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WASHINGTON

Enduris Board of Directors
Meeting Minutes

Thursday, May 21, 2026

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

ROLL CALL

Board Members Present: Matt Schanz, Chairman; BiJay Adams, Vice-Chair; Donna Watts, Secretary/Treasurer; Sara Young, Jennifer Boie, Board Member; Sheryl Brandt, Executive Director; Heather Yakely, Enduris General Counsel.

Via Teams: Noel Hardin, Board Member.

Others *Present:* Andrew Halsall, Government Entities Mutual, Alric Balka, Director of Operations; Kimberly Millikan, Director of Finance; Holly Nelson, Incoming Executive Director; Joe Davis, Director of Risk Management and Member Relations; Amanda Kasper, Director of Claims, 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

ADAMS/ CARTER moved to adopt an amended agenda with the additional of a new action item for 'Member Type'.
Motion carries.

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. All 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

- Board Meeting Minutes – February 19, 2026

EXECUTIVE DIRECTOR CONSENT AGENDA

- Disbursements (February 2026, March 2026, and April 2026)

YOUNG/BOIE moved to approve all items on the Consent Agenda. *Motion carries*.

ANNUAL PROFESSIONAL PRESENTATIONS:

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.

A presentation was given to the board by Andrew Halsall, President & CEO of *GEM*. Mr. Halsall's presentation focused on GEM's role as Enduris' liability reinsurer. Mr. Halsall explained how GEM functions as a 'pool of pools' and informed the board of GEM recent need to reduce capacity for liability limits to $5M.

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 noted the recent work the member relations team had done on bringing on some larger fire districts. She noted the time it takes to develop relationships and understand the accounts when bringing on new members.

AGRiP Governance Conference March *1-4, 2026, Nashville, Tennessee*

The AGRIP governance conference was attended this year by staff: Ms. Brandt, Ms. Millikan, Ms. Kasper, and Mr. Balka; and board members Ms. Boie, Ms. Watts, and Mr. Williquette. Ms. Boie shared her takeaways and mentioned her appreciation for attending the conference after having a year's worth of experience on the board. Ms. Watts shared positive feedback about her experience.

GEM Members' Sessions and Board Meeting Recap ~ *April 29-30, 2026, Washington, D.C.*

Ms. Brandt directed the board to the synopsis of the board discussions and decisions that occurred at the GEM Board Meeting in Washington, D.C. This was supplied to the Enduris board members before the meeting.

Enduris Strategic Plan Dashboard

Mr. Balka updated on the Strategic Plan Dashboard and highlighted our progress. He noted we are still in our first year and many of the items are either in progress or not yet started.

Quarterly Summary

Ms. Brandt presented the quarterly summary highlights for the year to date, April 30, 2026.

Highlights:

Ms. Brandt reported on recent highlights that included Enduris' net position growing by $3.1M which represents a strong financial position for the pool. The membership and member rates remain stable, and Enduris is looking forward to resolving some long-standing claims.

Claims:
Ms. Brandt reported on the Pool's claims.

Currently, there are 174 open claims in progress, totaling a net cost of $17.2 million. This figure is somewhat higher than the Pool's five-year average of $11.6 million.

PWC's assessment of the ultimate loss for PY26 is estimated at $10.8 million.

Member Spotlight:
Mr. Davis spotlighted a few members for the board. He informed the board of a new grain terminal being built by the Port of Chehalis, and a new fire station built by the Poulsbo Fire Department.

Financial Results:
At the conclusion of FY2025, the Pool's net position reached $51 million. Forecasted net position by the end of 2026 is $57 million. The 2026 forecast reflects an income $5.2 million higher than budgeted, driven by an increase in member contributions and lower than expected operating expenses.

Upcoming Projects:
Ms. Brandt shared upcoming projects including member renewals, the transition in leadership, reinsurance renewals, and investment policy review.

Mr. Schanz paused the meeting for a break at 9:50 a.m. and resumed it at 10:00 am.

Executive Session Entry
*Mr. Schanz announced that the Board will enter Executive Session at **10:05 a.m.** for **60 minutes** to review the status of open claims. The regular meeting was reconvened in open session at **11:05 a.m.***

DISCUSSION/ACTION ITEMS

BOARD DEVELOPMENT COMMITTEE – ELECTIONS – SLATE OF CANDIDATES.

Board Policy GC-5.5 states that the Board Development Committee (BDC) will recruit and nominate the slate of candidates for Board elections, whether for election or appointment, based upon their eligibility as a director. In addition, the policy states that the Board Development Committee will provide the full Board with a summary review of the candidates seeking office and the recommendation of the Committee.

