



# **enduris** annual report

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INTRODUCTION

Enduris is the premier risk sharing pool for pubic entities in Washington. Its coalition of 444 diversified low-risk special purpose districts pool their resources to acquire the broadest form of insurance coverage at an affordable price. As a government cooperative, Enduris purchases reinsurance from the commercial market at a volume discount and passes the savings along to the individual government entities. Enduris manages claims on behalf of the members and keeps costs down by offering a variety of risk management resources to encourage loss control efforts. Government pooling of insurance has been an extremely successful alternative to the high cost of standard retail insurance protection since 1985. Enduris has broadened asset protection for members while reducing premiums as much as 30% to 50% per year for new members.



Silverdale Water District #16

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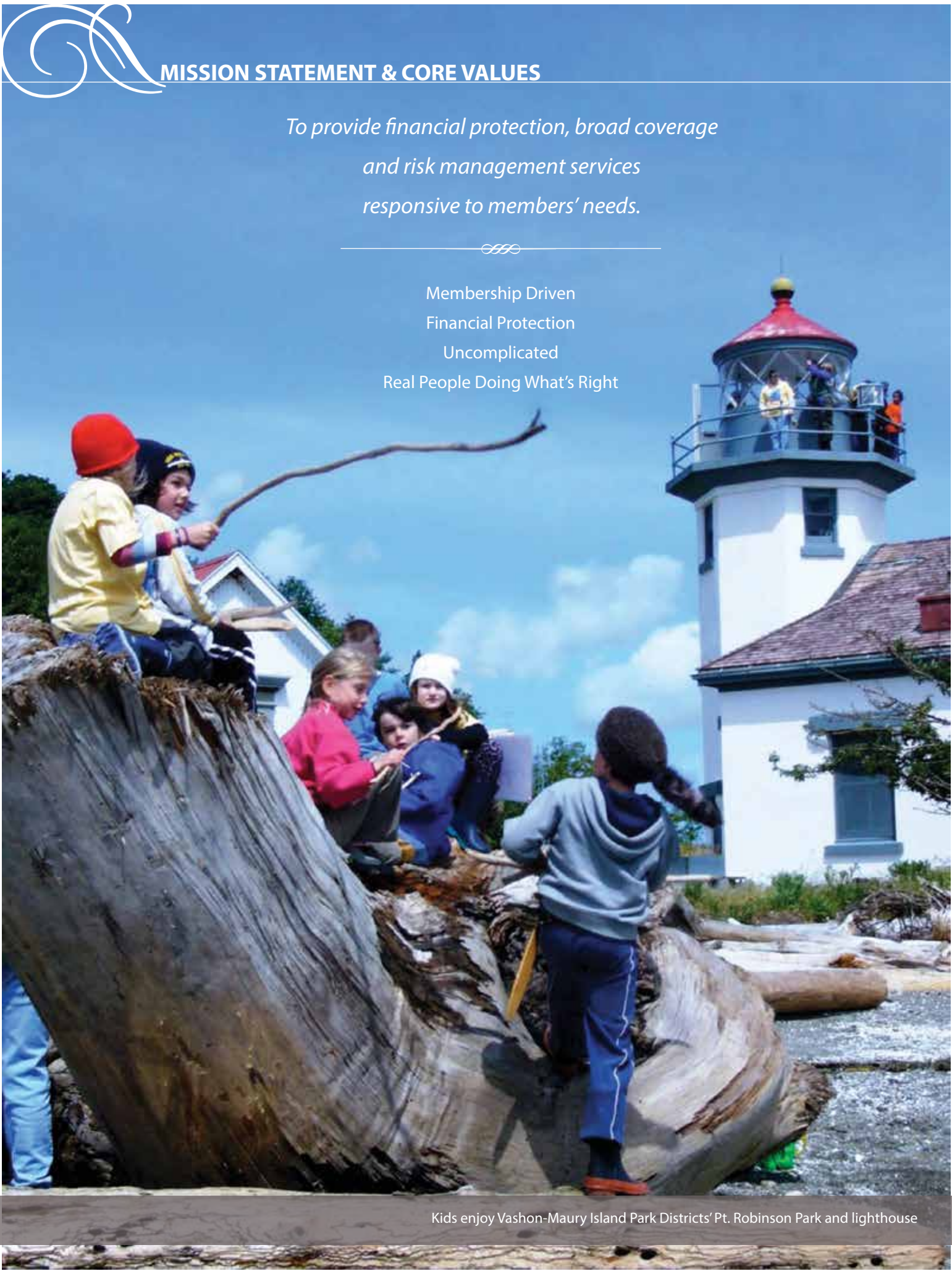
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MISSION STATEMENT & CORE VALUES

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

- Membership Driven
- Financial Protection
- Uncomplicated
- Real People Doing What’s Right



Kids enjoy Vashon-Maury Island Park Districts’ Pt. Robinson Park and lighthouse



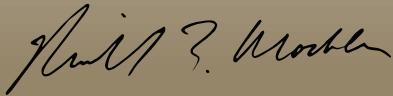
It is gratifying to announce that policy year 2009 has proven to be another solid year for Enduris. In spite of challenging industry conditions and volatile financial markets, we have once again exceeded the goals and are proud to draw attention to several notable accomplishments.

Once again Enduris has been recognized nationally for operational excellence, receiving the Certificate for Excellence in Financial Reporting for the 3rd consecutive year and the National Association for Governmental Risk Pools Certification for the 12th year. Enduris' reliance on private reinsurance markets continues to diminish as we consistently grow member equity, now in excess of \$8.1 million, and increase self insured retention. All of this adds to the strength of the pool. These accomplishments clearly resonate with members, as evidenced by an annual member retention rate of 99.9% and membership growth with 18 new members joining in 2009.

Today's environment is much higher risk in terms of protecting local government, especially in the aftermath of a very volatile year that shocked the financial markets. What sets Enduris apart from competitors and the private insurance market is that protection by Enduris is backed by the 444 members of the pool and the growing equity of the pool. As the pool continues to grow and mature, membership and benefits become even more diversified. Risk is spread over a wider and larger body of participants, which in turn increases pool equity, thus, ensuring your protection.

The bottom line is that your Pool is strong and well positioned to weather financial storms like we've experienced over the past year. All indications are that while the private insurance market begins to harden, marked by increasing rates and tighter coverage, your rates and benefits will remain stable and predictable for the foreseeable future. That's our commitment to you.

On behalf of the Board and Staff, we want to express our sincere appreciation for your trust and confidence in our leadership. Your active interest, participation and feedback are instrumental to the continued success of Enduris. With your support, you can be assured of another outstanding year in 2010.



