

SCHOOL ALLIANCE INSURANCE FUND
Financial Statements
June 30, 2023 and 2022
With Independent Auditor's Reports

School Alliance Insurance Fund
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June 30, 2023 and 2022

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**School Alliance Insurance Fund
Management's Discussion and Analysis
June 30, 2023 and 2022**

This section of School Alliance Insurance Fund's (the "Fund" or "SAIF") annual financial report presents a discussion and analysis of the financial performance of SAIF for the years ended June 30, 2023 and 2022. Please read it in conjunction with the financial statements which follow this section. The following table summarizes the financial position and results of operations of SAIF as of and for the years ended June 30:

	<u>2023</u>	<u>2022</u>
Assets		
Cash and investments	\$ 54,357,605	\$ 50,252,735
Accrued interest on investments	96,828	96,915
Other receivable	606,765	1,804,293
Assessments receivable	19,476	19,476
Prepaid expenses	<u>19,110</u>	<u>24,798</u>
	<u>\$ 55,099,784</u>	<u>\$ 52,198,217</u>
Liabilities, Reserves, and Net Position		
Reserves for unpaid claims	\$ 29,558,922	\$ 26,626,562
Other liabilities	5,644,086	4,581,020
Net position	<u>19,896,776</u>	<u>20,990,635</u>
	<u>\$ 55,099,784</u>	<u>\$ 52,198,217</u>
Revenue and Expenses		
Revenue		
Underwriting income - regular contributions	\$ 52,815,984	\$ 48,115,160
Investment and other income (loss), net	<u>878,513</u>	<u>(1,127,017)</u>
	<u>53,694,497</u>	<u>46,988,143</u>
Expenses		
Claims expenses	15,622,832	11,782,261
Insurance and reinsurance premiums	27,475,929	24,387,955
Administrative expense	<u>11,689,595</u>	<u>10,818,807</u>
	<u>54,788,356</u>	<u>46,989,023</u>
Net loss	(1,093,859)	(880)
Net position		
Beginning of year	<u>20,990,635</u>	<u>20,991,515</u>
End of year	<u>\$ 19,896,776</u>	<u>\$ 20,990,635</u>

School Alliance Insurance Fund Management's Discussion and Analysis June 30, 2023 and 2022

Overview of the Financial Statements

The Fund's financial statements are prepared on the basis of accounting principles generally accepted in the United States of America for governmental entities. The primary purpose of SAIF is to provide local and regional school districts insurance coverage through group purchasing while sharing the risk of such insurance coverage. The Fund offers a full line of insurance coverage, such as workers' compensation and employers' liability, supplemental indemnity, property damage including auto physical damage, general and automobile liability, crime and fidelity, school leaders' professional liability, excess liability, environmental impairment, student accident, security guard, and foreign travel. SAIF operates under the provisions of the New Jersey statutes (N.J.S.A. 18A:18B-1 et seq.) and has 137 and 138 school districts in the fund as of June 30, 2023 and 2022, respectively. The three basic financial statements presented within the financial statements are as follows:

- Statement of Net Position - This statement presents information reflecting SAIF's assets, liabilities, reserves, and net position. Net position represents the amount of total assets less total liabilities and reserves.
- Statement of Revenue, Expenses, and Changes in Net Position - This statement reflects the operating revenue and expenses, as well as non-operating revenue, during the operating year. Major sources of operating revenue are regular member assessments while major sources of operating expenses are claims paid, changes in case reserves, changes in the incurred but not reported claims, insurance, and reinsurance premiums as well as administrative expenses. The change in net position is similar to the net profit or loss for any other insurance company.
- Statement of Cash Flows - This statement presents changes in cash and cash equivalents resulting from operating, investing, and financing activities.

Financial Highlights

- SAIF's revenue increased approximately 10% over the prior year.
- Claims' case reserves represent a life to date estimate as to the expected liability for the reported claims and incurred but not reported claims ("IBNR"). Computing the claims liability does not result in achieving an exact amount. Claims' case reserves must be estimated due to the complex factors that determine the liability. Some of these factors are changes in legal doctrine, inflation, historical settlements, claim frequency, damage awards, and other statistical techniques.
- The increase in IBNR is a result of calculations supplied by the Fund's actuary and the trending of claims.
- The increase in investment income is due primarily to market changes and higher interest rates.
- All fund surplus available may be returned to the membership pursuant to the Department of Banking and Insurance regulations. The executive committee did not declare a return of surplus during the years ended June 30, 2023 and 2022.
- For the upcoming fund year, the Fund will reduce its membership by 2 member school districts to 135 members.

