



**Regular Meeting of the Board of Directors
Thursday, September 15, 2022 - 9:30 am PST**

Conference call number: (857) 357-0254 Access code: 755212#

MINUTES

Board Members Present:

Gregg Chason, Funai Corp. Inc.
Joyce Kwan, HP
Eric Gilbert, Acer America
Kim Fox, Lenovo
Melissa Mallory, Dell
Kristyn Rankin, Apple
Mark Dabek, RE-PC
Madeline Smith, LG
Al Salvi, Dept. of Ecology

Also Present Were:

Peter Thermos, Executive Director, WMMFA

Board Members Absent:

Jenni Chun, Samsung
Cintia Gates, Microsoft
Caitlin Sanchez, VIZIO

Radi Simeonova, Department of Commerce

1. Call to order – *Joyce Kwan*

Joyce Kwan called the meeting to order at 9:32 am.

2. Approve minutes of the May 19, 2022, regular meeting of the Board - **(Board vote)** – *Joyce Kwan*

Joyce addressed the board regarding the minutes of the January board meeting, asking if there was a motion to approve the minutes which were provided in the September 15, 2022, board meeting reference documents. On a motion by Gregg Chason, seconded by Kristyn Rankin, the minutes of the July meeting were approved unanimously.

3. Report on June operational and financial results – *Peter Thermos*

- A. Pounds by CEP totals
- B. Financial reports

- C. Unpaid past due manufacturer's invoices to date
- D. Restitution account balance and future expenditures

The Director referred to the board reference documents that provided YTD August pound and financial information and stated that the collected weight for August was just under 1.2 million pounds which was 3% below July and 16% below August 2021.

Thermos continued, stating that actual expenses were approximately \$541K which was about 65% above the budgeted amount for June. This was a result of reductions in the budget designed to reduce financial reserves, which were at \$167K at the end of August. The cost per pound for August was \$0.455. The cost per pound in August was unusually high due to invoices received in the last week of July that counted towards July lbs. but were paid in August. Gregg Chason asked if the YTD lbs. continued to be around \$0.37. Thermos confirmed that it was, adding that we have seen increased transportation and processing costs which are reflected in the cost per pound.

Thermos stated that there had been no significant changes to members past-due receivables. Just a few companies make up the vast majority of unpaid receivables and each of them was engaged with Ecology regarding program participation. It's likely that those companies may not be participating because they were either going to cease operating or stop selling products in Washington. He continued that companies that had historically participated in the program but were late on a payment due to an oversight were not included in the past due receivables list. In this situation, once the company was contacted by WMMFA about a missed payment, they generally made payment arrangements.

The Director also stated that no restitution funds were used in August.

4. Q4 2022 budget and invoices – *Peter Thermos*

Thermos stated that the board had voted in the last meeting to approve the 4th quarter budget at or below the current level (in the 2022 budget). Thermos added that he did reduce the budget by \$300K in the 4th quarter to further reduce reserves. Gregg Chason asked if the current reserve level was \$167K and Thermos confirmed that it was. Gregg asked how that would look at the end of the year, understanding that it would depend largely on the collection level. Thermos replied that the 4th quarter budget decrease was somewhat aggressive but he expected the reserve to be around the normal level (9% of the quarterly budget) at the end of the year. Thermos added that the last week of the year will be similar to July in that lbs. collected in the final week will be paid for in January.

5. State E-Waste Program Comparison – *Peter Thermos*

The Director gave a presentation comparing E-Cycle WA to other state programs. The presentation had been provided to the board with other reference documents for the meeting. The information would focus on 10 state programs that had similarities to E-Cycle Washington. After an explanation about how the data was collected, Thermos stated that he paid particular attention to the drop in collected pounds from 2015 to 2019. In this analysis the average reduction in annual pounds collected per state (2015-2019) was 32%. The reduction for WA was about 50%. Eric Gilbert asked about the program start dates of the various programs and how program maturity could impact the data. There was also a short discussion about how the use of collection goals and convenience standards could impact the data. Thermos responded that these things clearly could impact the data and that he had various combinations of states and starting points which yielded annual average weight reductions between 21% and 35%. The Director indicated that he would work to address the reductions in collected CEPs by working with WA counties to reduce CEPs entering landfills and attempting to increase program awareness through expanded outreach.

6. Outreach – *Peter Thermos*

- 2022 – Fall campaign, internet display ads
- 2023 Outreach

- Input from stakeholder meeting
- 2023 Outreach Planning and Budget

Thermos stated that an internet display ad campaign would begin in the coming weeks and would use the collection site locator as the landing page. This would be the first use of internet display ads for WMMFA. The Director then gave a short presentation on outreach that had been provided to the board with the meeting reference documents. In the presentation, Thermos went over traditional outreach methods for WMMFA and changes that were planned for 2023. The changes included an increased use of internet display ads, and an updated print piece that would replace the existing tri-fold brochure. Additionally, Thermos indicated that he would create a small media kit that would be available for download by local governments and others. This kit would include ads, optimized for social media, designed to increase program awareness. The director recommended an increase in outreach spending for 2023 from \$35K to about \$70K. Gregg Chason recommended using restitution funds for the \$35K increase and Thermos agreed.

7. Matters to discuss at future meetings – *Peter Thermos*
 - a. State Accountability Audit
 - b. Outreach

The Director stated that the State Accountability Audit is close to being completed and the SAO had contacted him to schedule wrap up meetings and discuss results of the audit. Thermos continued that although he expects the audit to be completed in September, the audit process had been slower than previous years so it's possible it might not be complete until after the end of the month.

Outreach, including the results of the fall internet display ad campaign, would be discussed at the next board meeting.

Thermos added that even though it was not on the agenda, he wanted to mention that the 2023 budget would be discussed and voted on at the November board meeting. Lastly, Thermos stated that, as he had mentioned earlier in the year, WMMFA board members could contact him to discuss any aspect of the operation outside of the board meeting.

Adjourn meeting – the meeting was adjourned at 10:22 am