

WASHINGTON MATERIALS MANAGEMENT AND FINANCING AUTHORITY

Minutes Regular Meeting of the Board of Directors January 19, 2012

The Board of Directors (“Board”) of the Washington Materials Management and Financing Authority (the “Authority”) held a regular meeting at 9:30 a.m. pacific time on Thursday, January 19, 2012 via conference call in, due to icy road conditions in the Seattle area.

Directors Present:

Gregg Chason, P & F USA, Inc.
Erik Stromquist, CTL
Mary Jacques, Lenovo
Dan Phillips, 4th Dimension Computers and Technology
Meggan Ehret, Thomson, Inc
Mike Watson, Dell
Nick Ammann, Apple
Ken Lowe, VIZIO
Mike Moss, Samsung

Also Present Were:

John Friedrick, WMMFA Executive Director

Directors Absent:

Susan St. Germain, Dept. of Community, Trade & Economic Development
Chipper Hervieux, Department of Ecology
Mark Dabek, RE-PC

1. **Call to Order.**

Gregg Chason called the meeting to order at 9:35am

2. **Approve minutes of the: November 17, 2011 regular meeting of the Board**

On a motion by Mary Jacques, seconded by Dan Phillips, the minutes of the November 17th, 2011 regular meeting of the Board were approved unanimously. (Meggan Ehret not yet present)

3. **Report on January - December (annual) 2011 financial results**

John Friedrick advised that pounds and expenses YTD were up approximately 7% with most of the increase taking place in the 3rd and 4th quarters to date. Additional collectors, successful outreach, and mild weather in the NW were cited as reasons for the pounds and expense increase. Cost per pound was approximately the same 2010 to 2011 YTD.

4. **2012 Q2 proposed budget request and annual projections**

The Executive Director referred to the document *proposed financial budget with annual projections summary* provided to all Board members as an agenda attachment. General discussion as to reserve requirements and volume expectations for 2012 were held among Board members and the Executive Director.

After the discussions:

On a motion by Mary Jacques, seconded by Nick Ammann, the 2nd quarter budget for 2012 was approved unanimously by all Board members present with the exception of Meggan Ehret that was not yet present.

5. **WMMFA Board member nominees and selection for 2012: vote**

All of the incumbents currently holding the positions listed below chose to be nominees for the plan year 2012. There were no other nominees for these positions.

Chairperson:	Mary Jacques - Lenovo
Vice Chairperson:	Mike Watson - Dell
Secretary:	Gregg Chason - P&F USA Inc.
Treasurer:	Meggan Ehret - Thomson Inc.
Member at Large:	Nick Ammann - Apple

On a motion by Mike Watson, seconded by Gregg Chason, Mary Jacques was elected as WMMFA Chairperson by a vote of 8-0. On a motion by Mary Jacques, seconded by Dan Phillips, Mike Watson was elected as the Vice Chairperson by a vote of 8-0. On a motion by Mary Jacques, seconded by Mike Watson, Gregg Chason was elected as Secretary by a vote of 8-0. On a motion by Mary Jacques, seconded by Mike Watson, Meggan Ehret was elected as Treasurer by a vote of 8-0. On a motion by Dan Phillips, seconded by Gregg Chason, Nick Ammann was elected as Member at Large by a vote of 8-0.

6. Executive Director performance, contract edit or renewal: vote

There were no members of the public present at this meeting. At 9:47 a.m. Mary Jacques addressed the Board and requested a 5 minute Executive session to discuss the performance and contract of the Executive director - John Friedrich. The regular meeting resumed at 9:53 a.m. at which time the Chairperson made a motion to accept the contract and compensation proposal as discussed in Executive session. Mike Watson seconded and by a vote of 8-0 the board approved the contract and compensation package as discussed.

7. 2011 Audit and / or review options: vote

The Executive Director presented 4 options available to the organization for an annual accounting of revenue and expenses for fiscal year 2011. After brief discussions among Board members of the pros and cons and costs of each option Mary Jacques made a motion to approve selection of the "review" option. This option, as described by the Executive Director, and summarized via the document supplied to the Board, would result in a review of the WMMFA internal controls and an accounting of receipts and disbursements. This choice would provide reasonable assurance of the fairness and accuracy of financial statements as prepared by WMMFA management. The motion to approve this option was seconded by Gregg Chason. This motion carried and the review option was approved by a vote of 8-0 with an abstention by Meggan Ehret whom joined the meeting after discussion of options but just prior to the motion and votes.

NOTE: Meggan Ehret joined the meeting at 10:05 a.m.

8. Request from Executive Director to change the WMMFA bank: vote

WMMFA internal controls require board approval to add, delete, or change any bank accounts of any type. John Friedrich advised the Board that the current customer service level of the bank servicing our organization was unacceptable. John requested approval to open another account at a different bank that maintains a financial rating at least as strong as our current bank with similar services and coverage's provided at competitive rates. After a brief discussion, on a motion by Mary Jacques, seconded by Ken Lowe, the motion to allow the Executive Director to open a checking account at another bank and transition to it was approved by a vote of 9-0

9. Flex Plan application and review of terms

The WMMFA offers a "flex plan" membership operational status within its Flex plan for members meeting certain requirements as posted in documents (description and application) at the WMMFA web site and as included for reference to Board members for this meeting. The original application process established in 2008 contains an annual application time deadline requiring receipt of application by November of the year preceding plan operations for approval. The Executive Director recommended the board drop the time deadline requirement and allow members be to file (apply) for flex plan membership at anytime. The Executive Director argued that the WMMFA should maximize customer service to our members by allowing the application to be submitted at anytime - since any and all applications were subject to Board approval anyway. After brief discussions and with no objections within discussions, the Executive Director said that he would change the current application deadline to allow for open application meaning that the WMMFA would review applications received regardless of application date.

10. Market Share determination update / discussion

The Executive Director described the opportunity available to the WMMFA to purchase market share data via cooperative efforts and collaboration with other states and programs via the NCER and ERCC.

The meeting was adjourned at 10:22 am