Rick B. Mockler  
Board Chair

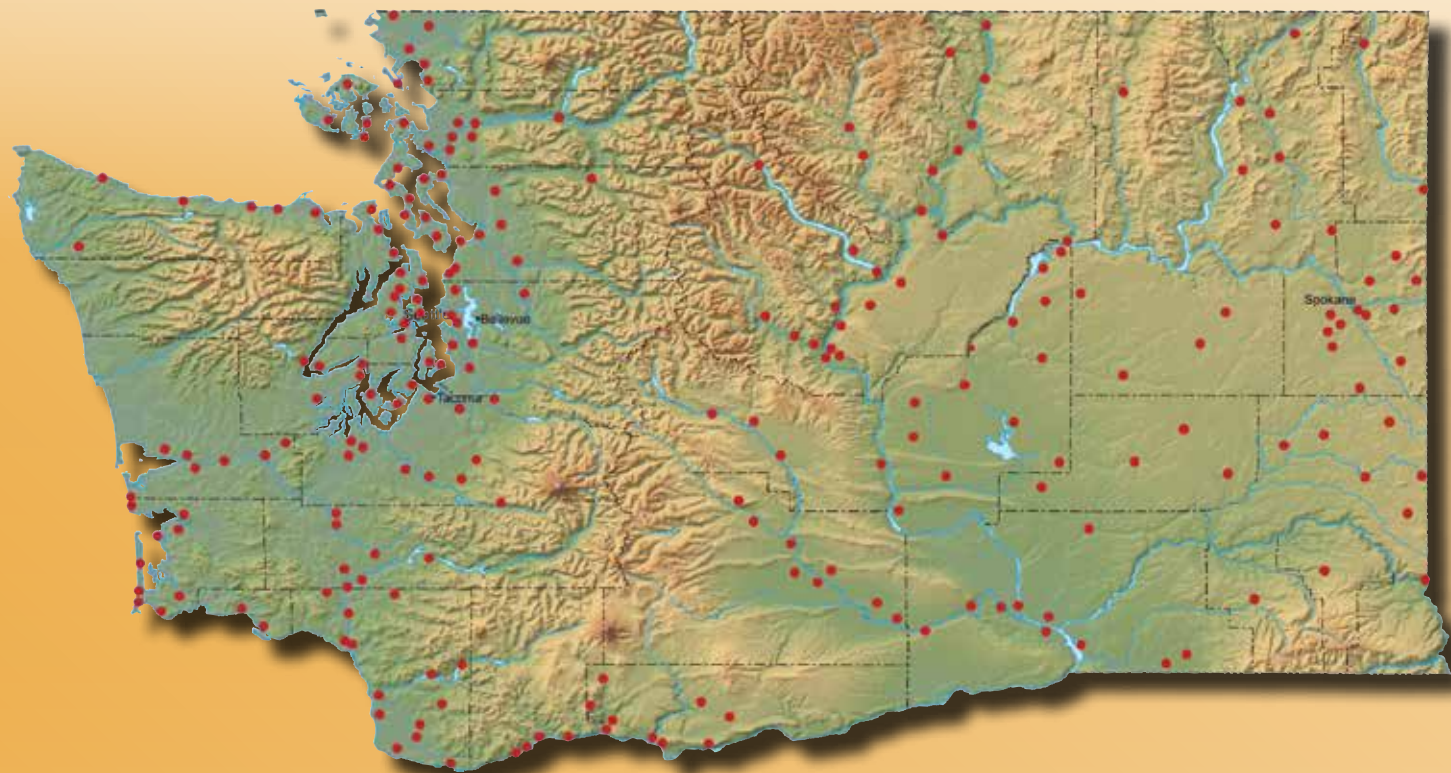


Mark A. Kammers  
Executive Director



Vashon Island Fire & Rescue participating in the 2009 Scott Firefighter Stair Climb located in the Columbia Center, downtown Seattle





Spreading risk is a key component for success with a risk sharing pool like Enduris.

Our state is made up of vastly different geographic regions that showcase exposure to a diverse array of weather patterns that include damaging wind, flooding, storm surge and lightning to name a few. And, we have many types of Special Purpose Districts whose business exposes them to a variety of risks on behalf of their communities.

Enduris members are spread across every county in the state of Washington. With 444 members and almost 20 different entity types, Enduris is as diverse as ever. This diversification limits the Pool's exposure to any one significant event or to claims that may be unique to a particular member type.

The result is financial protection and risk management that is stable and predictable for all members. The Pool continues to grow and annual member retention is consistently above 99%.



Northwest Clean Air Agency

### *Aging/Mental Health*

Aging & Adult Care of Central Washington  
Aging & Long Term Care of Eastern Washington  
Greater Columbia Behavioral Health  
Lewis-Mason-Thurston Area Agency on Aging  
North Central Washington Regional Support Network  
North Sound Regional Support Network  
Olympic Area Agency on Aging  
SW WA Council of Governments on Aging & Disabilities  
Timberlands Regional Support Network

### *Cemetery Districts*

Cemetery District #6 of Clark County  
Chelan County Cemetery District #4  
Colfax Cemetery District #6  
Cowlitz County Cemetery District #2  
Cowlitz County Cemetery District #3  
Cowlitz County Cemetery District #6  
King County Cemetery District #1  
Lewis County Cemetery District #1  
Pend Oreille Cemetery District #1  
San Juan Cemetery District #3  
Skagit Co Cemetery District #1  
Skamania County Cemetery District #1  
Thurston County Cemetery District #2  
Whatcom County Cemetery District #10  
Whatcom County Cemetery District #6

### *Clean Air Agencies*

Benton Clean Air Agency  
Northwest Clean Air Agency  
Olympic Region Clean Air Agency  
Puget Sound Clean Air Agency  
Southwest Clean Air Agency  
Spokane Regional Clean Air Agency  
Yakima Regional Clean Air Authority



Thurston County Cemetery Dist. #2



## Conservation Districts

Adams Conservation District  
 Asotin County Conservation District  
 Benton Conservation District  
 Cascadia Conservation District  
 Central Klickitat Conservation District  
 Clallam Conservation District  
 Clark Conservation District  
 Columbia Conservation District  
 Cowlitz Conservation District  
 Eastern Klickitat Conservation District  
 Ferry Conservation District  
 Foster Creek Conservation District  
 Franklin Conservation District  
 Grant Conservation District  
 Grays Harbor Conservation District  
 Jefferson County Conservation District  
 King Conservation District

Kitsap Conservation District  
 Kittitas County Conservation District  
 Lewis County Conservation District  
 Lincoln County Conservation District  
 Mason Conservation District  
 Moses Lake Conservation  
 North Yakima Conservation District  
 Okanogan Conservation District  
 Pacific Conservation District  
 Palouse Conservation District  
 Palouse-Rock Lake Conservation District  
 Pend Oreille Conservation District  
 Pierce Conservation District  
 Pine Creek Conservation District  
 Pomeroy Conservation District  
 San Juan Conservation District  
 Skagit Conservation District  
 Snohomish Conservation District  
 South Douglas Conservation District  
 South Yakima Conservation District  
 Spokane County Conservation District  
 Stevens County Conservation District  
 Thurston Conservation District  
 Underwood Conservation District  
 Wahkiakum County Conservation District  
 Walla Walla County Conservation District  
 Warden Conservation District  
 Whatcom Conservation District  
 Whidbey Island Conservation District  
 Whitman Conservation District

