

20 ANNUAL
24 REPORT

| **A SOLID**

FOUNDATION



WA  cities

Insurance Authority

A MESSAGE FROM WCIA LEADERSHIP

BUILDING ON A SOLID FOUNDATION OF FINANCIAL STRENGTH AND MEMBER TRUST

As we reflect on 2024, we are proud to share that WCIA continues to build upon a solid foundation—one defined by strong financial performance, operational excellence, and unwavering member trust.

This past year, our total assets grew to over \$230 million, fueled by smart financial stewardship and a focus on liquidity and long-term investments. Our net position increased by more than \$23 million, reinforcing the strength and resilience of our financial base. These results not only reflect strategic growth, but also ensure we are well-positioned to meet future challenges with confidence.

Operationally, 2024 marked the 29th year of the membership's COMPACT to adhere to risk management reviews and audits along with attending mandatory trainings. The Pre Defense Review Program along with Risk Management Consultations experienced record usage to prevent and reduce loss exposures. Over \$71 million was spent on claims and lawsuits on behalf of the membership with eight claims being settled in amounts over \$1 million.

But beyond the numbers, what truly defines WCIA is our commitment to public service and partnership. Since our founding in 1981, our purpose has remained steady: to provide comprehensive protection tailored to the evolving needs of our members. From general and police liability to cyber and environmental coverage, we continue to adapt and innovate to protect Washington's municipalities.

This year's achievements are not just financial—they are foundational. They reflect the trust placed in us by our members, the strength of our governance, and the diligence of our staff. Together, we are not only safeguarding today—we are building for tomorrow.

With sincere appreciation for your continued partnership,

Ann Bennett
Executive Director

Paul Ellis
Executive Committee President
City Administrator, City of Arlington



Ann Bennett



Paul Ellis

WHO WE ARE

WCIA will take a leadership role to provide professional risk management and stable risk financing programs that respond to members' needs.

Since 1981, Washington Cities Insurance Authority has empowered, protected, defended, and restored municipal entities across Washington State. By being a member-driven organization with a strong financial foundation, as well as offering innovative education programs, WCIA helps reduce the risks its members face, while increasing their security and savings.

WCIA offers generous coverage and stable rates, with a member-run board and committees, to ensure that each member has a voice in decisions. WCIA helps to minimize risks for its members, so they can focus on maintaining outstanding communities.





OUR MEMBERS

Aberdeen • Anacortes • Arlington • Auburn • Bainbridge Island • Battle Ground • Benton City • Bonney Lake • Bothell • Bremerton • Brewster • Brier • Burien • Burlington • Camas • Cashmere • Centralia • Chehalis • Chelan • Cheney • Clark Regional Emergency Services Agency • Clarkston • Cle Elum • Clyde Hill • College Place • Coupeville • Covington • Cowlitz 911 • Cowlitz-Wahkiakum Council of Governments • Des Moines • Des Moines Pool Metropolitan Park District • Duvall • Eastside Public Safety Communications Agency • eCity Gov Alliance • Edgewood • Edmonds • Ellensburg • Elma • Enumclaw • Everson • Federal Way • Ferndale • Fife • George • Goldendale • Grandview • Grays Harbor Communications Center 911 • Hoquiam • Issaquah • Jefferson County 911 • Kelso • Kenmore • Kennewick • Kirkland • Kitsap 911 • La Conner • Lacey • Lake Forest Park • Lake Stevens • Lake Stevens Sewer District • Lakewood • Leavenworth • Liberty Lake • Long Beach • Longview • LOTT Clean Water Alliance • Lynden • Lynnwood • Mabton • Maple Valley • Marysville Fire District • Mason County Emergency Communications • Mattawa • McCleary • Medical Lake • Medina • Mercer Island • Metropolitan Park District of Tacoma • Mill Creek • Millwood • Milton • Monroe • Monroe Transportation Benefit District • Moses Lake • Mount Vernon • Mountlake Terrace • Mukilteo • Multi Agency Communications Center • Newcastle • NORCOM • Normandy Park • Normandy Park Metropolitan Park District • North Bonneville • Northshore Park and Recreation Service Area • Northshore Utility District • Oak Harbor • Ocean Shores • Olympia • Olympia Metropolitan Park District • Olympic View Water and Sewer District • Orting • Othello • Pasco • Port Angeles • Port Townsend • Poulsbo • Pullman • Pullman Metropolitan Park District • Pullman-Moscow Regional Airport Board • Puyallup • Regional Crisis Response Agency • Richland • Ridgefield • Royal City • Sammamish • Seattle Southside Regional Tourism Authority • Selah • Sequim • Shelton • Shelton Metropolitan Park District • Shoreline • Silver Lake Water & Sewer District • Skagit 911 • Skagit Council of Governments • Snohomish • Snohomish County 911 • Snohomish Regional Fire and Rescue • Snoqualmie • Soap Lake • South Correctional Entity • South Sound 911 • Spokane Regional Emergency Communications • Spokane Valley • Stanwood • Steilacoom • Stevenson • Sumas • Sumner • Sunnyside • Three Rivers Regional Wastewater Authority • Thurston 911 Communications • Thurston Public Utility District • Thurston Regional Planning Council • Toppenish • Tukwila • Tukwila Pool Metropolitan Park District • Tumwater • Tumwater Metropolitan Park District • Union Gap • University Place • Valley Communications Center • Valley Regional Fire Authority • Walla Walla • Walla Walla Metropolitan Planning Organization • Warden • Washington Multi-City Business License & Tax Portal Agency • Washougal • Water Operating Board • Wenatchee • West Richland • Westport • WHITCOM 911 • William Shore Memorial Pool District • Woodinville • Woodway • Yakima Valley Conference of Governments • Yarrow Point • Zillah





