



WASHINGTON SCHOOLS
RISK MANAGEMENT POOL

ANNUAL REPORT

2022-2023

Safe Successful Schools

OUR MISSION


The Washington Schools Risk Management Pool exists in partnership with its members to provide their staff and student communities a safe and protected educational environment, while protecting member financial resources.

Established	1986
WSRMP Members	90
Total Insured Value	\$24,877,126,894
Student FTE	538,641
Employee FTE	63,007
District-Owned Buses	4,402
Vehicles (non-bus)	3,153
Number of New Claims Handled	1,689

OUR VISION

Our vision is a safe, secure, and well protected learning environment in every member school district.

TABLE OF CONTENTS



Letter to the Membership.....	4
About WSRMP.....	5
Executive Board.....	6
Financials.....	7
Members.....	10
Service Providers.....	11
WSRMP Staff.....	12

LETTER TO THE MEMBERSHIP

Dear Member,

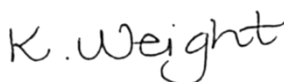
We are proud of the Washington Schools Risk Management Pool's financial stability and the opportunity to serve our member districts. The well-being and continued positive outlook for WSRMP is due to the ongoing diligence and perseverance of our members with regard to limiting losses and embracing prevention training. Because of this level of commitment and attention to detail in the daily operations of our districts, WSRMP meets or exceeds the levels required by the State of Washington Risk Manager.

In a state where there are no tort limits and strict liability is the law, these results are outstanding. The very challenging insurance market, with unprecedented property losses and liability claims, is the current reality, and WSRMP is committed to navigate these challenges and support our districts. As reinsurance carriers continue to limit their exposure to extensive losses, they are very particular about the entities with whom they choose to work. In some cases, reinsurers are choosing to exit particular insurance markets altogether. Because of the careful stewardship of the Board and highly experienced leadership and staff at WSRMP, our reinsurance carriers consider us a stable entity that operates on exceptionally solid footing.

The Executive Board continues to research and investigate options to provide stability for your future coverage contributions. WSRMP also offers several "value added" coverages and services to our membership at no additional charge: Vector Solutions (formerly SafeSchools), pre-loss legal review, COVID legal review, investigation coverage, cyber coverage, the Zywave (formerly Enquiron) cyber and HR platform, active assailant coverage, contract review, construction insurance, onsite and regionalized trainings, onsite inspections and appraisals, grants, and scholarships. These are just some of the benefits our members receive. Every one of our programs is designed to increase safety, reduce exposure and loss, and reduce your expenditures.

We value your partnership and are grateful for your dedication to ensuring safe learning environments for the students we serve. On behalf of the Executive Board and WSRMP staff, thank you for your trust and membership.

Very best wishes,



Dr. Kathi Weight
WSRMP Board Chair



Deborah Callahan
Executive Director

ABOUT WSRMP

As a member-owned, member-governed, and member-driven risk pool for Washington state public school districts, Washington Schools Risk Management Pool (WSRMP) identifies and prepares for current and future risks to the K-12 community. With that purpose, WSRMP partners with our members to create safe educational environments.

WSRMP seeks to be on the leading edge of issues that impact schools to achieve this purpose. In addition to serving on relevant state and local committees and sponsoring educational organizations, WSRMP also works with legislators, the Governor, and the Office of Superintendent of Public Instruction to protect the financial and educational interests of Washington school districts.

WSRMP continues to build an inclusive culture where the diverse voices of our employees and members inform equitable practices, and differences are valued and celebrated. We are committed to actions that create and foster a culture of inclusion in our operations, governance, communications, services, and professional development. WSRMP embraces a diverse governing body that values cultural responsiveness and seeks to reflect the communities we serve while valuing varied experiences and backgrounds.

Our members, as our owners, have a voice in the decisions and direction of the Pool. We protect them from the myriad of events that threaten to distract educators from their primary function – that of educating and preparing students to function positively in our increasingly complicated society.