## Diking & Drainage Districts

Bertrand Watershed Improvement District  
 Clark County Diking District #14  
 Island County Diking District #1  
 King County Drainage District #7  
 Lewis Co Flood District #1  
 Marshland Flood Control District  
 North Lynden Watershed Improvement District  
 Pacific County Drainage District #1  
 Port Ludlow Drainage District  
 Silver Lake Flood Control District  
 Skagit County Consolidated Diking District #22  
 Skagit County Dike District #17  
 Skagit County Drainage and Irrigation District #15  
 Skagit County Drainage District #19  
 Snohomish County Diking District #1  
 Snohomish Co Drainage & Improvement District #13  
 Stillaguamish Flood Control District  
 Whatcom Co Flood Control Zone District  
 Yakima Co Drainage Improvement District #28  
 Yakima Co Drainage Improvement District #11

## Health Districts

Asotin County Health District  
 Benton Franklin Health District  
 Chelan-Douglas Health District  
 Grant County Health District  
 Kitsap County Health District  
 Northeast Tri County Health District  
 Okanogan County Public Health  
 Snohomish Health District  
 Spokane Regional Health District  
 Yakima County Health District

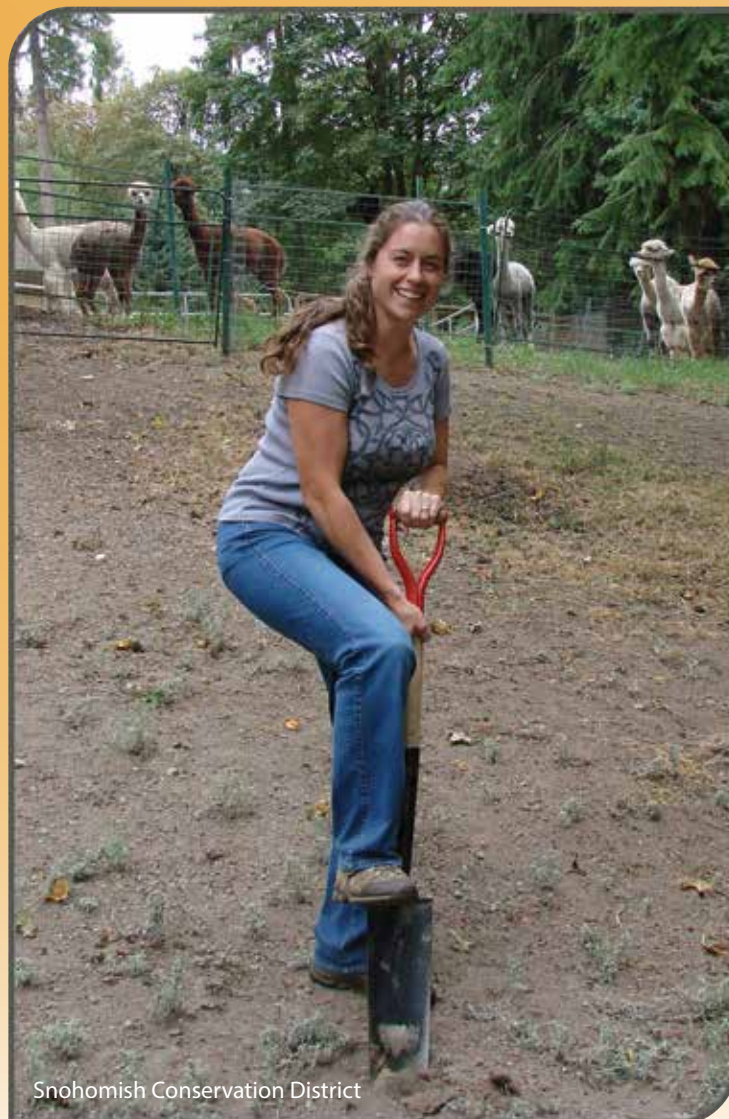
## Irrigation/Reclamation Districts

Agnew Irrigation District  
 Ahtanum Irrigation District  
 Alta Vista Irrigation District  
 Badger Mountain Irrigation District  
 Benton Irrigation District  
 Brewster Flat Irrigation District  
 Bridgeport Irrigation District #1  
 Carnhope Irrigation District #7  
 Cascade Irrigation District  
 Chelan Falls Irrigation District  
 Chelan River Irrigation District  
 Cline Irrigation District  
 Columbia Irrigation District

Dungeness Irrigation District  
 Eastside/Westside Irrigation District  
 Entiat Irrigation District  
 Greater Wenatchee Irrigation District  
 Helensdale Irrigation District  
 Highland Irrigation District  
 Hutchinson Irrigation District #16  
 Icicle Irrigation District  
 Isenhardt Irrigation District  
 Kiona Irrigation District  
 Lake Chelan Reclamation District  
 Methow Valley Irrigation District  
 Methow-Okanogan Reclamation District  
 Model Irrigation District #18  
 Okanogan Irrigation District  
 Oroville Tonasket Irrigation District  
 Peshastin Irrigation District  
 Selah and Moxee Irrigation District  
 Terrace Heights Irrigation District  
 Union Gap Irrigation District  
 Wenas Irrigation District  
 Wenatchee Heights Reclamation District  
 Wenatchee Reclamation District  
 Wenatchee-Chiwawa Irrigation District  
 Whitestone Reclamation District  
 Wolf Creek Reclamation District  
 Yakima Reservation Irrigation District  
 Zillah Irrigation District

## Library Districts

Asotin County Library  
 King County Law Library  
 Kitsap Regional Library  
 La Conner Regional Library  
 Lopez Island Library District  
 North Olympic Library System  
 Orcas Island Library District  
 Stevens County Rural Library District  
 Upper Skagit Library District  
 Walla Walla Co Rural Library District  
 Whitman County Rural Library District