Contacting the Fund's Management

This financial report is designed to provide the School Alliance Insurance Fund members and the Department of Banking and Insurance of the State of New Jersey with a general overview of the Fund's finances and to demonstrate the Fund's accountability for the public funds it receives. If you have any questions about this report or need additional financial information, please contact the Fund Administrator of the School Alliance Insurance Fund at the office of the Fund located at 51 Everett Drive, Suite 40-B, West Windsor, NJ 08550, or by phone at (609) 275-1155.

INDEPENDENT AUDITOR'S REPORT

To the Fund Commissioners of
School Alliance Insurance Fund:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of School Alliance Insurance Fund, which comprise the statements of net position as of June 30, 2023 and 2022, and the related statements of revenue, expenses, and changes in net position and cash flows for the years then ended and the related notes to financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of School Alliance Insurance Fund as of June 30, 2023 and 2022, and the changes in its net position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the audit requirements as prescribed by the State of New Jersey, Department of Community Affairs and Banking and Insurance. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of School Alliance Insurance Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about School Alliance Insurance Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* and the audit requirements as prescribed by the State of New Jersey, Departments of Community Affairs and Banking and Insurance will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the audit requirements as prescribed by the State of New Jersey, Department of Community Affairs and Banking and Insurance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of School Alliance Insurance Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about School Alliance Insurance Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1-2 and other required supplemental information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2023 on our consideration of School Alliance Insurance Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of School Alliance Insurance Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering School Alliance Insurance Fund's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Withum Smith + Brown, PC". The signature is written in a cursive, flowing style.

November 21, 2023

School Alliance Insurance Fund
Statements of Net Position
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 29,188,105	\$ 25,015,242
Investments	25,169,500	25,237,493
Accrued interest on investments	96,828	96,915
Other receivables	606,765	1,804,293
Assessments receivable	19,476	19,476
Prepaid expenses	<u>19,110</u>	<u>24,798</u>
Total assets	<u>55,099,784</u>	<u>52,198,217</u>
 Liabilities and Reserves		
Current liabilities		
Administrative expenses payable	2,738,071	2,206,234
Insurance premiums payable	<u>2,906,015</u>	<u>2,374,786</u>
	<u>5,644,086</u>	<u>4,581,020</u>
Claims reserves		
Case reserves	22,105,852	19,343,724
IBNR reserves	<u>7,453,070</u>	<u>7,282,838</u>
	<u>29,558,922</u>	<u>26,626,562</u>
Total liabilities and reserves	<u>35,203,008</u>	<u>31,207,582</u>
 Net position		
Net position - unrestricted	<u>\$ 19,896,776</u>	<u>\$ 20,990,635</u>

The Notes to Financial Statements are an integral part of these statements.

School Alliance Insurance Fund
Statements of Revenue, Expenses, and Changes in Net Position
Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenue		
Underwriting income - regular contributions	\$ 52,815,984	\$ 48,115,160
Expenses		
Claims		
Paid	12,690,472	12,730,780
Increase in case reserves	2,762,128	1,462,854
Increase (decrease) in IBNR reserves	<u>170,232</u>	<u>(2,411,373)</u>
Claims - net	15,622,832	11,782,261
Insurance and reinsurance premiums	27,475,929	24,387,955
Administrative expenses	<u>11,689,595</u>	<u>10,818,807</u>
Total expenses	<u>54,788,356</u>	<u>46,989,023</u>
Operating income (loss)	<u>(1,972,372)</u>	<u>1,126,137</u>
Investment return (loss)		
Investment income, net	1,346,655	461,467
Change in fair value of investments	<u>(468,163)</u>	<u>(1,588,521)</u>
Investment return (loss), net	<u>878,492</u>	<u>(1,127,054)</u>
Other non-operating income	<u>21</u>	<u>37</u>
Net loss	(1,093,859)	(880)
Net position		
Beginning of year	<u>20,990,635</u>	<u>20,991,515</u>
End of year	<u>\$ 19,896,776</u>	<u>\$ 20,990,635</u>

The Notes to Financial Statements are an integral part of these statements.

