate applied to member assets was 2%. We did review quotes for SIRs at \$750k and \$1M, but the savings were insignificant.

For Liability, at the current \$1M SIR, the expected rise in liability rates is 24% (vs. the 10%-15% budget). The total 34% increase includes a 9% growth in exposure.

GEM quoted a 27% rate increase, citing a multi-million-dollar jury award on a member's claim. Great American's quote reflects a 3% rate increase. The preliminary quote from Everest Re reflects an 18% rate increase.

Member Engagement & Risk Management:

Completed 82 in-person visits with members so far this year. Participated in 16-member conferences, presenting at 5 of them. Ongoing investments were made in risk management resources and member training, including **MRSC** and **LocalGovU**. A total of 26 webinars were conducted, attracting over 800 participants, which is excellent and has been very successful. We are monitoring partnerships with members: **Associated Industries**, **KYND**, **Summit Law**, and the **Aperture IQ** "on demand" HR series.

Claims:

An internal audit of claims has been completed. A total of 208 new claims has been reported for PY25, with an expected cost of \$4.3 million. With 1 month remaining in FY 2025, this number is significantly lower than the annual average of 316 new claims. Currently, 170 open claims are in progress, with an estimated net cost of \$14.2 million. This figure is somewhat higher than the Pool's five-year average of \$10 million.

Operations/Finance:

Finalized the Intergovernmental Contract for Board approval. Finalizing modifications to the next 3-year Strategic Plan. Met with Origami to scope the project to update the system for best practices. The 2026 Member Renewal policy year was completed with \$30.9 million in

contributions. This is \$1 million (4%) higher than the \$29.9 million budget. The variance is primarily due to higher exposure than expected for both GL (5%) and Property (3%). We decreased GL rates to (-12% to 2%), and we focused on bringing more members in line with the actuarial rate recommendations. Reinsurance for PY2026 is expected to be about \$600k less than budget.

Financial Results:

At the conclusion of FY2024, the Pool's net position reached \$42 million, placing it within the "green zone" risk capital target range. This increase of \$10.6 million in net position was attributed to a reduction of \$6.2 million in claims expenses and \$1.8 million more in non-operating income than budgeted. With only one month remaining until the end of FY2025, through July 31st, results have exceeded budget expectations by \$3.6 million, primarily due to lower claims and reinsurance costs. The forecasted net profit of \$6.6 million for FY2025 would elevate the net position to \$49.9 million by the end of the year, which is slightly above the midpoint of the Capital Target range.

Ms. Brandt opened it up to questions. The board was appreciative of the presentation.

Mr. Schanz entered the break at **9:30 a.m.** **Mr. Schanz** reconvened the meeting at **9:44 a.m.**

EXECUTIVE SESSION

*The Board entered an Executive Session at **9:44 a.m.** to review the status of open claims. The meeting is back in Open Session at **10:49 a.m.***

DISCUSSION/ACTION ITEMS

CLAIM PAYMENT APPROVALS

Board Policy OE-6.10 states that the Executive Director will settle any claim of \$300,000 or less in indemnity per claimant without authorization by the Board. Claims over \$300,000 are brought to the Board for ratification.

Claim Payment #1 For Approval

WATTS/WILLIQUEITTE moved to authorize indemnity payment of \$2,917,930.92 for Claim #121-190. **Motion carries.**

Claim Payment #2 For Approval

ADAMS/WILLIQUEITTE moved to authorize indemnity payment of \$5,355,093.94 for Claim #C10101 **Motion carries.**

Claim Payment #3 For Approval

ADAMS/WILLIQUEITTE moved to authorize indemnity payment of \$403,725.00 for Claim #C10178 **Motion carries.**

Claim Payment #4 For Approval

WILLIQUEITTE /WATTS moved to authorize indemnity payment of \$450,000.00 for C10691-2. **Motion carries.**

Claim Payment #5 For Approval

ADAMS /WATTS moved to authorize indemnity payment of \$332,568.19 for *Claim #C10724*. **Motion carries.**

PROPERTY AND LIABILITY CLAIMS AUDIT REPORT

Board Policy GC-3.7 states that the Board will review and accept the annual audit report of the independent claims auditor.