Snohomish Conservation District



Kitsap Health District



Lopez Library District





Stevens County FPD #5



So. Pend Oreille County FPD #3



Vashon Island Fire & Rescue



Pend Oreille County FPD #4



Pacific FPD #1

*Fire Districts*

- Adams County FPD #6
- Adams County FPD #7
- Asotin County FPD #1
- Benton County FPD #5
- Chelan Co Fire District #10
- Chelan County Fire District #8
- Chelan County FPD #6
- Chelan County FPD #9
- Clallam County FPD #1
- Clallam County FPD #4
- Clallam County FPD #5
- Clark County FPD #13
- Cowlitz County FPD #1
- Cowlitz County FPD #4
- Cowlitz County FPD #6
- Cowlitz-Skamania Fire District #7
- Darrington Fire District #24
- Douglas County Fire District #4
- Douglas County FPD #3
- Douglas Okanogan County FPD #15
- Ferry Co #3/Stevens Co #8 Jnt Fire Protection Dist.
- Grant County FPD #10
- Grant County FPD #11
- Grant County FPD #12
- Grant County FPD #7
- Grant County FPD #8
- Grays Harbor County FPD #10
- Grays Harbor County FPD #12
- Grays Harbor County FPD #15
- Island County FPD #3
- Kittitas County FPD #7
- Klickitat County FPD #1
- Klickitat County FPD #11
- Klickitat County FPD #13
- Klickitat County FPD #14
- Klickitat County FPD #3
- Klickitat County FPD #4
- Lewis County FPD #2
- Lewis County FPD #5
- Lewis County FPD #7
- Lewis County FPD #8
- Lincoln County FPD #6
- Lincoln-Adams County FPD #3
- Mason County FPD #1
- North Country Emergency Medical Service
- Okanogan County FPD #10
- Okanogan County FPD #11
- Okanogan County FPD #12
- Okanogan County FPD #7
- Okanogan County FPD #8
- Okanogan County Rural FPD #6

- Pacific County Fire District #6
- Pacific County FPD #1
- Pacific County FPD #2
- Pacific County FPD #4
- Pend Oreille County FPD #2
- Pend Oreille County FPD #3
- Pend Oreille County FPD #4
- Pend Oreille County FPD #6
- Pierce County FPD #11
- Pierce County FPD #27
- San Juan County Fire District #4
- Skagit County Fire District #6
- Skagit County FPD #12
- Skagit County FPD #13
- Skagit County FPD #14
- Skagit County FPD #16
- Skagit County FPD #17
- Skagit County FPD #4
- Skagit County FPD #5
- Skamania County FPD #5
- Skamania County FPD #6
- Snohomish County FPD #25
- Spokane County FPD #10
- Spokane County FPD #12
- Spokane County FPD #2
- Spokane County FPD #3
- Spokane County FPD #5
- Spokane County FPD #13
- Stevens County Fire District #1
- Stevens County FPD #11
- Stevens County FPD #2
- Stevens County FPD #5
- Thurston County FPD #5
- Thurston County FPD #9
- Tonasket EMS District
- Vashon Island Fire & Rescue
- Wahkiakum County FPD #2
- Whatcom County FPD #11
- Whitman County Fire District #5
- Whitman County FPD #12
- Whitman County FPD #7
- Yakima County FPD #9
- Yakima County FPD #14

Above Photo: Pend Oreille County FPD #3



## Miscellaneous

Benton-Franklin Council of Governments  
 Franklin County Emergency Management  
 Island Co Emergency Services Communications Cntr.  
 Grant County Hospital District #7  
 King County Ferry District  
 Kittcom  
 Lower Columbia Fish Recovery Board  
 Pend Oreille Co Public Hospital District #2  
 Spokane Regional Transportation Council  
 Wenatchee Valley Transportation Council  
 Whatcom Council of Governments

## Mosquito Control

Adams County Mosquito Control District  
 Benton County Mosquito Control District #1  
 Camano Island Mosquito Control District #1  
 Clark County Mosquito Control District  
 Columbia Mosquito Control District  
 Cowlitz County Mosquito Control District  
 Franklin County Mosquito Control  
 Grant County Mosquito Control District #1  
 Grant County Mosquito Control District #2  
 Leavenworth Mosquito Control District  
 Skamania County Mosquito Control District  
 Touchet-Lowden Mosquito Control District

Above Photo: Clark County Public Facilities District



Clark County Mosquito District

## Park & Recreation Districts

Adams County Park & Recreation Board #2  
 Adams County Park & Recreation District #4  
 Adams County Park District #1  
 Adams County Parks & Recreation District #3  
 Anderson Island Park & Recreation District  
 Bainbridge Island Metropolitan Park & Recreation District  
 Central Klickitat County Park & Recreation District  
 Clallam County Park & Recreation District #1  
 East County Park & Recreation District  
 Eastmont Metropolitan Park District  
 Fidalgo Pool & Fitness Center District  
 Key Peninsula Metropolitan Park District  
 Lincoln County Park & Recreation District #2  
 Lincoln County Park & Recreation District #3  
 Manson Park & Recreation District  
 Naches Park & Recreation District #1  
 North Whidbey Park & Recreation District  
 Northwest Park & Recreation District #2  
 Oakesdale Park & Recreation District #4  
 Peninsula Metropolitan Park District  
 Quillayute Valley Park & Recreation District  
 San Juan Island Park & Recreation District  
 South Whidbey Park & Recreation District  
 Tekoa Park & Recreation District #6  
 Upper Valley Park & Recreation Service Area  
 Vashon-Maury Island Park & Recreation District



Key Peninsula Metropolitan Park District



Midway Sewer District

## Public Facilities Districts

Capital Area Regional Public Facilities District  
 City of Kent Special Events Center Public Facilities District  
 Clark County Public Facilities District  
 Cowlitz County Public Facilities District  
 Edmonds Public Facilities District  
 Everett Public Facilities District  
 Grays Harbor County Public Facilities District  
 Greater Wenatchee Regional Events Center PFD  
 Kitsap Public Facilities District  
 Lewis County Public Facilities District  
 Lynnwood Public Facilities District  
 Richland Public Facilities District  
 Skagit County Regional Public Facilities District  
 Snohomish County Public Facilities District

## Sewer and/or Water Districts

Admiral's Cove Water District  
 Ashford Water District  
 Bayview Beach Water District  
 Black Diamond Water District  
 Blalock Orchards Water District #12  
 Cascade Valley Water District  
 Chelan Falls Water District  
 Chinook Water District  
 Clear Lake Water District  
 Crockett Lake Water District  
 Crystal Mountain Sewer District  
 Diamond Lake Water & Sewer District  
 Four Lakes Water District  
 Freeland Water District  
 Grays Harbor County Water District #1  
 Hangman Hills Water District #15  
 Highland Water District  
 Highline Water District  
 Hydro Irrigation District #9  
 Kapowsin Water District  
 King County Water District #111  
 Kittitas County Water District #4  
 Kittitas County Water District #6  
 Lagoon Point Water District



Vera Water and Power

Lake Chelan Sewer District  
 Lake Stevens Sewer District  
 Lewis County Water & Sewer District #6  
 Liberty Lake Sewer and Water District  
 Loon Lake Sewer District #4  
 McKenna Water District  
 Midway Sewer District  
 Mukilteo Water & Wastewater District  
 Penn Cove Water & Sewer District  
 Sacheen Lake Sewer & Water District  
 Samish Water District  
 Scatchet Head Water District  
 Seaview Sewer District  
 Shoreline Water District  
 Silverdale Water District #16  
 Southwest Suburban Sewer District  
 Stevens Pass Sewer District  
 Strathview Water District #16  
 SunLand Water District  
 Swantown Water District  
 Tri-City Estates Water District #45  
 Valley View Sewer District  
 Vel View Water District #13  
 Vera Water and Power  
 Willapa Valley Water District

