



**Regular Meeting of the Board of Directors
Thursday, November 21, 2024 - 9:30 am PST**

**WMMFA
4900 9th Avenue NW, Suite 206
Seattle, Washington 98107**

MINUTES

Board Members Present:

Kim Fox, Lenovo
Gregg Chason, Funai Corp. Inc.
Melissa Mallory, Dell
Mark Dabek, RE-PC
Joyce Thung, VIZIO
Heejae Cho, LG
Luis Vargas, HP
Blake Nelson, Dept. of Ecology

Also Present Were:

Peter Thermos, Executive Director, WMMFA

Board Members Absent:

Jane Kang, Samsung
Eduardo Molina, Apple
Eric Gilbert, Acer America
Cintia Gates, Microsoft
Radi Simeonova, Department of Commerce

1. Call to order – *Peter Thermos*

Luis Vargas called the meeting to order at 9:38 am.

2. Approve minutes of the September 19, 2024, regular meeting of the Board - **(Board vote)** – *Luis Vargas*

Luis Vargas addressed the board regarding the minutes of the September 19, 2024 board meeting, asking if there was a motion to approve the minutes which were provided in the November 21, 2024, board meeting reference documents. On a motion by Mark Dabek, seconded by Gregg Chason, the minutes of the September 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. He stated that the collected weight for October was 1,084,853 pounds, which was down 8% from September and up 8% from October 2023.

October expenses were about 17% over budget. This was primarily due to a 4th quarter budget reduction, which was put in place to reduce financial reserves. The cost per pound in October was \$0.374 which was a decrease of 23% from September and 25% below October 2023. However, invoices received in the last week of October were paid in November, which artificially reduces the monthly per pound cost. Financial reserves decreased to \$372,309. The current reserve target is \$221K and a negative budget allocation has been applied the Q4 budget to continue to reduce the reserves.

Thermos stated that past due invoices were still very low and were from companies that have historically paid their invoices.

Thermos also stated that no restitution funds were used in October.

4. Review / Audit type and format for 2025 (**Board vote**) – *Peter Thermos / Board*

Thermos referred to page 9 of the meeting reference documents which described potential audits for FY 2024. He noted that the audits that were completed in 2024 for FY 2023 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. He indicated that there were more complex and expensive audit options but the financial compilation is an adequate process for the organization. The State Accountability Audit reviews sampled invoices and other documents to ensure that WMMFA is following its policies and contracts. The accountability audit ensures that our finances are protected and enhances public confidence in the program. Thermos stated that the minimum would be to complete only the SAO audit every other year, but he recommended completing both the SAO audit and the Moss Adams compilation every year. On a motion from Gregg Chason, seconded by Mark Dabek, the board accepted the Director's recommendation to conduct both the SAO accountability audit and the Moss Adams compilation in 2025, as had been done in 2024. The vote was unanimous in favor.

5. Expense reimbursement policy update – *Peter Thermos*

The Director referred board members to the reference documents that included an update to the expense reimbursement policy. He indicated that the policy update resulted from a recommendation from the State Accountability Office during the 2023 audit. A draft had been reviewed and approved by the Chairperson prior to board meeting. Thermos invited board members to contact him by phone or email if they have questions about the update.

6. Q1 2025 proposed budget with annual volume and budget projections (**Board vote**) – *Peter Thermos*

The Director asked the board to turn to page 12 of the reference documents, and to the green-shaded column on the left, the Q1 2025 draft budget. He noted that, although all program costs for the year have been projected in the budget, the vote would only be for the first quarter of 2025.

Thermos continued that the budget had been developed by starting with 2024 actual costs through October. The last two months of the year were estimated, using averages for the first 10 months of 2024, making adjustments as needed. Since total collected weight was approximately equal to the same period of the previous year, the collected pounds for 2025 were projected to be equal to total estimated pounds collected in 2024. Projected cost

increases, primarily in the areas of processing and transportation, were added. Outreach costs were \$70K in 2024 and the same amount was budgeted for 2025. Other projected office expenses for wages and equipment were added.

Melissa Mallory made a motion to approve the Q1 2025 budget which was seconded by Gregg Chason and the vote was unanimous in favor.

7. Discussion of legal counsel for 2025 (**Board vote**) – *Peter Thermos and Board Members*

Thermos noted that our primary attorney at VanNess Feldman was Clara Park. The Director recommended staying with Clara and VanNess Feldman as the primary law firm for WMMFA. Thermos added that VanNess Feldman had special expertise in environmental law which we could need if there were a major abandonment of electronics related to E-Cycle Washington or other unexpected event. Thermos noted that the board had previously authorized the use a less expensive attorney for basic legal needs with prior approval from the Chair, but our legal needs were very rare and the need for a second attorney had not come up. A motion to continue to use VanNess Feldman as the law firm for WMMFA was made by made by Gregg Chason, seconded by Kim Fox and the vote was unanimous in favor.

8. WMMFA Board positions – nominees (Board vote on nominees at January 2025 meeting) – *Peter Thermos*

Thermos stated that votes on board positions would be held at the January board meeting. Board members interested in taking on a new position should contact either the Chairperson or himself.

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

- a. Audit scheduling – the accountability and financial compilation audits would be scheduled in the coming weeks and progress would be reported to the board.
- b. Annual report – the report is due March 1, 2025 and the board will be advised as the process proceeds.

Adjourn meeting – the meeting was adjourned at 10:04 am