2024 BY THE NUMBERS

CLAIMS LITIGATION

Claim and lawsuit payments: **\$63,801,283**

Recovered by WCIA from parties responsible for losses caused to member owned property: **\$1,277,847**

Number of new claims and lawsuits: **2,119**



RISK MANAGEMENT

Risk reduction grants paid to members: **\$175,000**

Pre-defense reviews and risk management legal consultations provided: **322**

Traditional risk management audits of member exposures in personnel, special events, fleet, homelessness, and police liability: **132**

Targeted risk management reviews of member programs, policies and procedures: **25**

TRAINING

WCIA produced trainings offered: **88**

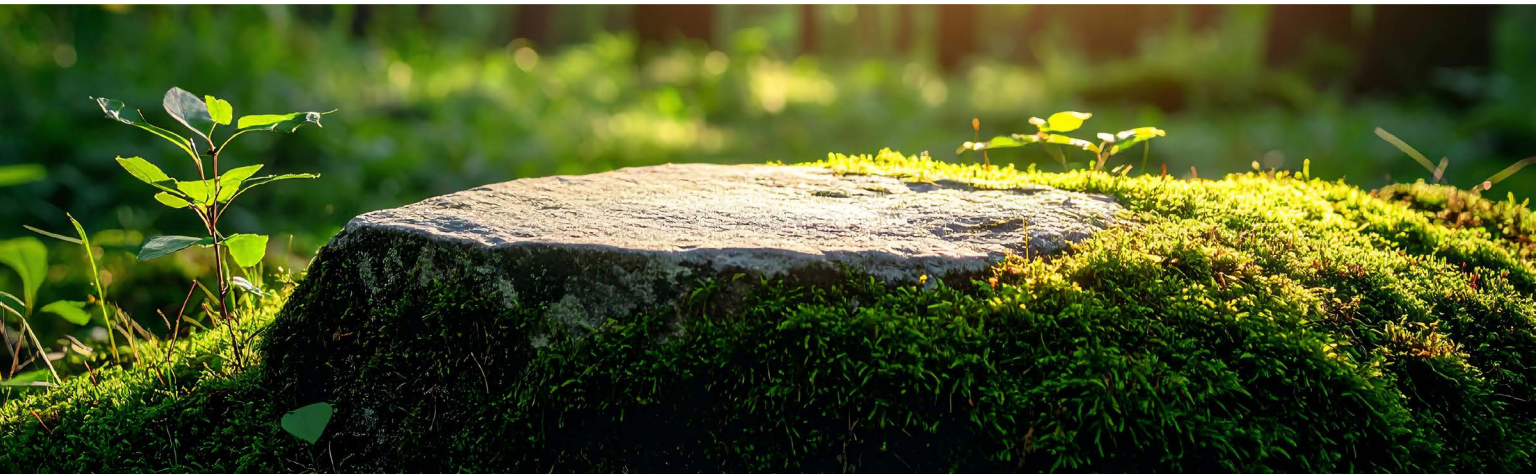
Requests for educational and accreditation reimbursements paid to members: **669**

Participants in trainings: **15,066**

Member employees who are WCIA risk management credentialed: **62**



INSURANCE PROGRAMS | Number of members: 168





WCIA SUB-COMMITTEES

A delegate from each member is represented on the WCIA Board of Directors. The Board of Directors elects the President, Vice President and members of the Executive Committee. The Executive Committee sets the general operational direction for the organization.