EXECUTIVE BOARD



Dr. Kathi Weight
Board Chair
Position #6
Medium District: Steilacoom



Craig Numata
Position #9
Large District: Spokane



Dr. Jo Moccia
Vice Chair
Position #1
Small District: South Whidbey



Marnie Allen
Position #10 Inter-local
Cooperative: ESD 112



John Hannah
Position #2
Small District: Morton



Gavin Hottman
Ex-Officio
ESD 112



José Domenech
Position #3
Small District: San Juan Island



Kassidy Probert
Ex-Officio
NEWESD 101



Dr. Erin Murphy
Position #4
Medium District: Bainbridge Island



Nicole Roel
Ex-Officio
Olympic ESD 114



Dr. James Everett
Position #5
Medium District: Meridian



Joli Valentino
Ex-Officio
PSESD 121



Krestin Bahr
Position #7
Large District: Peninsula



Michelle Dearlove
Ex-Officio
ESD 123



Lydia Sellie
Position #8
Large District: Edmonds



Lisa Matthews
Ex-Officio
Northwest ESD 189



Diana Reaume
Emeritus
Medium District: Quillayute
Valley

FINANCIALS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Washington Schools Risk Management Pool ("WSRMP") is an interlocal cooperative established to provide its members a lower cost, shared risk pooling mechanism to purchase property/liability protection in lieu of independently purchasing higher cost commercial insurance. The interlocal cooperative provides a wide range of risk management services to its members to minimize and control the impact of claims. The membership in the Pool on August 31, 2023, consisted of 78 school districts, 6 educational service districts, and 5 interlocal cooperatives.

FINANCIAL HIGHLIGHTS

- Total Assets \$121M, majority are cash and investments
- Total Liabilities \$105M
- Net Position \$16.4M

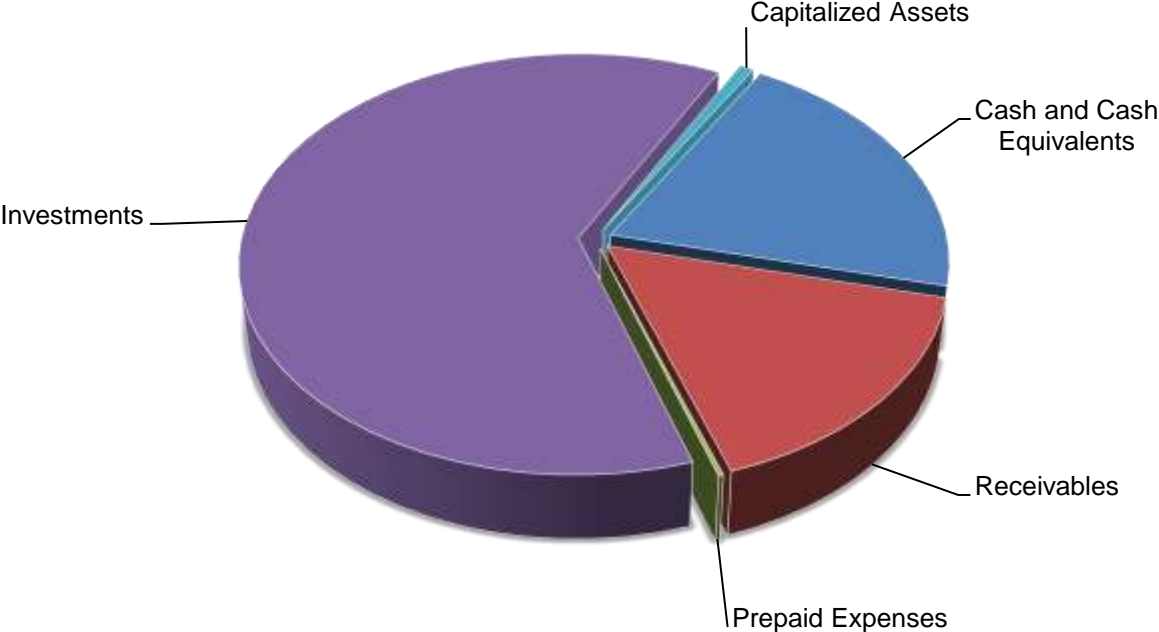
FINANCIAL STATEMENTS

Condensed Statement of Net Position As of August 31:

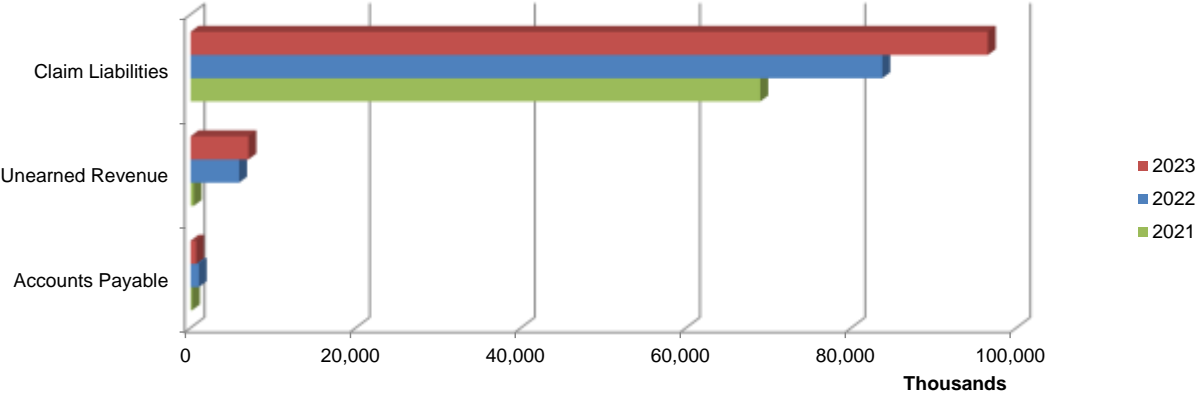
	<u>2023</u>	<u>2022</u>	<u>% Change 2022-2023</u>	<u>2021</u>	<u>% Change 2021-2022</u>
ASSETS					
Current and Other Assets	\$ 120,369,935	\$ 106,246,160	13.29%	\$ 85,685,754	24.00%
Long-term Receivables	-	-	-	7,095,512	
Right-to Use Lease Asset	520,812	\$ 699,376	-25.53%	-	
Subscription IT Asset	230,814	-			
Capital Assets	174,202	78,571	121.71%	143,375	-45.20%
Total Assets	121,295,763	107,024,107	13.33%	92,924,641	15.17%
Deferred Outflows	770,303	602,976	0.00%	-	0.00%
LIABILITIES					
Claim Liabilities	96,535,100	83,757,252	15.26%	68,979,446	21.42%
Pension Liabilities	284,677	201,432	41.33%	-	
Other Liabilities	8,411,695	7,540,466	11.55%	531,535	1318.62%
Total Liabilities	105,231,472	91,499,150	15.01%	69,510,981	31.63%
Deferred Inflows	422,044	542,756	0.00%	-	0.00%
NET POSITION					
Invested in Capital Assets	174,202	78,571	121.71%	143,375	-45.20%
Unrestricted	16,238,348	15,506,606	4.72%	23,270,285	-33.36%
Total Net Position	\$ 16,412,550	\$ 15,585,177	5.31%	\$ 23,413,660	-33.44%

