



# Association of Washington Cities

JUNE 2023 STATE OF THE ASSOCIATION & ANNUAL REPORT



A D V O C A C Y | E D U C A T I O N | S E R V I C E S



## Cities – 90 years in and stronger than ever

In this State of the Association report, I am pleased to detail AWC's highlights from my tenure as president, as we provided our signature top-notch services to cities and towns under the guidance of our new CEO, Deanna Dawson. I wish to thank Deanna for her leadership over the last year. Deanna hit the ground running and delivered an impressive array of services during her first year at the helm. If the first year is indication of what's to come, I can't wait to see what's in store.

The past year has been a time for change and innovation in our 281 cities and towns. The 2023 Legislative Session was a successful one for cities, thanks in large part to the dedication of our city leaders to showing up, establishing strong relationships with legislators, and keeping a consistent presence with city advocacy. On top of that, we've seen an unprecedented number of infrastructure grants and amount of ARPA funding available to cities over the past year, and I know many cities are already seeing the benefits in their communities.

I was thrilled to attend many of the AWC events that were back in person this year. The electricity and energy were truly palpable after several years of online learning. The opportunity to get together and learn how to apply best practices back at city hall is one of the most valuable offerings from AWC, and one that I know I'll always take advantage of.

AWC was established in 1933, when our cities and towns came together to determine how cities could advocate for the state to share its post-Prohibition liquor profits. That effort was ultimately successful, and our long-standing historical partnership with the state is still strong to this day.

As I reflect on the evolution of our 90-year history, I'm struck by how strong we've always been when we stick together. The state and federal legislative wins we've seen in recent memory truly wouldn't have been accomplished alone. I know as I reach out in my work with each of you, I feel the strong, unwavering support we give one another, and I don't think I've seen or felt anything quite like it before.

It has been my honor to serve as your president for one out of these 90 years. My hat is off to our amazing city and town members, the AWC Board of Directors, and the many elected officials and staff who do the work every day. I could not have done this without you, and I'm looking forward to what's next for our cities and towns.

This report highlights some of our accomplishments across the organization over the last year. Again, thank you for your ongoing engagement and all you do for cities.

Sincerely,

Rob Putaansuu  
AWC President  
Mayor, Port Orchard

Our  
mission  
Serving our  
members  
through  
advocacy,  
education, and  
services



## 90 years of building bridges

Last year, I was honored to join this outstanding organization and to support the great work taking place in our cities and towns. In this report, we detail some of the past year's highlights and how we are moving AWC forward.

### Making connections

The highlight of my first year as CEO has been the opportunity to hear from you. I hit the road, visiting all 14 of AWC's districts across Washington state to better understand the needs of our 281 member cities. I had the opportunity to hear about your communities' challenges and your visions for the future and to see firsthand how these visions are becoming a reality. I also had a chance to seek your feedback on how AWC can support you in this important work. Because ultimately, that's what we are all about at AWC. We are here to be a resource for you, and to help you be the most effective leaders you can be.

### A place for belonging

Everyone wants to be respected and to feel like their voice is heard. We are focusing on diversity, equity, inclusion, and belonging (DEIB) at AWC to ensure that our residents feel a sense of inclusion and belonging in their cities and towns, and that all our members feel included and welcome at AWC. To that end, we brought on a dedicated team member to be a resource to cities, and we are hosting open forums where our members can come together to share best practices and get support from their peers. We also established a new DEIB Cabinet comprised of elected officials from throughout the state to advise us on how AWC can help cities and towns achieve their own unique goals and ensure that we are creating a culture of inclusion and belonging at AWC, where all our members feel welcome.

### Advancing the needs of cities

Throughout the year, our team works hard to fulfill our mission of serving our members through advocacy, education, and services. This year our Advocacy team did an outstanding job in a challenging legislative session, getting strong results for cities in priority areas like housing and homelessness, public safety, and infrastructure. Similarly impressive, our Member Services team has fully pivoted back to in-person events and continues to offer a wide array of online educational offerings. Our conferences and events offer an opportunity for our members to come together, build relationships, find support from peers, and ultimately make us more effective as leaders. Lastly, our excellent pooling programs are governed by our cities, for our cities. These programs provide unparalleled services to cities—because no one understands cities better than AWC.