Mr. Adams, Chair of the Board Development Committee, recommended approving the election ballot. The Committee includes BiJay Adams as chair, Donna Watts as vice Chair, and Jennifer Boie as alternate.

Positions expiring and up for election this year are Position #7 (currently held by Matt Schanz), and Position #6 (currently held by Kelly Williquette). Both incumbents have indicated they will run for reelection. Enduris received no additional applications from eligible members to be on the ballot

The Board Development Committee reviewed the ballot and recommended the slate of candidates.

ADAMS/WATTS Moved to approve the Board of Directors election ballot, with Kelly Williquette running for Position #6 unopposed, and Matt Schanz running for Position #7 unopposed, as recommended by the Board Development Committee *Motion Carries*.

BUDGET APPROVAL FOR POLICY YEAR 2027

Board Policy GC-3.9 states that the Board will adopt and monitor annual budgets. Enduris Board Policy **OE-5** states that the Pool will produce an annual budget to establish rates and monitor the organization's expenses. Enduris Board Policy OE-5 also states that the Executive Director will develop a budget that ensures the pool is fiscally sound and meets specific parameters. These requirements have been met.

Ms. Brandt and Ms. Millikan presented the 2027 proposed budget to the board. Highlights include:

- Budgeting to a Net Operating Profit of $0.
- Forecasting a $2.8 million increase to overall net position driven by investment income and building lease income.
- Member contributions are budgeted at a decrease of $0.3 million from the 2026 forecast.
- Member rates are targeted to be as flat as possible.
- Capital expenditures are expected of $500,000 to $750,000 to support updates to the Pool's data system.

WATTS/YOUNG moved to approve the Fiscal Year 2026 Budget as proposed by the Executive Director. *Motion Carries*.

APPROVAL OF ENDURIS RATING AND UNDERWRITING GUIDELINES FOR POLICY YEAR 2027

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.

Ms. Nelson presented the PY 2027 Rating and Underwriting Guidelines.

Mr. Davis noted that there were no changes in the underwriting guidelines.

Proposed rate increases are as follows:

- Property (including minimum accounts): 5% decrease to 5% increase
- Liability (including minimum accounts): 5% decrease to 5% increase
- Auto Physical Damage: 5% decrease to 5% increase
- Crime (blanket bond): flat (no change at all limits)
- Named Position: N/A - coverage merged with Crime coverage.

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/BOIE moved to approve the Enduris Rating and Underwriting Guidelines for PY 2027 as presented. **Motion carries.**

Mr. Schanz paused the meeting for lunch at 12:00 p.m. and resumed it at 1:00 pm.

PROPERTY AND LIABILITY COVERAGE RENEWAL AUTHORIZATION

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 noted that Enduris' property coverage will be renewed on July 1, 2026, while liability coverage will be renewed on September 1, 2026. Since proposals for reinsurance on property and liability are usually received after the May board meeting, the Board has authorized the Executive Director to secure reinsurance contracts that offer the best value and terms. The Executive Director will then report back to the Board during the August meeting.

Property Renewal Indications

Ms. Brant informed the board she is working with the Pool's broker, Doug Wozniak, for increases to the pool's earthquake and fiber optic coverage. Mr. Wozniak will finalize the rates of the coverage as-is before seeking adjustments.

Enduris intends to renew with their current self-insured retention of $500,000.

Liability Renewal Indications

Ms. Brandt informed the board that the liability reinsurance environment is challenging at this time, as notes by Mr. Halsall during his presentation. Mr. Wozniak is investigating other reinsurance options for the additional coverage needed to fill GEM's reduced capacity.

As details are still being finalized, the Executive Director recommends passing a motion that allows some flexibility for the Executive Director to accept a liability renewal within a range that is acceptable to the board.

In response to a question from Mr. Schanz, Ms. Brandt described some options on how the Pool would approach the situation of liability coverage renewal that was outside expectations.

WATTS/ADAMS moved to authorize the Executive Director to renew property coverage with APIP effective July 1, 2026. If the property renewal proposals exceed expectations by more than 10% in overall premium, the Executive Director will notify the board before binding. *Motion carries.*

BOIE/YOUNG moved to authorize the Executive Director to renew liability coverage effective September 1, 2026, using the existing Self-Insured Retention of $1 million, with GEM, Safety National, Great American, Metis or other qualified reinsurers to provide coverage limits of $4 - $5 million each over our $1 million SIR for a total of $20 million in limits; and the total premium cost to not exceed a 35% premium increase from last year; or $2,650,000. If the liability renewal proposals are outside expectations, the Executive Director will notify the board before binding. *Motion carries.*

STATE AUDIT REPORTS

GC-3.6 states that the Board will review and accept the annual report of the State Auditor, and any reviews conducted by the Washington Office of Risk Management-Local Government Self Insurance Program.