## Weed Districts

Adams County Noxious Weed Board  
 Adams County Weed District #1  
 Intercounty Weed District #51  
 Intercounty Weed District #52  
 Kittitas County Weed District #5  
 Lincoln County Noxious Weed Control Board  
 Spokane County Noxious Weed Control Board  
 Weed District #1 of Grant County  
 Weed District #3 of Grant County

Above Photo: Greater Wenatchee Regional Events Center PFD



## Port Districts

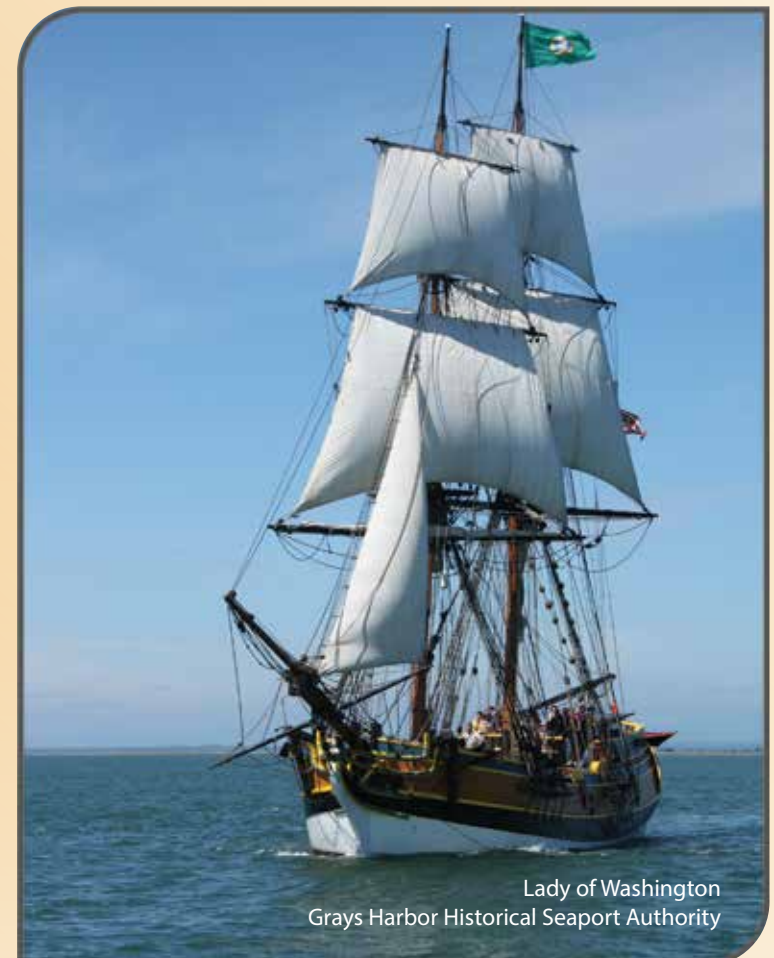
Grant County Port District #4  
 Grant County Port District #5  
 Grant County Port District #6  
 Grant County Port District #7  
 Grays Harbor Historical Seaport Authority  
 Klickitat County Port District  
 Pangborn Memorial Airport  
 Port District of South Whidbey Island  
 Port of Allyn  
 Port of Brownsville  
 Port of Camas-Washougal  
 Port of Centralia  
 Port of Chehalis  
 Port of Chelan County  
 Port of Chinook  
 Port of Clarkston  
 Port of Columbia  
 Port of Coupeville  
 Port of Dewatto  
 Port of Douglas County  
 Port of Edmonds  
 Port of Eglon  
 Port of Ephrata  
 Port of Friday Harbor  
 Port of Garfield  
 Port of Grandview  
 Port of Grapeview  
 Port of Hoodspport  
 Port of Illahee  
 Port of Ilwaco  
 Port of Indianola  
 Port of Kennewick  
 Port of Kingston  
 Port of Lopez  
 Port of Manchester

Port of Mattawa  
 Port of Olympia  
 Port of Orcas  
 Port of Othello  
 Port of Peninsula  
 Port of Port Townsend  
 Port of Poulsbo  
 Port of Quincy  
 Port of Ridgefield  
 Port of Royal Slope  
 Port of Shelton  
 Port of Silverdale  
 Port of Skagit County  
 Port of Skamania County  
 Port of Tracyton  
 Port of Walla Walla  
 Port of Waterman  
 Port of Whitman County  
 Port of Willapa Harbor  
 Port of Woodland  
 Wahkiakum County Port District #1  
 Wahkiakum County Port District #2  
 Warden Port District #8

## Public Development Authorities

4Culture  
 East Lewis County Public Development Authority  
 Foss Waterway Development Authority  
 Grays Harbor Public Development Authority  
 Hamilton Public Development Authority  
 North Beach Public Development Authority  
 NW Lincoln Co Regional Public Development Authority  
 Odessa Public Development Authority  
 Port Angeles Harbor Works Development Authority  
 Republic Public Development Authority  
 Southwest Hood Canal Public Development Authority

Above Photo: Port of Olympia







MANAGEMENT’S DISCUSSION AND ANALYSIS

For the fiscal year ended August 31, 2009

The management of Enduris presents this narrative overview and analysis (MD & A) of the financial activities of Enduris for the fiscal year ended August 31, 2009. We encourage the use of this discussion and analysis in conjunction with Enduris’ comparative balance sheet and comparative statement of revenues, expenses and changes in net assets included in this report.

HIGHLIGHTS

- Enduris’ overall financial position improved from fiscal year (FY) 2008 to 2009. Net assets increased by \$1,524,695 during FY 2009 to \$8,136,489. This change represents a 23.1% increase in net assets from prior year and a 33.8% over the previous two years. Enduris has not entered into any agreements that would limit Enduris’ use of the financial resources as reported on the balance sheet.
- In total, Enduris outperformed as compared to budget. Total revenues were in line with budget. In total, expenses were 14.1% under budget. Enduris contributed 19.8% of revenue to net assets. It is the position of the Board of Directors to allocate at least 5% of revenue to net assets annually.
- Interest income was \$308,023 for the year, significantly below budget. The interest rate earned from Spokane County Investment Pool (SCIP) declined throughout the year, ending at 1.313%.
- Enduris’ equity in GEM increased for the year. For fiscal year 2009, the equity in GEM increased \$93,857.

FINANCIAL STATEMENT OVERVIEW

Enduris reports its activities as an enterprise fund. An enterprise fund is a proprietary fund, and as such uses full accrual accounting for its activities. Revenues are recognized when earned, and expenses are recognized when incurred. Enduris is not legally required to formally adopt a budget; however does so in order to monitor revenues and expenses and for rate setting purposes.

