



**Regular Meeting of the Board of Directors  
Thursday, November 17, 2022 - 9:30 am PST**

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

## **MINUTES**

### Board Members Present:

Gregg Chason, Funai Corp. Inc.  
Jenni Chun, Samsung  
Joyce Kwan, HP  
Kristyn Rankin, Apple  
Eric Gilbert, Acer America  
Mark Dabek, RE-PC  
Joyce Thung, VIZIO  
Kim Fox, Lenovo  
Kristyn Rankin, Apple  
Al Salvi, Dept. of Ecology

### Also Present Were:

Peter Thermos, Executive Director, WMMFA

### Board Members Absent:

Madeline Smith, LG  
Cintia Gates, Microsoft  
Melissa Mallory, Dell  
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 September 15, 2022, regular meeting of the Board - **(Board vote)** – *Joyce Kwan*

Joyce addressed the board regarding the minutes of the September board meeting, asking if there was a motion to approve the minutes which were provided in the November 17, 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 October 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 October pound and financial information and stated that the collected weight for October was just over 1 million pounds which was about 30% below budgeted lbs.

Thermos continued, stating that actual expenses were approximately \$494K which was about 13% above the budgeted amount for October. This was a result of reductions in the budget designed to reduce financial reserves. Budget cuts were made to avoid reserves reaching 2-3 times the desired level of reserves at the end of the year. Reserves may continue to go down in November but are expected to level off in December. WMMFA currently has adequate funding to complete the year. Reserves are expected to rise again in Q1 2023.

Thermos stated that Ecology had advised him that two companies with past due invoices are not expected to make payment and will be removed from the list at the end of the year. Gregg Chason asked if Ecology is informing them that will not be allowed to sell (CEPs) into Washington. Thermos responded that Ecology is proceeding with their normal process but they believe it to be a formality. The two companies are not concerned about not being allowed to sell into Washington, possibly because they expect to either stop offering these products or go out of business entirely.

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

4. Executive Director Employment Contract Amendment - **(Board vote)** – *Gregg Chason*

Gregg Chason addressed the board regarding the Executive Director employment contract amendment, asking if there was a motion to approve the amendment which was provided in the November 17, 2022, board meeting reference documents. On a motion by Gregg Chason, seconded by Eric Gilbert, the amendment was approved unanimously.

5. Review / Audit type and format for 2023 **(Board vote)** – *Peter Thermos / Board*

Thermos referred to page 10 of the meeting reference documents which outlined the various options for audits. He noted that the audits that were completed in 2022 for FY 2021 were the State Accountability Office (SAO) Audit and the financial compilation by accounting firm Moss Adams. The financial compilation primarily focuses on converting cash-based financial statements to accrual, which helps protect WMMFA finances by ensuring that no irregularities are occurring in the transition from the previous year. The State Accountability Audit reviews sampled invoices and other documents to ensure that WMMFA is following its policies and contracts. Thermos continued that the minimum would be to complete only the SAO audit every other year, but he stated a preference of completing both the SAO audit and the Moss Adams compilation every year. Although it requires WMMFA time and resources, it is worth it to ensure that our finances are protected and to maintain stakeholder confidence in the program. Gregg Chason made a motion that we conduct both the SAO accountability audit and the Moss Adams compilation as we had done in 2022. The motion was seconded by Mark Dabek and the vote was unanimous in favor.

6. Q1 2023 proposed budget with annual volume and budget projections **(Board vote)** – *Peter Thermos*

The Director asked the board to turn to page 11 of the meeting reference documents. The 2023 budget was created using actual expenses from 2022 and projecting collections and expenses for the last two months of the year. Increases based on inflation are expected and have been estimated for the purpose of setting the budget. Collected lbs. for 2023 are projected at a 5% decrease from the 2022 projection. Overall cost per lb. is projected to increase by 5.3% over 2022. The budget includes an in-person board meeting which had been canceled for the last three years due to the pandemic. Gregg Chason asked if the in-person board meeting was included in the "office" expense category. Thermos replied that it was and added that that office and rent also included

some office equipment replacements that are expected in 2023. Gregg Chason made a motion that the Q1 2023 budget be approved. The motion was seconded by Kristyn Rankin and the vote was unanimous in favor.

7. Discussion of legal counsel for 2023 (**Board vote**) – *Peter Thermos and Board Members*

The Director stated the selection of legal counsel was slightly different this year as our attorney, Marlys Palumbo of VanNess Feldman, was planning to retire. Thermos stated that Marlys told him that she had trained some other attorneys at her firm on matters that were relevant to WMMFA. She also said that she may be available on a part-time bases to assist if legal matters come up in 2023. Mark Dabek added that Marlys had been an effective attorney for WMMFA for many years. Mark made a motion that we maintain VanNess Feldman as the attorney for WMMFA. The motion was seconded by Gregg Chason and the vote was unanimous in favor.

8. WMMFA elected from within Board positions – nominees (Board vote on nominees at January 2023 meeting) – *Gregg Chason*

Gregg told the board that he intended to step down from his role as Chairman but would remain on the board. He asked that anyone with interest in a role on the executive committee contact him to let him know by the end of the year. Votes on board nominations would be taken during the January board meeting.

9. Matters to discuss at future meetings – *Peter Thermos*

- a. Outreach
- b. Total Reclaim
- c. Closed Loop

The Director noted that WMMFA had completed its first-ever internet display ad campaign using the collection site locator as the landing page. Al Salvi asked for more detail about the ads and where they ran. Thermos stated that he would follow up with Al outside of the board meeting with more details.

Total Reclaim, a electronics processor in Kent, Washington, had changed ownership. The previous owners who had been convicted of fraud were no longer involved with the company in any capacity. Total Reclaim had approached WMMFA about rejoining the program as a processor. Thermos stated that he would keep the board updated on this matter.

Attorneys working on lawsuits involving the electronics processor Closed Loop had contacted E-Waste LLC, a registered processor in the E-Cycle Washington program. While there was no immediate outcome, Thermos told the board he would keep them apprised of these types of inquires in Washington.

Adjourn meeting – the meeting was adjourned at 10:07 am