FINANCIALS

Total Assets



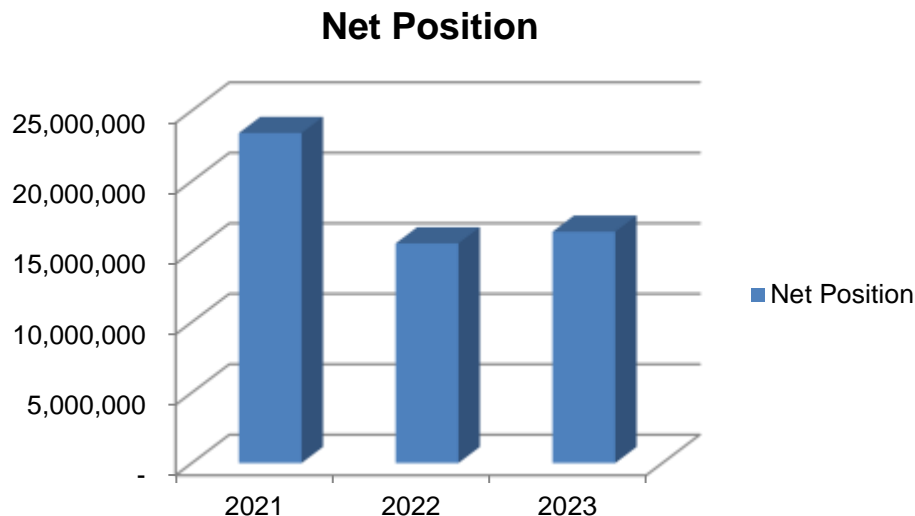
Total Liabilities



FINANCIALS

Net Position

As of August 31, 2023, the Pool's Net Position was \$16.4M.



During the year, operating revenues were \$93.8 million which is an increase of \$14.6 million from prior year. This increase was due to the contribution increase budgeted. After subtracting expenses and claims estimates, the pool ended the year with an increase to net position of \$820 thousand.

Condensed Statement of Revenues, Expenses and Changes in Net Position as of August 31:

	<u>2023</u>	<u>2022</u>	<u>% Change 2022-2023</u>	<u>2021</u>	<u>% Change 2021-2022</u>
REVENUES					
Member Contributions	\$ 91,373,017	\$ 81,678,017	11.87%	\$ 66,553,268	22.73%
Misc Revenue	-	27,450		-	0.00%
Gain/ (Loss) on Disposal of Capital As	7,500	275	0.00%	(224,433)	0.00%
Investment Income	2,436,023	(2,516,359)	-196.81%	229,326	-1197.28%
Total Revenues	<u>93,816,540</u>	<u>79,189,383</u>	<u>18.47%</u>	<u>66,558,161</u>	<u>18.98%</u>
EXPENSES					
Claims Expense	47,383,539	51,664,508	-8.29%	39,043,116	32.33%
Excess Insurance and Reinsurance	34,949,024	25,701,878	35.98%	20,545,416	25.10%
Operations Expense	10,218,082	9,446,542	8.17%	8,036,187	17.55%
Depreciation and Amortization Expens	446,373	242,730	83.90%	118,953	104.06%
Total Expenses	<u>92,997,018</u>	<u>87,055,658</u>	<u>6.82%</u>	<u>67,743,672</u>	<u>28.51%</u>
CHANGE IN NET POSITION					
	<u>819,521</u>	<u>(7,866,275)</u>	<u>-110.42%</u>	<u>(1,185,511)</u>	<u>563.53%</u>
Beginning Net Position	15,585,177	23,413,660	-33.44%	24,599,171	-4.82%
GASB change in acctg.	7,852	37,792			
Beginning Net Position - Restated	15,593,029	23,451,452			
Ending Net Position	<u>\$ 16,412,550</u>	<u>\$ 15,585,177</u>	<u>5.31%</u>	<u>\$ 23,413,660</u>	<u>-33.44%</u>