Ms. Brandt and Ms. Nelson reported that the Enduris Claims Department, under the direction of Holly Nelson, Director of Claims, conducted its first internal claims audit for the Pool in June 2025. This claims audit and file review included 35 property, liability, employment liability, and auto physical damage claims.

The overall findings were very positive, reflecting an adherence to industry best practices.

The board formally acknowledges that it has received this report annually.

WATTS/WILLIQUETTE moved to formally recognize the receipt of the 2025 Property and Liability Claims Audit Report. **Motion Carries.**

FINANCIAL REPORT AND FINANCIAL STATEMENTS/SCIP REPORT

Board Policy OE-5, 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 permit 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 April 30, 2025, May 31, 2025, and June 30, 2025. Also provided were the Investment Report as of June 30, 2025, from the Spokane County Investment Pool, and the Monthly Report from the Local Government Investment Pool.

ADAMS/WILLIQUETTE moved to approve the financial reports for April 30, 2025, May 31, 2025, and June 30, 2025, as presented. **Motion carries.**

WILLIQUETTE /WATTS moved to accept the activity report for June 30, 2025 (SCIF), Spokane County Investment Pool, and the Local Government Monthly Investment Pool (LGIP), as presented. **Motion carries.**

PROPERTY COVERAGE RENEWAL FOR PY 2026

Board Policy GC-3.8 states that the Board will approve levels of self-insured retention and the level and providers of re-insurance and blanket coverage.

Ms. Brandt informed the board at the May Board meeting that the Board had authorized Ms. Brandt, Executive Director, to renew property coverage with APIP, effective July 1, 2025, and to report if any renewal proposals were outside expectations before binding.

Enduris' property broker, Alliant Insurance Services, reported that the current property market conditions have improved. Thus far, Enduris has had a decent property loss year, and renewal rates

reflect more favorable conditions. We renewed at the \$500,000 SIR and with the same limits. The overall premium declined 3.99%.

Alliant Insurance Services has provided property coverage to Enduris since 2000. For PY 2026, the Alliant Property Insurance Program (APIP) offered a renewal for \$10,176,470. The Pool property limit is \$1,000,000,000 (\$1B), including pollution and cyber coverage renewals. Total Insured Value (TIV) increased by 4.92% (\$262 million) to a total TIV of \$5.6 billion.

ADAMS/WATTS moves to approve the property coverage renewal for Policy Year 2026 with APIP using the \$500,000 Self-Insured Retention for both HPR and Non-HPR property classifications.
Motion carries.

LIABILITY COVERAGE RENEWAL FOR PY 2026

Board Policy GC-3.8 states that the Board will approve levels of self-insured retention (SIR) and the level and providers of reinsurance and blanket coverage.

Ms. Brandt informed the board that, at the May Board meeting, the Board authorized Ms. Brandt, Executive Director, to renew liability coverage effective September 1, 2025, using the existing Self-Insured Retention (SIR) of \$1 million, with GEM providing limits of \$9 million over our \$1 million SIR and in addition, procuring \$10 million in excess of primary \$10 million coverage for \$20 million in liability coverage.

The Administration recommended that the Board approve the liability coverage as stated above.

Enduris' liability reinsurance structure is proposed for PY 2026 as follows:

- \$20,000,000 General Liability, each occurrence
- \$20,000,000 Public Officials Errors and Omissions, aggregate per member.
- \$20,000,000 Employment Practices Liability, aggregate per member.