### Building bridges

While our nation has been divided politically, in our cities we work together in a nonpartisan fashion to get results for our residents. Our research shows that the overwhelming majority of our residents want their local leaders to treat each other with respect and civility, and to work together to get positive results even if they have political differences. As I have traveled around the state this year, meeting with cities large and small, urban and rural, it is clear to me that we have so much in common. I am optimistic about our future and see an important role for AWC in encouraging civic engagement, cooperation, and partnership.

For 90 years, we have been working alongside you to help you build bridges within your community and across the state. We are stronger together, and I am so honored to be your partner in the work you do for your cities and towns. Thank you for your leadership, and your partnership.

Sincerely,

Deanna Dawson  
Chief Executive Officer  
Association of Washington Cities

## Our vision

AWC is a highly respected voice of cities and towns before the Legislature, Congress, government agencies, and others. We are the leader in providing valuable services and continuing education for our membership. We are the catalyst for promoting communication between cities and towns and for developing a broad public understanding of the important roles of cities and towns across the state.

# 1933 | 2023

## AWC history timeline

Select highlights by decade



1933

### AWC is born

Prohibition is repealed and city officials convene in Yakima. They decide to present a united voice, meeting one month later to draft the bill that ultimately becomes the Washington State Liquor Act.

### Cities in wartime

AWC's primary concerns until 1946 are preparing for civil defense and cooperating with the war effort. Technical assistance is expanded from solely legal consulting to planning, zoning, and traffic.

1940s



1950s

### Education for city officials

A series of schools is established for newly elected mayors and councilmembers, covering topics like job responsibilities, problems of managing city utilities, land use, and finance.

### The Trust is born

At the end of the decade, AWC develops a group health insurance program, the AWC Employee Benefit Trust, enabling member cities to purchase medical insurance for city employees and family members.

1960s



1970s

### AWC moves to the Capital

AWC successfully lobbies for a bill authorizing local governments to levy a local one-half cent sales tax. AWC moves to Olympia and achieves 100% city membership for the first time in its history.

# 90 years of strong cities

The year was 1933, Prohibition had ended, and the issue of liquor control and profits had shifted to state and local politics. The state's cities gathered in Yakima to come up with a plan to ensure their voice was heard at the Capitol. AWC was born 90 years ago to unite Washington's cities and towns under one voice. City officials knew that they were stronger together.

Fast forward 90 years and AWC is celebrating its granite anniversary. The strengths that brought local leaders together nearly a century ago are even more powerful today. AWC continues to provide a bedrock of services for cities and towns. We are stronger when we work together with policymakers, pool our resources, and learn from one another.

AWC retains an enduring legacy of bringing cities and towns together to strengthen the foundation for Washington.

## The power of pooling

In response to significant tort liability changes, AWC creates the AWC Risk Management Service Agency (RMSA), offering comprehensive property and liability coverage to its members.



1980s



## A WellCity is a healthier city

The AWC Employee Benefit Trust tackles rising health care costs by enhancing worksite health promotion programs for employees and creates the WellCity Program.

## Data is key

AWC releases the first *State of the Cities* report to provide data on cities' fiscal health. The AWC Workers' Comp Retro Program is formed to help cities deal with rising L&I premiums.



2000s



2010s

## Strong cities, great state

The Great Recession impacts city budgets throughout the state. AWC increases advocacy training to help cities get more involved with the Legislature.

## Equity in action

AWC expands work in diversity, equity, inclusion, and belonging by developing resources, the DEIB Cabinet, and training under the Certificate of Municipal Leadership (CML) program.



2020s



## Advocating for strong cities

AWC continues our 90-year commitment to advocacy for cities. The 2023 Legislative Session was a strong one for cities, with positive action on our highest priorities and funding for the most important programs. A significant win included seeing the Public Works Assistance Account fully funded for the first time in a *decade*. This is thanks in part to the strong advocacy of city leaders from around the state regularly reaching out to legislators and sharing the importance of the funding source to their city. AWC was created to advocate for cities, and we continue to build on that strong foundation.

### 2023 advocacy highlights:



**338** attended 2023 City Action Days



**500** bills tracked by AWC staff out of **2,100** introduced in 2023



Concluded the **\$12 million** SEEK funding program – serving 113 local governments



Published *State of the Cities: Washington's interconnected infrastructure* report



Managed a new **\$1.9 million** grant program to fund local alternative response teams

### 2023 legislative highlights:



Passed a comprehensive **statewide approach to drug possession**, known as the *Blake* fix, in special session.



**Revised police vehicle pursuit restrictions** to address cities' public safety needs.



Adopted **new middle housing density** provisions for cities and streamlined permitting and regulatory requirements identified by cities to help foster housing development.