The Washington State Auditor's Office (SAO) conducted Enduris' fiscal year-end audit for August 31, 2025, and its financial and accountability audit between January and April 2026. The audit exit interview occurred on April 20, 2026. The SAO published the financial and accountability audit reports on April 27, 2026.

Ms. Brandt noted the results of the audit as follows:

Audit Highlights outlined in the Exit Conference with the SAO:

- The Pool responded promptly to all requests and provided all documents necessary to complete the audit on time.
- The Pool continues to have strong processes to ensure its financial data is fairly presented in all material respects.

SAO Financial Statement Audit Communication:

- No material misstatements were identified during the audit.
- The audited financial statements contained no uncorrected misstatements.

SAO Accountability Audit Communication:

- Pool operations complied, in all material respects, with applicable state laws, regulations, and policies and provided adequate controls over safeguarding public resources.

Mr. Schanz noted the positive statements of the auditor during the exit interview.

ADAMS/YOUNG moved to accept the fiscal year 2025 Financial Statement Audit Report and the Accountability Audit Report as recommended by the Executive Director. *Motion Carries.*

STATE RISK MANAGER'S REPORT

Board Policy GC-3.6 states that the Board will review and accept the annual report of the State Auditor, and any reviews conducted by the Washington Office of Risk Management- Local Government Self-Insurance Program.

Ms. Brandt informed the board that Shannon Stuber, Program Administrator for the Risk Management-Local Government Self-Insurance Program, has not conducted a review; therefore, no report will be available for PY 2026.

FINANCIAL REPORT AND FINANCIAL STATEMENTS/SCIP REPORT

Board Policy OE-5 The Executive Director shall develop and maintain a financial plan in the form of an Annual Budget that is related directly to the Board's **Goal** priorities and **Operational Expectations** goals, minimizes the dependency upon the forces of the excess or reinsurance markets, and avoids long-term fiscal jeopardy to the organization.

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.

Ms. Millikan indicated that the board should be familiar with the financial statements as they have been provided in the months leading up to the board meeting.

Ms. Brandt and Ms. Millikan talked to the board about her recent work with Strategic Asset Alliance. SAA will be consulting Enduris in analyzing their current investment approach and investigating other options.

WATTS/YOUNG moved to approve the January, February, and March 2026, financial reports as presented. *Motion Carries.*

BOIE/ADAMS moved to accept the April 2026 activity reports from the Spokane Public Investment Fund (SPIF) and the Local Government Monthly Investment Pool (LGIP) Report as presented.

MEMBER TYPES REVIEW

Board Policy OE 3.3 - States the Executive Director shall not approve for membership any new type of entity without authorization from the Board.

During discussion at the May 20th, 2026 workshop, the board expressed interest in reviewing and affirming the current list of entity types authorized for membership with Enduris.

Ms. Brandt and the board discussed the history of member types and the process of review when a new member type applies to the board.

BOIE/WATTS moved to direct the Executive Director to submit to the Board at an upcoming meeting, a comprehensive list of entity types approved for participation in the Pool, for the Board's review and confirmation.

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.

The board of directors gave feedback on the meeting. Comments were very positive. Ms. Watts thanked the staff and Ms. Brandt for her service to the pool. Ms. Boie expressed her appreciation for the board workshop the day prior and how the policies flowed to the information presented at this meeting. Ms. Young thanked the staff and pointed out Ms. Brandt's contributions to the pool. Mr. Adams shared positive comments on the board workshop, the budget, and the overall function of the organization. Mr. Hardin shared his perspective on the positive improvements the organization has made over the years under Sheryl's leadership. Mr. Schanz echoed the sentiments of others and thanked Sheryl for the team of people she has cultivated over her tenure.

ADJOURNMENT

*Mr. Schanz adjourned the Board meeting at **1:20 p.m.***

YOUNG/ BOIE moved to adjourn the meeting. *Motion carries.*

Matt Schanz

Matt Schanz, Chairman

The minutes of the Enduris Board meeting are intended to serve as a reasonable summary of the Board's discussions and decisions. They do not provide a verbatim record of everything said during the meeting, but they encompass all actions taken by the Board.