This MD & A is presented with two of Enduris’ financial statements: comparative balance sheet and comparative statement of revenues, expenses and changes in net assets. The comparative balance sheet presents information on the assets, liabilities and net assets of Enduris on August 31, the fiscal year end. Net assets are equal to assets minus liabilities. The increases or decreases in net assets over time may be a useful indicator in determining if the financial position of Enduris is improving or deteriorating. The comparative statement of revenues, expenses and changes in net assets presents information on the change in net assets (revenues minus expenses) for the fiscal year. Whereas, the balance sheet is a snap shot of the financial position of Enduris on August 31, the statement of revenues, expenses, and changes in net assets presents the activities of Enduris for the entire fiscal year September 1 through August 31.

FINANCIAL ANALYSIS

	NET ASSETS		
	2009*	2008	2007
Current Assets	\$ 21,379,267	\$ 18,710,276	\$ 16,343,611
Non Current Assets	1,238,643	1,140,165	1,026,149
Total Assets	\$ 22,617,910	\$ 19,850,442	\$ 17,369,760
Current Liabilities	\$ 14,481,421	\$ 13,230,173	\$ 11,282,996
Non Current Liabilities	\$ —	\$ 8,474	\$ 5,165
Total Liabilities	\$ 14,481,421	\$ 13,238,648	\$ 11,288,161
Net Assets, invested in Capital Assets	\$ 27,071	\$ 22,450	\$ 44,627
Unrestricted Net Assets	8,109,418	6,589,344	6,036,972
Total Net Assets	\$ 8,136,489	\$ 6,611,794	\$ 6,081,599

\*unaudited, subject to change

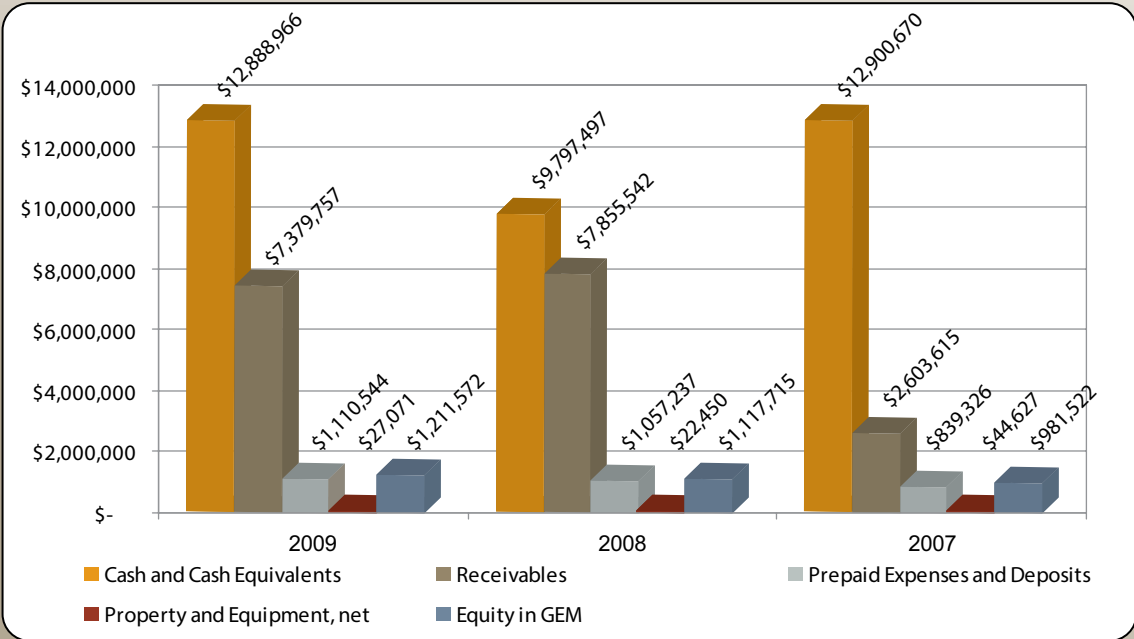




Assets –

Assets of Enduris increased 13.9% during FY 2009 and 14.3% during FY 2008. The increase in assets is namely an increase in cash and cash equivalents. Cash and cash equivalents increased due to an increase in cash received from members for member contributions and a decrease in net claim payments.

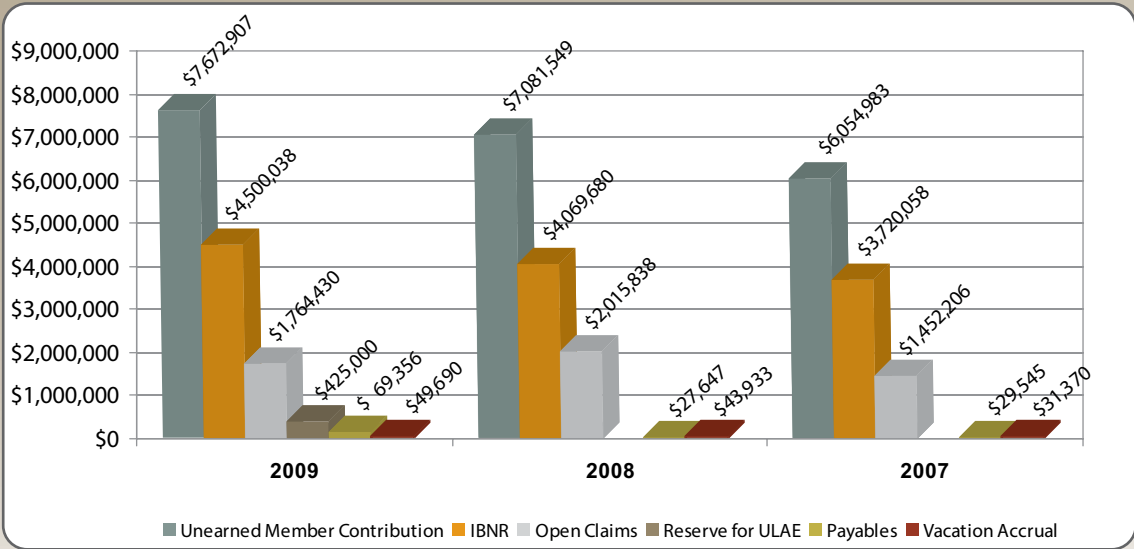
ASSET MIX



Liabilities –

Liabilities of Enduris increased 9.4% over liabilities for FY 2008. Liabilities increased 17.3% from FY 2007 to FY 2008. The primary liabilities of the Pool are claim reserves (open claims, IBNR, and ULAE) and unearned member contributions. Claim reserves increased 9.9% over prior year due to the establishment of a reserve for unallocated loss adjustment expense (ULAE) in FY 2009. Unearned member contributions are 2010 renewal billings that will be earned and recognized in 2010. The Pool has no long-term debt.

LIABILITY MIX



Net Assets –

Assets of the Pool exceeded liabilities by \$8,136,489. Of which, \$8,109,418 is unrestricted and \$27,071 is invested in capital assets, such as office furniture, vehicles, and computer equipment.