The layering structure of Enduris is pending quotes and proposed as follows (per expiring coverage):

First Dollar to \$1,000,000: Enduris Self-insured Retention:

- \$1,000,000 to \$10,000,000: GEM
- \$5,000,000 excess of \$10,000,000
- \$5,000,000 excess of \$15,000,000

Ms. Brandt provided the board with an update on Member liability exposure, which increased by 9% for PY 2026, directly affecting reinsurance premiums. Rates for the primary and excess layers will also increase. For the primary layer, GEM quoted a 27% rate increase, citing a multi-million-dollar jury award on a member's claim.

Great American's quote reflects a 3% rate increase.

The preliminary quote from Everest Re reflects an 18% rate increase. We are currently marketing this layer for more favorable pricing.

WILLIQUETTE/ADAMS moved to approve the Executive Director's renewal of liability coverage for Policy Year 2026. **Motion Carries.**

APPROVAL OF ENDURIS MEMORANDUM OF COVERAGE FOR POLICY YEAR 2026

Board Policy GC-3.11 states that the Board will evaluate and approve coverages, including any changes to the Memorandum of Coverage (MOC).

For Policy Year 2026, the Administration is recommending adding the following addenda to the PY 2026 MOC. The following is a brief explanation of the proposed changes.

MOC AND ADDENDUMS:

Enduris had coverage counsel, Will Ashbaugh of Soha & Lang, P.S., review our potential changes to the 2025 MOC. Will made recommendations for the 2026 MOC. They are attached as a red-line version of the 2025 MOC, and each edit is recommended to the board for approval.

Updates were recommended through counsel research, including standardized insurance forms and pooling documents.

WATTS/WILLIQUETTE moved to approve the Policy Year 2026 Memorandum of Coverage as presented by the Executive Director. **Motion carries.**

APPROVAL OF ENDURIS RATING AND UNDERWRITING POLICY FOR POLICY YEAR 2026

Board Policy GC-3.10 states that the Board will evaluate and approve member rates annually based on claims history, actuarial reports, and staff recommendations.

For PY 2026, Ms. Brandt proposes the following Enduris base rate increases by coverage in alignment with the PY 2026 Budget proposal approved by the Board on May 22, 2025:

- Property (including minimum accounts): -2% decrease to plus 2% increase
- Liability (including minimum accounts): -12% (decrease) to flat (0% change)
- Auto Physical Damage: flat (0%) to 2% increase
- Crime (blanket bond): flat (0%) to 2% increase
- Named Position: flat (0%) to 2% increase.

Members may receive adjustments in addition to their base rate, depending on their loss experience or other risk factors, to ensure that rates are equitable and reflect the specific risks associated with each individual member.

ADAMS/WILLIQUETTE moved to approve the Enduris Rating and Underwriting Policy for PY 2026 as presented. **Motion carries.**

APPROVAL OF LEGAL COUNSEL CONTRACT FOR THE POLICY YEAR 2026

Board Policy GC-3.13 states that the Board will contract independently with legal counsel to support the Board in its work.

Ms. Brandt reported that the Enduris Board contracts with legal counsel on an annual basis. Mr. Matt Schanz, the Board Chair, noted that the only change to this year's contract was to extend the dates for an additional year.

WILLIQUETTE/WATTS moved to approve the Legal Counsel Contract for PY 2025, September 1, 2025, to August 31, 2026, with Heather Yakely, Law Firm of Evans Craven & Lackie P.S., as presented. **Motion Carries**

APPROVAL OF BOARD GOVERNING POLICIES FOR PY 2026

Board Policy GC 2.8 states that the Board, by majority vote, may revise or amend its policies at any time.

Mr. Balka noted that the Administration does not recommend any changes to the Board Governing Policies for the policy year 2026

WATTS/ADAMS moved to approve the Board Governing Policies for PY 2026 as recommended by the Executive Director. **Motion carries.**

APPROVAL OF WORK PLAN FOR POLICY YEAR 2026

Board Policy GC-6 states that the Board will follow an annual work plan that includes continued monitoring and review of all policies and activities to improve Board performance.