**Fully funded the Public Works Assistance Account** for the first time in over a decade.



Supported **significant investments in substance abuse treatment and behavioral health** programs.

### 2023-25 biennial budget highlights:

**\$421.8M** in full funding of state-shared revenues for cities

**\$400M** for the Public Works Assistance Account

**\$200M** in additional funding for broadband

**\$287M** for the Transportation Improvement Board:

- **\$9M** for preservation and maintenance
- **\$14.6M** for the Complete Streets program

**\$4M** for rapid alternative response pilot programs in cities

**23** BLEA classes funded and **\$11.3M** provided for six new classes at three new regional training centers

**\$1.17B** for behavioral health treatment statewide and **\$884M** for behavioral health facilities

**\$11.5M** for municipal courts to address the cost of vacating misdemeanor drug convictions due to *Blake*

**\$20.6M** in grants for municipal courts to establish therapeutic courts

**\$110M** for emergency housing and rental assistance

**\$150M** to transition encamped individuals from state-owned rights-of-way to permanent housing

**\$72M** for funding to cities related to GMA planning updates and new planning requirements



## Training that is mobile, meaningful, and manageable

AWC targets education for municipal leadership, offering trainings that are available both online and in person, meaningful to the work of city leaders, and manageable for a busy schedule.



In 2022:

**1,200** people attended **10 in-person** AWC trainings

**344** attendees at the 2022 AWC Annual Conference

**208** cities represented at AWC trainings and events

**1,000** city officials and staff connected to 29 webinars

**96%** of attendees rated experience as good or excellent

### Certificate of Municipal Leadership (CML)

Our CML program recognizes city elected officials for expanding leadership skills by accomplishing training in five competency areas:

- Effective local leadership
- Community planning and development
- Public sector resource development
- Roles, responsibilities, and legal requirements
- Diversity, equity, and inclusion



**30 CMLs** awarded

**19 Advanced CMLs** awarded

## Sharing city stories and data

AWC's resources and research tools help city leaders manage their day-to-day operations, evaluate results of past practices, and explore new ways to approach common issues.



AWC's quarterly *Cityvision* explores stories covering civility, ARPA, sustainability, and DEIB



**1,200** yearly listeners of the *CityVoice Podcast*



**12,000** job views each month



**39** members utilize the AWC GIS Consortium

**8,500+** followers across social media channels including LinkedIn, Twitter, Facebook, YouTube, and Instagram

**Four surveys provide cities with valuable data for fact-based decision-making:**

- ✓ AWC Salary and Benefit Survey
- ✓ AWC Tax and User Fee Survey
- ✓ AWC City Conditions Survey
- ✓ Public opinion survey



155 D&A Consortium members

127 Workers' Comp Retro Program members

283 Employee Benefit Trust members

105 RMSA members

## Member programs evolve to support 90 years of services for cities

In its 90 years, AWC has added and evolved pooling opportunities for cities and towns to meet their unique challenges and to access quality benefits and services at a reasonable cost. These member-driven programs emphasize risk control, prevention, financial stability, and excellent customer service. The pooling of similar employers keeps overall costs lower and more predictable.



### AWC Drug & Alcohol Consortium

The AWC Drug & Alcohol Consortium (D&A) helps members comply with federally mandated U.S. Department of Transportation drug and alcohol testing requirements for commercial driver license employees, transit drivers, and gas utility workers. Benefits include sample drug and alcohol policies and procedures, training, access to substance abuse professional services, and a Medical Review Officer.

#### 2022 highlights:

**1,553** random drug tests and **315** random alcohol tests completed

**0%** positive alcohol tests and **19 total** verified positive drug tests for those tested in the random DOT testing pool

**2,367** limited queries conducted through the U.S. DOT Drug & Alcohol Clearinghouse

**213** individuals trained in online supervisory sessions

**232** views of online Designated Employer Representative training



### AWC Workers' Comp Retro Program

The AWC Workers' Comp Retro Program (Retro) provides training and tools that empower employers to lower risks for on-the-job injuries and reduce overall workers' compensation costs. Member benefits include Washington State Department of Labor & Industries (L&I) claims management, on-site safety consultation, regional trainings, and technical assistance.