Annually, WCIA asks for volunteers from the Board of Directors to participate on seven sub-committees. Each committee includes a liaison from the Executive Committee. The sub-committees are designed to improve operation in various areas of pool business. By encouraging member involvement with operating decisions and financial strategies, WCIA is evolving through its members. The sub-committees are as follows:

Audit Committee: Performs an in-house financial audit oversight function by annually reviewing elements of the Comprehensive Risk Financing Plan, State Accountability Audit, Assessment formula purpose and effect, investment strategy and effect, and annual financial report accuracy.

Budget Committee: Reviews revenue and expenditure budget elements, actuarial confidence level, loss projections and funding, assessment formula elements and member assessment recommendations; recommends administrative and operations budgets to Executive Committee.

Investment Committee: Develops policy and annually reviews investment goals, strategies, portfolio development and apportionment by vendor; reviews third party investment firm's performance and transactions; recommends vendor contract renewal and policy changes to Executive Committee.

Legislative Committee: Reviews, identifies, and monitors legislative matters that could impact liability exposures for the membership; and makes recommendations for advocacy and strategy to address legislators.

Long-Range Planning Committee: Employs visioning and strategic planning in areas of membership types and growth, COMPACT multi-year direction, creation of membership procedures such as the Member Action Plan (MAP) and other strategic plans; makes recommendations to Executive Committee.

Risk Management Committee: Reviews and explores risk management issues pertinent to the membership; creates and monitors user-friendly generic risk guidelines for specific and evolving municipal activities; and makes recommendations for training programs related to risk management.

Risk Reduction Grant Committee: Reviews and awards risk management grants to members in amounts not to exceed the total amount budgeted for this purpose in the annual approved operating budget of WCIA and consistent with the written guidelines for risk management grant applications and awards approved by the Executive Committee.



STATEMENT OF NET POSITION

As of December 31, 2024 and 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current Assets

Cash and Cash Equivalents	\$77,049,819	\$40,243,802
Accrued Interest	1,084,686	753,729
Investments	143,228,061	141,803,859
Accounts Receivable	244,920	26,722
Leases Receivable	157,314	139,664
Prepaid Expenses	799,224	404,612
TOTAL CURRENT ASSETS	\$222,564,024	\$183,372,388

Noncurrent Assets

Investment in GEM	\$2,862,288	2,964,655
Leases Receivable	490,358	647,672
Net Pension Asset	639,568	816,786
Subscription Asset - Software	215,495	474,071
Capital Assets	7,144,580	7,144,580
Accumulated Depreciation	(3,313,306)	(3,161,584)
TOTAL NONCURRENT ASSETS	\$8,038,983	\$8,886,180

TOTAL ASSETS

\$230,603,007 **\$192,258,568**

Deferred Outflows of Resources - Pension

\$923,494 \$689,587

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

\$231,526,501 **\$192,948,155**

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

Current Liabilities

Accounts Payable & Accrued Expenses	\$2,040,291	\$2,179,104
Payroll Liabilities	51,024	54,672
Compensated Absences	215,670	195,662
Deposits Payable	173,890	173,890
Subscription Liability - Software	-	258,075
Property & Vehicle Claims Reserve	6,846,352	2,468,043
Claim Reserves		
IBNR	9,785,069	13,289,172
Open Claims (Case Reserves)	25,664,307	28,602,575
Unallocated Loss Adjustment Expenses	704,000	924,000
TOTAL CURRENT LIABILITIES	\$45,480,603	\$48,145,193

Noncurrent Liabilities

Compensated Absences	\$125,685	\$106,027
Net Pension Liability	269,386	352,248
Subscription Liability - Software	-	-
Claim Reserves		
IBNR	34,692,518	34,172,157
Open Claims (Case Reserves)	90,991,632	73,549,478
Unallocated Loss Adjustment Expenses	2,496,000	2,376,000
TOTAL NONCURRENT LIABILITIES	\$128,575,221	\$110,555,910

TOTAL LIABILITIES

\$174,055,824 **\$158,701,103**

Deferred Inflows of Resources - Pension

\$259,685 \$438,647

Deferred Inflows of Resources - Leases

552,721 703,972

TOTAL DEFERRED INFLOWS OF RESOURCES

\$812,406 \$1,142,619

NET POSITION

Investment in Capital Assets	\$3,831,274	\$3,982,996
Unrestricted	52,826,997	29,121,437
TOTAL NET POSITION	\$56,658,271	\$33,104,433

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

\$231,526,501 **\$192,948,155**

*Unaudited – subject to change

STATEMENT OF REVENUES, EXPENSES & CHANGES IN FUND NET POSITION

As of December 31, 2024 and 2023

OPERATING REVENUES

	2024*	2023
Member Assessments - Liability	\$86,501,577	\$66,603,196
Member Assessments - Property	41,350,504	29,502,191
Member Assessments - Fidelity	131,675	128,075
Building Revenue	145,347	151,251
Seminar Revenues	840	9,990
Total Operating Revenues	\$128,129,943	\$96,394,703