Mr. Balka provided a summary of the PY2026 Work Plan for the Board's approval.

ADAMS/WATTS moved to approve the Annual Board Work Plan for Policy Year 2026, with the amendment to leave space to add a workshop the day before the February Board Meeting. **Motion carries.**

APPROVAL OF PY 2025 MEETING CALENDAR

Board Policy GC-6 states that the Board will follow an annual work plan that includes continued monitoring and review of all policies and activities to improve Board performance.

Ms. Brandt noted that August is the month to set Board Meeting dates for the next policy year, 2026. The board discussed meeting dates and selected the dates for the PY2026 board meetings. All meetings for 2026 will be held at the Enduris office in Spokane.

Mr. Schanz recited the dates for the record.

- ❖ Wednesday, February 18, 2026 (Possible Workshop)
- ❖ Thursday, February 19, 2026 (Board Meeting)
- ❖ Thursday, May 21, 2026
- ❖ Thursday, August 20, 2026
- ❖ Thursday, November 19, 2026

WILLIQUETTE/YOUNG moved to approve the meeting dates for PY2026: Wednesday, February 18, 2026, for a half-day workshop; Thursday, February 19, 2026, for the board meeting; Thursday, May 21, 2026; Thursday, August 20, 2026; and Thursday, November 19, 2026. **Motion carries.**

ELECTION OF DIRECTORS FOR POLICY YEAR 2026

Board Policy GC-3.15 states that the Board will ratify the annual Board Election results.

The membership received voting ballots and instructions via Survey Monkey on June 3, 2025. The deadline for returning the ballots was July 15, 2025.

Mr. Kelly Williquette, Chair of the Board Development Committee, received the online ballot results, which were compiled on the Enduris Policy Year 2026 Election Results form.

The Administration requests that the full Board ratify the election results.

- **Position #3 – Ms. Sara Young: 62 votes**
- **Position #4 – Ms. Donna Watts: 62 votes**
- **Position #1 – Mr. Noel Hardin: 62 votes**

ADAMS/BOIE moved to ratify the Enduris Election of Directors results for Policy Year 2026 with 62 votes for Ms. Sara Young (Position #3), 62 for Ms. Donna Watts (Position #4), and 62 votes for Mr. Noel Hardin (Position #5). **Motion carries.**

ELECTION OF BOARD OFFICERS FOR POLICY YEARS 2026

Board Policy GC-4 states that the officers of the Board are those listed in the Board Governing Policies. Their duties are those assigned by this policy and others required by law.

In accordance with Article IV, Section 1 of the Enduris By-Laws, the Board of Directors shall select from among themselves a Chair, Vice-Chair, and Secretary/Treasurer to serve for a term of two years beginning the next fiscal year, which would be PY2026 and 2027.

Current officers are:

- Chair ~ Matt Schanz
- Vice Chair ~ BiJay Adams
- Secretary/Treasurer ~ Donna Watts

Mr. Schanz recited the Board Officers who were selected for the record:

Let the record show that Enduris board officers were elected in Policy Year 2025, and their two-year term will expire on August 31, 2027

BOARD DEVELOPMENT COMMITTEE APPOINTMENTS FOR POLICY YEAR 2026

Board Policy GC-4.6 states that the Chair will appoint members of all Board committees with the ratification of the full Board. **Board Policy GC-5.5** states that three members of the Board Development Committee are appointed by the Chair, none of whom are up for election the next policy year.

Mr. Schanz recommended appointments for the Board Development Committee for PY 2026.

Let the record show that Enduris Board Development Committee Members for Policy Year 2026 are BiJay Adams, Chair, and Donna Watts, Vice Chair; and Jennifer Boie serves as a backup.