#### 2022 highlights:

**\$1.5M** invested in reserves, building, protecting, and stabilizing our financial position

Provided enhanced assistance and representation for members with claims appeals

**64** members in the Retro Pool

**63** members in the Safety Alliance, the service-only program

Actuarial analysis utilized for optimum plan selection, adjusting to new exposures including presumptive PTSD

85

entities accessed D&A trainings

3

new members

\$3.5M

refunded to members

\$357k

Stay at Work program reimbursements



### AWC Employee Benefit Trust

For more than forty years, the AWC Employee Benefit Trust (Trust) has been the premier provider of benefit programs and services to Washington’s cities, towns, and other local governments. Health plans are designed for municipalities, their employees, family members, and retirees. Benefits include medical, dental, vision, health promotion, Employee Assistance Program, tax-favored account administration, and long-term care coverage.

#### 2022 highlights:

**112** employers earned the WellCity Award, gaining a 2% discount on 2023 medical premiums

**154** visits to member entities

Processed **319** open enrollment changes

**38,000** employees and family members received Trust benefits



### AWC Risk Management Service Agency

The AWC Risk Management Service Agency (RMSA) is the full-service risk management choice for Washington’s cities, towns, and special districts. RMSA offers comprehensive coverage for property and liability needs with a focus on proactive risk management, member education, technical assistance, and comprehensive claims management.

#### 2022 highlights:

Net position **7 times** the regulatory min. at **\$14.9M**

**37** members utilized pre-litigation services

**618** member employees completed **1,267** RMSA-U online trainings

**736** employment law, human resources, and cybersecurity trainings, and attorney hotline resources utilized

**\$3.8M**

in cost savings by providing dependent verification

**69%**

of insured households are registered on the Health Central employee portal

**97%**

of members awarded loss prevention grant funding

**3**

new members

# AWC Annual Report

Statement of financial position as of December 31, 2022 and 2021

## Assets:

	2022	2021
Total current assets	\$14,597,543	\$14,743,233
Property and equipment (net of depreciation)	4,487,424	4,491,546
Investments and other assets	5,803,134	4,744,013
<b>Total assets</b>	<b>\$24,888,101</b>	<b>\$23,978,792</b>

## Liabilities and net assets:

Total current liabilities	\$5,413,451	\$2,223,888
Long-term liabilities	6,274,574	9,238,065
Current portion, financing lease liability	53,327	-
Other liabilities	198,197	296,065
<b>Total liabilities</b>	<b>\$11,939,549</b>	<b>\$11,758,018</b>

<b>Net assets</b>	<b>\$12,948,552</b>	<b>\$12,220,774</b>
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<b>Total liabilities and net assets</b>	<b>\$24,888,101</b>	<b>\$23,978,792</b>
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The condensed financial information shown is derived from unaudited financial statements for 2022 and 2021 and does not include notes and supplemental schedules.



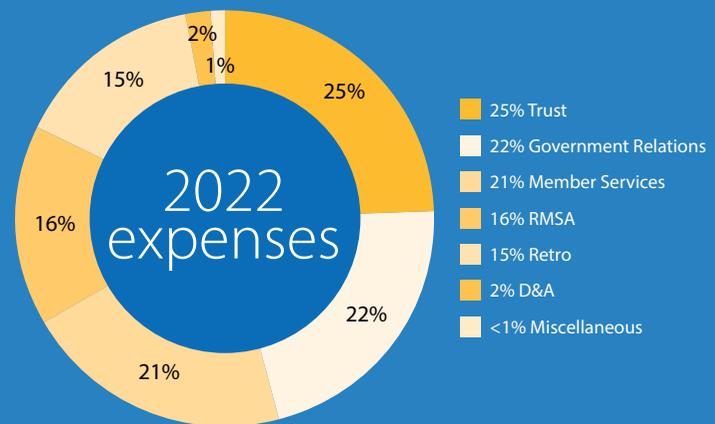
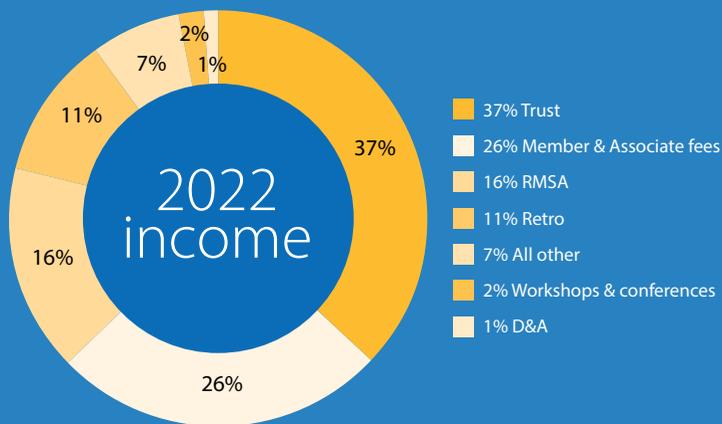
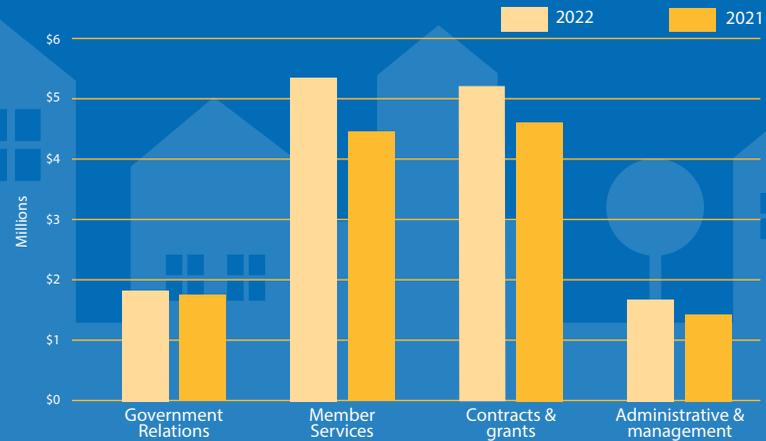
# Income and expenses for the years ending December 31, 2022 and 2021