MEMBERS

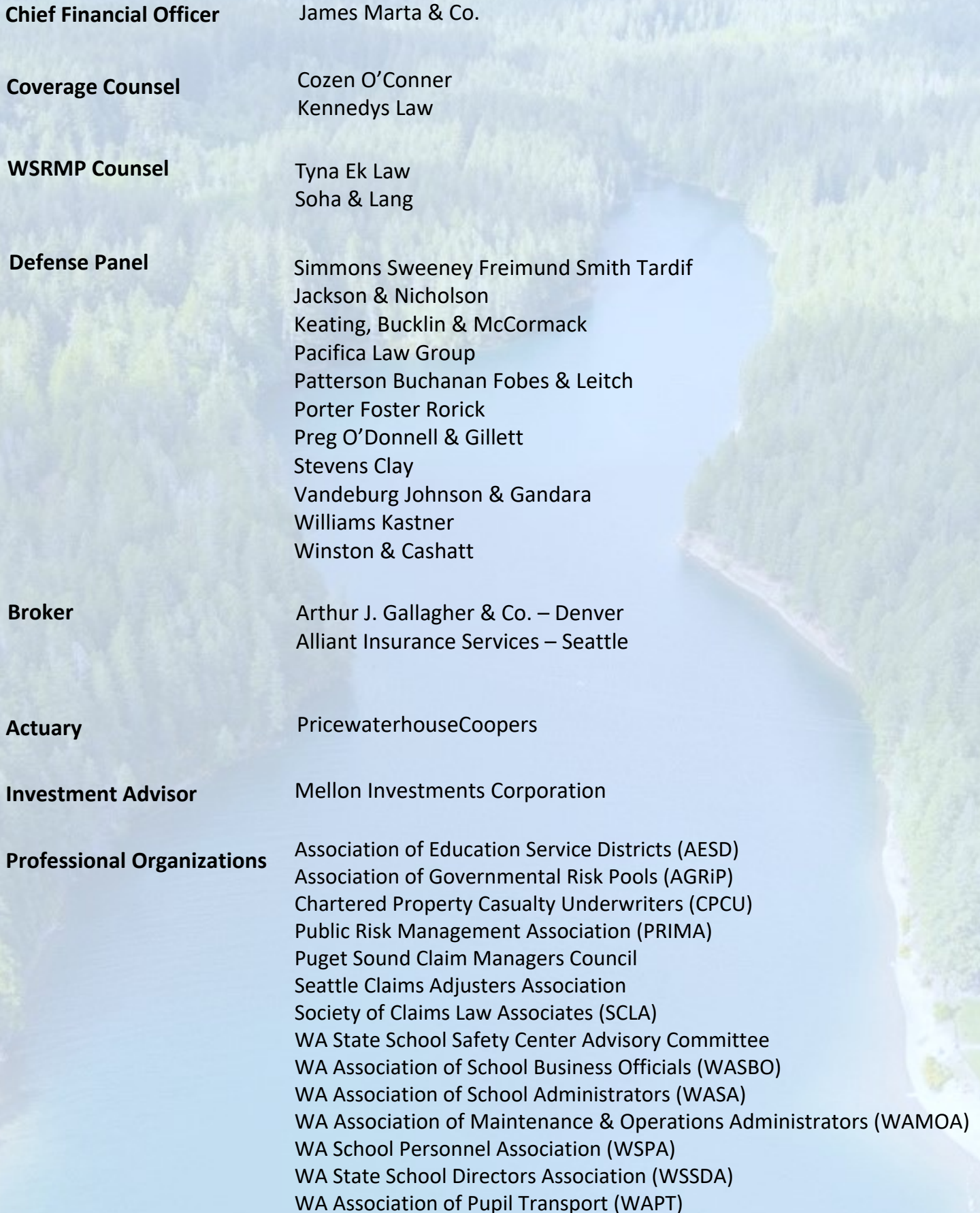
Anacortes School District
Arlington Public Schools
Auburn School District
Bainbridge Island School District
Blaine School District
Brinnon School District
Burlington-Edison School District
Cape Flattery School District
Carbonado Historical School District
Chimacum School District
Cle Elum-Roslyn School District
Clover Park School District
Concrete School District
Conway School District
Coupeville School District
Crescent School District
Darrington School District
Dieringer School District
Eastmont School District
Eatonville School District
Edmonds School District
Enumclaw School District
Everett Public Schools
Federal Way Public Schools
Fife Public Schools
Franklin Pierce Schools
Granite Falls School District
Index School District
Issaquah School District
La Conner School District
Lake Stevens School District
Lake Washington School District
Lopez Island School District
Lynden School District
Marysville School District
Mercer Island School District
Meridian School District
Monroe School District
Morton School District
Mount Baker School District
Mount Vernon School District
Mukilteo School District
Nooksack Valley School District
North Kitsap School District