Mr. Schanz recited the new Board Development Committee Members who were selected for the record:

WILLIQUETTE/WATTS moved to ratify the appointments of *BiJay Adams, Chair, and Donna Watts, Vice Chair; and Jennifer Boie serves as a backup.* **Motion carries.**

GENERATIVE THINKING AND STRATEGIC PLAN UPDATE

Ms. Brandt and the team have developed a preliminary Strategic plan for the policy years 2026 – 2028. The plan was developed using the topics and priorities discussed at the Generative Thinking Workshop with the board, as well as further discussions among the Enduris management team. The Strategic Plan shows high-level ‘strategies’ developed in concert with the board. Ms. Brandt is seeking approval of the strategies as presented.

More detailed 'objectives' and 'deliverables' are developed by the Executive Director and staff. These do not require formal board approval but are provided by Ms. Brandt for the board's review and consideration.

WATTS /WILLIQUETTE moved to approve the Strategic Plan Strategies as presented. **Motion carries.**

INTERGOVERNMENTAL CONTRACT RECOMMENDED CHANGES

Ms. Brandt has recommended changes to the Intergovernmental Contract (IGC), the primary formation document of the pool. A redlined version of the IGC is provided for review.

Ms. Brandt noted that before the board votes to accept language changes to the IGC, thirty days' notice must be provided to the membership for feedback. The recommended changes presented here are for board discussion prior to being sent to the membership. If the board approves sending these changes to the membership, a vote to accept the final changes will be conducted at the following meeting.

WATTS/WILLIQUETTE moved to approve sending the recommended IGC changes to the Enduris membership at least thirty days before the next board meeting. **Motion carries.**

BOARD SELF-ASSESSMENT

Board Policy GC-2.3 states that the Board will conduct a summative self-assessment with complete, honest, and timely participation by all directors. The assessment will include an evaluation of the Board as a whole based on Governance Culture (GC) and Board-Executive Director Relations (B/EDR) policies. The board's assessment of progress on results, along with the Executive Director's summative evaluation, will drive targets for the following year.

Mr. Balka outlined the board self-assessment process. As part of the process, the board completes an online survey, and the results are discussed in the meeting.

Ms. Watts mentioned that the results are favorable and reflect well on the staff and board. Ms. Brandt voiced her appreciation for the board's support and engagement. Mr. Schanz expressed his appreciation for the staff's attention to the board and not treating them as a mere formality.

DEBRIEF BY BOARD

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

We had a productive board meeting, where everyone brought valuable insights and contributed positively. Mr. Adams wanted to thank Ms. Nelson and her claims team. Ms. Young also wanted to thank Ms. Nelson and her claims team.

EXECUTIVE SESSION

The Board entered an Executive Session at 1:15 p.m. to discuss the evaluation of qualifications of an applicant for public employment. Schanz called the regular meeting back to order in Open Session at 1:45 pm. Mr. Schanz stated that he needed another 30 minutes in Executive Session with the board. The Board reconvened into regular session at 2:15 p.m.

Motion #1

WILLIQUETTE/WATTS moved to allow the hiring committee, which consists of Ms. Donna Watts, Ms. Sara Young, and Mr. Matt Schanz, to serve as the Executive Director Hiring Committee, and to

approve the final version of the job announcement and description for the Executive Director Position. Motion carries.

Motion # 2

WATTS/WILLIQUETTE moved to accept the salary range of 245k – 305k that is recommended for the Executive Director. **Motion carries.**

Motion #3

ADAMS/WILLIQUETTE: move to allow the hiring committee to work to develop the questions for the interviews, develop the scoring matrix for the interviews, and conduct a staff survey to provide the board with input on an applicant for the position of Executive Director. When that is done, the board will approve and use at a special meeting. **Motion carries.**

ADJOURNMENT

Mr. Schanz adjourned the Board meeting at **2:19 pm.**

WILLIQUETTE/WATTS moved to adjourn the meeting. **Motion carries**

A handwritten signature in black ink, reading "Matt Schanz", is written over a horizontal line.

Matt Schanz, Chair

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