CHANGES IN NET ASSETS

	2009*	2008	2007
Operating Revenues:			
Member Contributions/Assessments	\$ 7,309,997	\$ 6,598,087	\$ 6,203,077
Total Operating Revenue	7,309,997	6,598,087	6,203,077
Non Operating Revenues (Expenses):			
Interest Income	308,023	518,372	591,155
Change in Equity in GEM	93,857	136,193	48,324
Total Non Operating Revenue	401,880	654,565	639,479
Total Revenue	\$ 7,711,877	\$ 7,252,652	\$ 6,842,556
Operating Expenses:			
Incurred Loss and Allocated Loss Adjustment Expenses:			
Claims Paid, Net of Recoveries	\$ 1,947,873	\$ 2,441,889	\$ 2,618,186
Change in Liabilities for Unpaid Claims	178,950	913,254	92,828
Unallocated Loss Adjustment Expenses	425,000		
Excess Insurance Premiums	1,794,387	1,653,625	1,716,970
Coverage Services:			
Brokerage Fee	50,000	50,000	50,000
Actuarial Services	38,550	28,000	28,000
General & Administrative	417,523	366,032	405,382
Contracted Services	244,337	270,950	254,292
Payroll	1,072,668	976,531	859,853
Depreciation	17,894	22,177	25,541
Total Operating Expenses	6,187,182	6,722,457	6,051,052
Total Expenses	\$ 6,187,182	\$ 6,722,457	\$ 6,051,052
Change in Net Assets	\$ 1,524,695	\$ 530,195	\$ 791,504
Ending Net Assets	\$ 8,136,489	\$ 6,611,794	\$ 6,081,599

\*unaudited, subject to change

Revenues –

Operating revenue is generated from member contributions. Property rates remained stable for the fifth year in a row, and overall liability rates were adjusted for inflation as they were in the prior fiscal year. Although property rates charged to members remained stable, total insured values increased. Additionally, Pool membership increased by 17 members during FY 2009. Total operating revenue increased 10.8% from FY 2008 to FY 2009 and 6.4 % from FY 2007 to FY 2008.

Non operating revenue declined. Non operating revenue is interest earned on excess cash invested with the SCIP and the change in Enduris’ equity in GEM. Interest rates earned through the SCIP continued to decline during the year. Interest rates with SCIP were 1.313%, 2.894%, and 5.272% for the fiscal years ended August 31, 2009, 2008 and 2007 respectively. Enduris’ equity in GEM increased a total of \$278,000 over the last three fiscal years.



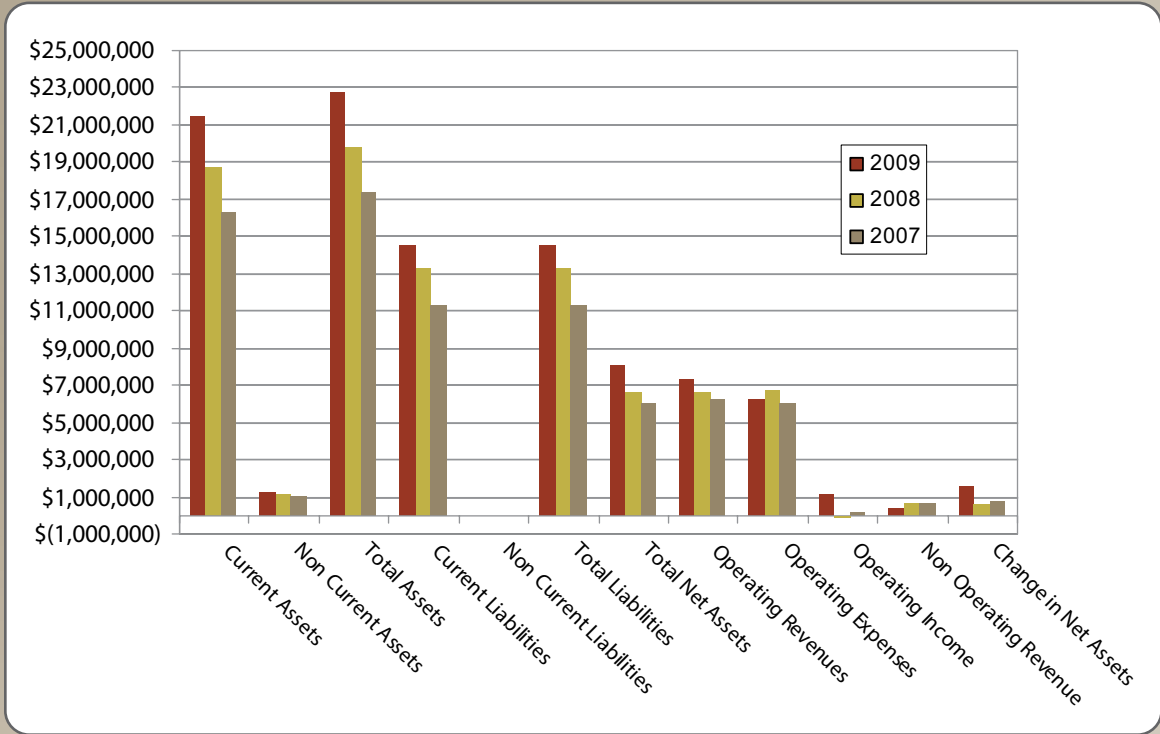
Expenses –

FY 2009 operating expenses decreased 8.0% over FY 2008. The FY 2008 increase over FY 2007 was 11.1%. A decrease in claim expense is mainly responsible for the decrease in operating expenses for FY 2009. The majority of the favorable development in claim costs was related to claim years 2005 and 2008. Additionally, FY 2009 liability claim costs are developing favorably over original estimates. The favorable development in claim costs helped to offset the establishment of a reserve for unallocated loss adjustment expenses. Unallocated loss adjustment expenses are loss adjustment expenses, such as claim department salaries, rent, equipment, that can't be directly allocated to a specific claim. In providing coverage, the cost of a claim may not be known for sometime, therefore an estimate of the open claims (claims reported but not finalized), as well as the claims incurred but not reported (IBNR) is made. Utilizing actuarial techniques, the claim reserves are evaluated by the actuary, PricewaterhouseCoopers LLC. The estimate for claim reserves is evaluated twice a year, and any adjustments are charged or credited to expense in the current year.

Liability excess insurance premiums remained stable for FY 2009, as they did for FY 2008. The excess property insurance policies renew in July for a renewal period of July 1 through June 30. The renewal in July 2009 included a rate increase due to market conditions and loss history. Rates had remained stable for FY 2007 to FY 2008.

General and administrative (G & A) expenses increased 14.1% over prior fiscal year. Increases in marketing efforts, as well as member education contributed to increased G & A expenses. Additionally, replacement of computers resulted in an increase over prior year in office equipment expenses.