Northshore School District
Oak Harbor School District
Orcas Island School District
Orting School District
Pasco School District
Peninsula School District
Port Angeles School District
Port Townsend School District
Puyallup School District
Queets-Clearwater School District
Quilcene School District
Quillayute Valley School District
Riverview School District
San Juan Island School District
Seattle Public Schools
Sedro-Woolley School District
Sequim School District
Shaw Island School District
Shoreline School District
Skykomish School District
South Kitsap School District
South Whidbey School District
Spokane Public Schools
Stanwood-Camano School District
Steilacoom Historical School District
Sultan School District
Sumner-Bonney Lake School District
Tacoma Public Schools
Tahoma School District
Thorp School District
Tukwila School District
University Place School District
Vashon Island School District
White River School District

ESDs and Interlocals

ESD 123 and Southeast WCT
NorthEast ESD 101 and Northeast Washington WCC
Northwest ESD 189 and Northwest Washington
WCT Olympic ESD 114 and OESD WCT
Puget Sound ESD 121 and Puget Sound WCT
SW Washington Risk Management Insurance
Cooperative (SWRMIC)

SERVICE PROVIDERS



Chief Financial Officer	James Marta & Co.
Coverage Counsel	Cozen O’Conner Kennedys Law
WSRMP Counsel	Tyna Ek Law Soha & Lang
Defense Panel	Simmons Sweeney Freimund Smith Tardif Jackson & Nicholson Keating, Bucklin & McCormack Pacifica Law Group Patterson Buchanan Fobes & Leitch Porter Foster Rorick Preg O’Donnell & Gillett Stevens Clay Vandeburg Johnson & Gandara Williams Kastner Winston & Cashatt
Broker	Arthur J. Gallagher & Co. – Denver Alliant Insurance Services – Seattle
Actuary	PricewaterhouseCoopers
Investment Advisor	Mellon Investments Corporation
Professional Organizations	Association of Education Service Districts (AESD) Association of Governmental Risk Pools (AGRIP) Chartered Property Casualty Underwriters (CPCU) Public Risk Management Association (PRIMA) Puget Sound Claim Managers Council Seattle Claims Adjusters Association Society of Claims Law Associates (SCLA) WA State School Safety Center Advisory Committee WA Association of School Business Officials (WASBO) WA Association of School Administrators (WASA) WA Association of Maintenance & Operations Administrators (WAMOA) WA School Personnel Association (WSPA) WA State School Directors Association (WSSDA) WA Association of Pupil Transport (WAPT)

WSRMP STAFF

EXECUTIVE

Deborah Callahan
Executive Director

Dana Grandey
Deputy Executive Director

Amber Garriott
Deputy Executive Director

Anne Cox
Executive Assistant

UNDERWRITING

Ty Goare
Underwriting Manager

Helen Rogers-Rutherford
Senior Underwriting Consultant

Justin Harvey
Underwriting Consultant

FINANCE AND HUMAN RESOURCES

Suzanne Bissett
Director of Finance & Administration

Joan Tapia-Beeman
Sr. Accounting Consultant

Cleo Monroe
Sr. Accounting & Administration Consultant

Tabitha Sullivan
Finance & Administrative Coordinator

MEMBER SERVICES

Bill Yee
Member Services Consultant

Colette Guion
Sr. Member Services Coordinator

Jordan Strickland
Member Services Coordinator

CLAIMS SERVICES

Iesha Ki' Kidd
Director of Claims and Litigation

Christopher Williams
Manager of Claims and Legal Affairs

Sharon Sampson
Sr. Claims Consultant

Seema Pandey
Sr. Claims Consultant

INFORMATION SERVICES

Kenneth Curtis
IT/IS Manager

George Becker
Sr. Information Systems Consultant

Sue Peterson
Claims Consultant

Ingrid Carson
Claims Consultant

Julie Hardersen
Claims Consultant

Holly Morgenthaler
Claims Consultant

Naomi Zier
Sr. Claims Coordinator

RISK SERVICES

Alix Diaz
Manager of Risk Services

Wendy Stephens
Sr. Risk Services Consultant

Lucas Nolta
Risk Services Consultant

Kirsten Kyllingmark
Risk Services Consultant

Tonia Proctor
Risk Services Consultant

Tyon Paul
Risk Services Consultant

Olena Martz
Sr. Risk Services Coordinator

Safe Successful Schools



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