## Income for the years ending December 31, 2022 and 2021



\*This includes income from the contracts to administer AWC Member Pooling Programs.

## Expenses for the years ending December 31, 2022 and 2021



# AWC Board of Directors

as of December 2022

Officers  
Executive  
Committee



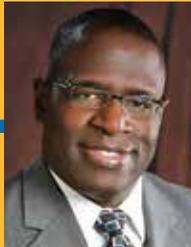
**PRESIDENT**  
**Rob Putaansuu**  
Mayor, Port Orchard



**VICE PRESIDENT**  
**Betsy Wilkerson**  
Councilmember,  
Spokane



**SECRETARY & AT-LARGE #1**  
**(Western >5,000 population)**  
**Amy Ockerlander**  
Mayor, Duvall



**IMMEDIATE PAST PRESIDENT**  
**Kent Keel**  
Councilmember,  
University Place



**PAST PRESIDENT**  
**Soo Ing-Moody**  
Mayor, Twisp



**LARGE CITY REPRESENTATIVE & DISTRICT 10**  
**Keith Blocker**  
Councilmember, Tacoma



**DISTRICT 1**  
**Micki Harnois**  
Councilmember, Rockford



**DISTRICT 2**  
**Fred Brink**  
Mayor pro tem, West Richland



**DISTRICT 3**  
**Cindy Gagne**  
Mayor, Omak



**DISTRICT 4**  
**Holly Cousens**  
Councilmember, Yakima



**DISTRICT 5**  
**Ron Onslow**  
Councilmember, Ridgefield



**DISTRICT 6**  
**Josh Penner**  
Mayor, Orting



**DISTRICT 7**  
**Wendy Weiker**  
Councilmember, Mercer Island



**DISTRICT 8**  
**Jon Nehring**  
Mayor, Marysville



**DISTRICT 9**  
**Zack Zappone**  
Councilmember, Spokane



**DISTRICT 11**  
**Dan Strauss**  
Councilmember, Seattle



**DISTRICT 11**  
**Teresa Mosqueda**  
Councilmember, Seattle



**DISTRICT 12**  
**Amy Howard**  
Deputy Mayor, Port Townsend



**DISTRICT 13**  
**Kathy Hougardy**  
Councilmember, Tukwila



**DISTRICT 14**  
**Jill Boudreau**  
Mayor, Mount Vernon



**AT-LARGE #2**  
**(Western <5,000 population)**  
**Jerry Phillips**  
Mayor, Long Beach



**AT-LARGE #3**  
**(Eastern >5,000 population)**  
**Ben Wick**  
Councilmember, Spokane Valley



**AT-LARGE #4**  
**(Eastern <5,000 population)**  
**Jose Trevino**  
Mayor, Granger



**WCMA President**  
**Kristi Rowland**  
Deputy Chief Administrative  
Officer, Renton



**WCMA Past President**  
**Adam Lincoln**  
City Manager, Pasco



**AWC CEO**  
**Deanna Dawson**

Directors



# Association of Washington Cities

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