Operating Expenses

Loss & Loss Adjustment Expenses	\$70,726,719	\$38,313,631
Insurance - Members	36,224,300	29,540,454
Salaries and Wages	3,275,928	3,051,290
Personnel Benefits	763,658	586,396
Professional Services		
Claims Adjusting	349,544	306,456
Pre-Defense Review	699,940	699,994
Consultants	292,238	232,051
Legal	38,354	37,860
Actuarial	102,300	54,600
Audit	25,513	29,271
Financial Services	40,756	38,931
Risk Management Audit	11,720	7,325
Transportation	105,930	94,434
Printing	739	1,013
Communications	24,988	21,978
Supplies	43,313	33,501
Dues and Conferences	33,591	46,818
Retreat/Board Meetings	28,834	19,791
Depreciation	151,722	153,791
Miscellaneous	18,672	9,273
Risk Grant Reduction	174,173	171,596
Building Expenses	319,236	245,481
Software License Fees	419,842	304,408
Seminars and Training	1,009,428	917,552
Total Operating Expenses	\$114,881,438	\$74,917,895

Operating Income (Loss)	\$13,248,505	\$21,476,808
Non-Operating Revenue (Expense)		
Interest Income	13,205,366	10,789,268
Net Increase (Decrease) in the Fair Value of Investments	(2,782,528)	(1,300,321)
Income (Loss) from Investment in GEM	(102,367)	154,036
Interest Expense	(15,138)	(28,756)

Total Non-Operating Revenue	\$10,305,333	\$9,614,227
Change in Net Position	\$23,553,838	\$31,091,035
Net Position - January 1	\$33,104,433	\$2,013,398

NET POSITION AS OF DECEMBER 31	\$56,658,271	\$33,104,433
---------------------------------------	---------------------	---------------------

*Unaudited – subject to change



EXECUTIVE COMMITTEE MEMBERS

Paul Ellis
City of Arlington
President

Wade Farris
City of Chelan
Vice President

Paul Loveless
Town of Steilacoom

Kristina Nelson-Gross
City of Sequim

Angela Pashon
City of Pasco

Jenna Richardson
Metropolitan Park
District of Tacoma

Christine Scotton
Northshore Parks and
Recreation Service Area

Chris Searcy
City of Enumclaw

Debbie Sullivan
City of Olympia



Executive Committee, from L-R: Jenna Richardson, Christine Scotton, Angela Pashon, Wade Farris, Paul Loveless, Paul Ellis, Chris Searcy. Not pictured: Kristina Nelson-Gross and Debbie Sullivan.

STAFF

Administration

Ann Bennett
Executive Director

Rob Roscoe
Deputy Director

Jared Burbidge
Finance & Administrative
Services Manager

Tiffany Woods
Programs & Information
Technology Coordinator

Peter Kang
IT Administrator

Michele Neumann
Administrative Services
Assistant

Kellyn Popp
Accountant II

Jennifer Lawson
Office Assistant/Receptionist

Kristen Hall
Office Assistant

Member Services

Patti Crane
Member Services Manager

Maria Orozco
Member Services
Coordinator

Risk Management

Robin Aronson
Risk Services Manager

Kim Dennis
Senior Risk Management Rep

Carlene Brown
Senior Risk Management Rep

Drew Brien
Senior Risk Management Rep

Farah Derosier
Senior Risk Management Rep

Claims

Harlan Stientjes
Claims Manager

Tiffany Ambrose
Senior Claims Adjuster

Jessica Dedman
Senior Claims Adjuster

Sierra Wright
Claims Representative

Jennifer Valencia
Claims Representative

Kayla Countryman
Claims Adjuster

CONTRACTED SERVICE VENDORS

Baber & Mason, CPAs
Accountant

PricewaterhouseCoopers
(PwC)
Actuary

Sedgwick Claims
Management Services, Inc.
Claims Services

Keating, Bucklin &
McCormack Inc., P.S.
General Counsel

Aon Risk Insurance Services
West, Inc.
Insurance Broker

Lisa Thatcher, Inc.
Lobbyist

Washington Cities Insurance Authority (WCIA) is a municipal organization of Washington public entities that join together for the purpose of providing liability and property financial protection to its members.

MISSION

WCIA will take a leadership role to provide professional risk management and stable risk financing programs that respond to members' needs.

CORE VALUES

Responsiveness, Integrity,
Stewardship, Courage