COMPARATIVE FINANCIAL DATA



FINANCIAL CONTACT

Questions concerning the information provided in this discussion and analysis and Enduris' financial statements or requests for additional information, should be addressed to:

Enduris  
Mark A. Kammers, Executive Director  
P. O. Box 19330 | Spokane WA 99219-9330  
509-838-0910 | 800-462-8418

COMPARATIVE BALANCE SHEET

August 31, 2009 and 2008

	2009*	2008
<strong>ASSETS</strong>		
Current Assets		
Cash and Cash Equivalents	\$ 12,888,966	\$ 9,797,497
Receivables:		
Member Contributions/Assessments	6,425,220	6,327,353
Accrued Copays/Deductible	229,042	96,071
Accrued Excess/Reinsurance	725,495	1,432,118
Prepaid Insurance	1,110,544	1,057,237
Total Current Assets	\$ 21,379,267	\$ 18,710,276
Non Current Assets		
Property and Equipment, net	\$ 27,071	\$ 22,450
Equity in GEM	1,211,572	1,117,715
Total Non Current Assets	\$ 1,238,643	\$ 1,140,165
<strong>TOTAL ASSETS</strong>	<strong>\$ 22,617,910</strong>	<strong>\$ 19,850,442</strong>
<strong>LIABILITIES &amp; NET ASSETS</strong>		
Current Liabilities		
Accounts Payable	\$ 67,933	\$ 26,322
Payroll/Payroll Taxes Payable	1,423	1,325
Accrued Vacation Payable	49,690	35,459
Unearned Member Contributions/Assessments	7,672,907	7,081,549
Claim Reserves:		
IBNR	4,500,038	4,069,680
Open Claims	1,764,430	2,015,838
Unallocated Loss Adjustment Expenses	425,000	\$ —
Total Current Liabilities	\$ 14,481,421	\$ 13,230,173
Non Current Liabilities		
Accrued Vacation Payable	\$ —	\$ 8,474
Total Non Current Liabilities	\$ —	\$ 8,474
Total Liabilities	\$ 14,481,421	\$ 13,238,648
Net Assets		
Invested in Capital Assets	\$ 27,071	\$ 22,450
Unrestricted	8,109,418	6,589,344
Total Net Assets	\$ 8,136,489	\$ 6,611,794
<strong>TOTAL NET ASSETS &amp; LIABILITIES</strong>	<strong>\$ 22,617,910</strong>	<strong>\$ 19,850,442</strong>

\*unaudited, subject to change



	2009*	2008
<b>OPERATING REVENUES:</b>		
Member Contributions/Assessments	\$ 7,309,997	\$ 6,598,087
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 7,309,997</b>	<b>\$ 6,598,087</b>
<b>OPERATING EXPENSES:</b>		
Incurring Loss and Allocated Loss Adjustment Expenses:		
Claims Paid, Net of Recoveries	\$ 1,947,873	\$ 2,441,889
Change in Liabilities for Unpaid Claims	178,950	913,254
Unallocated Loss Adjustment Expenses	425,000	—
Excess Insurance Premiums	1,794,387	1,653,625
Coverage Services:		
Brokerage Fee	50,000	50,000
Actuarial Services	38,550	28,000
General and Administrative	417,523	366,032
Contracted Services	244,337	270,950
Payroll Expense	1,072,668	976,531
Depreciation	17,894	22,177
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 6,187,182</b>	<b>\$ 6,722,457</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ 1,122,815</b>	<b>\$ (124,370)</b>
<b>NON OPERATING REVENUES (EXPENSES):</b>		
Interest and Investment Income	\$ 308,023	\$ 518,372
Change in Equity in GEM	93,857	136,193
<b>TOTAL NON OPERATING REVENUES and EXPENSES</b>	<b>\$ 401,880</b>	<b>\$ 654,565</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ 1,524,695</b>	<b>\$ 530,195</b>
<b>NET ASSETS, beginning of year September 1</b>	<b>\$ 6,611,794</b>	<b>\$ 6,081,599</b>
<b>NET ASSETS, end of year August 31</b>	<b>\$ 8,136,489</b>	<b>\$ 6,611,794</b>

\*unaudited, subject to change

Excellence is the gradual result of always striving to do better. Excellence is doing the little things right every day. Excellence is an attitude. Excellence is measurable. Excellence is Enduris!

Enduris measures excellence by member survey. Survey results are overwhelmingly positive. Members consistently use words like responsive, professional & knowledgeable when describing their experience.

Enduris measures excellence financially. Enduris has once again achieved certification for Excellence in Financial Reporting (CAFR) from the Government Finance Officers Association. Year over year results are favorable. Member Equity continues to grow. Actuarial confidence remains consistently high at a 96% rating.

Enduris measures excellence operationally. For 12 years running, Enduris has been recognized by the national Association of Government Risk Pools for Operational Excellence.

At Enduris we are proud of our record of achievement on behalf of members.

Lynwood Public Facilities District





*Rick Mockler: Chair  
Position #7  
Snohomish Regional Health Dist*



*Fernando Connil: Vice Chair  
Position #3  
Kitsap Regional Library*



*Bill Hardy: Secretary/Treasurer  
Position #4  
Timberlands Regional Support Network*



*Mark A. Kammers:  
Executive Director*



*Sheryl Brandt:  
Director of Claims  
& Risk Management*



*Scott Hanson:  
Director of Business  
Development*



*Rafaela Ortiz:  
Director of Administration  
& Human Resources*



*Vicki Carter: Director  
Position #2  
Spokane County Conservation Dist*



*Mark Havener: Director  
Position #1  
South Pend Oreille Fire & Rescue*



*Joseph Poirè: Director  
Position #5  
Port of Whitman County*



*Joanne Bisquera:  
Membership Services Coordinator*



*Suzanne Heath:  
Financial Services Coordinator*



*Alric Balka:  
Administrative Assistant*



*Cheryl Duryea:  
Enduris General Counsel*



*Mark A. Kammers:  
Enduris Executive Director*



*Sue M. Cronk:  
Administrative Assistant*



*Joy Jelsing:  
Executive Secretary*



*Kathy Johns:  
Administrative Assistant*



Membership with Enduris is about partnering with other special purpose districts to collectively share the burden of financial protection and risk management. Certainly it's more complex than that, but fundamentally it is local governments helping one another sustain their purpose. That's what Enduris is about.

Hundreds of members spread across every county of the state spread their risk exposure and drive the success of this program. Member commitment and ownership combined with dedicated employees has resulted in a membership program that excels at its mission.

We would like to sincerely thank all members and employees for their partnership, their participation and their commitment to making your organization shine.

Thank you!



As a member owned organization, we take our mission seriously. Provide financial protection, broad coverage and risk management services responsive to members' needs.

We consistently provide services that set us apart from other more traditional insurance providers.

Some services members enjoy...

- Pre-Claim Defense Program
- Employment Practices Legal Consultations
- Contract Reviews
- Risk Management Consultation
- Local Claims Handling/Decisions
- Upgrade to Green Program
- Appraisal Services
- Training workshops
- On-line training courses
- Customized training opportunities
- Governing Board elections
- Regular opportunity for input





*Enduris*

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