School Alliance Insurance Fund
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating activities		
Underwriting income - regular contribution received	\$ 52,815,984	\$ 48,115,160
Claims paid	(12,690,472)	(12,730,783)
Excess insurance premium paid	(25,215,335)	(23,496,916)
Administrative expenses paid	(11,683,907)	(10,829,475)
Other income	21	37
Net cash provided by operating activities	<u>3,226,291</u>	<u>1,058,023</u>
Investing activities		
Sale/maturity of investments	6,071,097	5,915,118
Purchases of investments	(6,456,237)	(6,491,833)
Investment income, net	<u>1,331,712</u>	<u>482,347</u>
Net cash provided by (used in) investing activities	<u>946,572</u>	<u>(94,368)</u>
Net change in cash and cash equivalents	4,172,863	963,655
Cash and cash equivalents		
Beginning of year	<u>25,015,242</u>	<u>24,051,587</u>
End of year	<u>\$ 29,188,105</u>	<u>\$ 25,015,242</u>
Reconciliation of operating income (loss) to net cash provided by operating activities		
Operating income (loss)	\$ (1,972,372)	\$ 1,126,137
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Changes in assets and liabilities		
Other receivable	1,197,528	607,155
Prepaid expenses	5,688	(10,671)
Case and IBNR reserves	2,932,360	(948,519)
Administrative expenses payable	531,837	365,688
Insurance premium payable	531,229	(81,804)
Other income	21	37
Net cash provided by operating activities	<u>\$ 3,226,291</u>	<u>\$ 1,058,023</u>

The Notes to Financial Statements are an integral part of these statements.

School Alliance Insurance Fund

Notes to Financial Statements

June 30, 2023 and 2022

1. ORGANIZATION

School Alliance Insurance Fund (“SAIF” or the “Fund”) is a school district joint self-insurance fund formed under the provisions of New Jersey statutes (N.J.S.A. 18A:18B-1 et seq.). The Fund's membership is composed of local and regional school districts. The Fund commenced operations on July 1, 1996 with an original membership of 69 districts. There were 137 and 138 member school districts as of June 30, 2023 and 2022, respectively. The Fund's general objectives are to provide member districts with a long-term alternative to the insurance market as a means of stabilizing insurance expenditures and to develop comprehensive loss control programs for members.

The bylaws of the Fund, as supplemented by the Risk Management Plan, set forth the various procedures which are to be followed in the organization, administration, and operation of the Fund.

Fund members are subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities. The Fund considers investment income when determining deficiencies.

The administrator is responsible for the overall administration of the Fund. Fees paid to the administrator cover all administrative costs; accordingly, the Fund does not maintain any fixed assets nor incur any employee payroll expense.

The specific limits of liability of the various coverages afforded by the Fund incorporate member deductibles, funded self-insured retentions, and various jointly purchased conventional insurance policies.

The Fund offers its members the following coverages:

- Workers' Compensation and Employers' Liability
- Supplemental Indemnity *
- Property (includes boiler and machinery and automobile physical damage)
- Crime and Fidelity *
- Environmental Impairment Liability *
- Comprehensive General and Automobile Liability (including employee benefits liability)
- School Leaders' Professional Liability (including employment practices liability)
- Excess Liability ***
- Security Guard Liability *
- Foreign Travel Liability (including general liability, automobile liability, foreign workers' compensation/employers' liability) **
- Student Accident *

* Coverage added fund year 2000/2001. Environmental Impairment Liability was an individual member option until fund year 2002/2003

** Coverage added fund year 2002/2003, individual member option

*** Coverage offered through the Fund for fund year 1998/1999

School Alliance Insurance Fund
Notes to Financial Statements
June 30, 2023 and 2022

The Fund's liability (self-insured retention or SIR) for claims is limited to the following coverages and amounts:

	<u>Fund Year(s)</u>	<u>Loss Type</u>	<u>Per Occurrence SIR</u>	<u>Aggregate SIR</u>	<u>Corridor</u>
Workers' Compensation	1996/1997	Loss & ALAE	\$100,000	\$3,066,979	
	1997/1998	Loss & ALAE	\$100,000	\$3,748,659	
	1998/1999	Loss & ALAE	\$100,000	\$3,658,945	
	1999/2000	Loss & ALAE	\$100,000	\$3,163,152	
	2000/2001	Loss & ALAE	\$100,000	\$3,590,400	
	2001/2002	Loss & ALAE	\$250,000	\$4,732,533	
	2002/2003 - 2010/2011	Loss & ALAE	\$250,000	None	
	2011/2012 - 2022/2023	Loss & ALAE	\$100,000	None	
Property and Liability	1996/1997 - 2000/2001	ALAE only	Unlimited	None	
Auto Liability	2001/2002	Loss & ALAE	\$50,000	\$121,145	
General Liability	2001/2002	Loss & ALAE	\$50,000	\$285,741	
Liability	2002/2003 - 2003/2004	Loss & ALAE	\$100,000	\$800,000	
	2004/2005	Loss & ALAE	\$100,000	\$1,200,000	
Property	2001/2002	ALAE only	Unlimited	None	
	2002/2003 - 2003/2004	Loss & ALAE	\$100,000	\$850,000	
	2004/2005	Loss & ALAE	\$100,000	\$1,075,000	
Property and Liability	2005/2006	Loss & ALAE	\$100,000	\$2,850,000	
	2006/2007	Loss & ALAE	\$100,000	\$3,333,256	
	2007/2008	Loss & ALAE	\$100,000	\$3,368,480	
	2008/2009	Loss & ALAE	\$100,000	\$3,450,827	
	2009/2010	Loss & ALAE	\$100,000	\$3,447,503	
	2010/2011	Loss & ALAE	\$100,000	\$3,461,609	
	2011/2012	Loss & ALAE	\$100,000	\$3,439,338	
	2012/2013 - 2014/2015	Loss & ALAE	\$100,000	\$3,850,000	
	2015/2016	Loss & ALAE	\$100,000	\$3,780,327	
	2016/2017	Loss & ALAE	\$100,000	\$3,725,000	
	2017/2018	Loss & ALAE	\$100,000	\$3,779,000	
	2018/2019	Loss & ALAE	\$100,000	\$3,412,609	
	2019/2020	Loss & ALAE	\$100,000	\$3,359,713	
	2020/2021	Loss & ALAE	\$100,000	\$3,777,361	
2021/2022	Loss & ALAE	\$100,000	\$4,600,000		
2022/2023	Loss & ALAE	\$100,000	\$5,000,000		
School Leaders' Liability	2000/2001	Loss & ALAE	\$50,000	\$183,333	
	2005/2006 - 2009/2010	Loss & ALAE	\$25,000	None	
	2010/2011 - 2014/2015	Loss & ALAE	\$35,000 / \$50,000	None	
	2015/2016 - 2018/2019	Loss & ALAE	\$100,000	None	
	2019/2020	Loss & ALAE	\$100,000	None	\$250,000
	2020/2021	Loss & ALAE	\$200,000	None	
2021/2022 - 2022/2023	Loss & ALAE	\$300,000	None		

Losses in excess of the above amounts are covered by reinsurance and excess insurance contracts. The payments for claim liabilities for all other lines of coverage are provided by reinsurance and excess insurance contracts.

School Alliance Insurance Fund

Notes to Financial Statements

June 30, 2023 and 2022

Effective 2012-2013, the Fund has an additional per occurrence \$100,000 SIR on property for named storm systems that does not accrue to the aggregate. This is shared pro rata with the other members of the excess fund.

Effective 2020-2021, for auto and general liability coverage ("AL & GL"), the Fund is responsible for its self-insured retention of \$100,000 of each loss after which School Excess Liability Fund ("SEL") will pay its self-insured retention of \$400,000. Once the combined self-insured retention of \$500,000 has been paid, SEL will pay up to an aggregate loss corridor of \$2,000,000, applicable to all AL & GL covered losses before the excess carrier has any obligation to pay.

Effective 2020-2021, for school board legal liability, the Fund is responsible for its self-insured retention of each loss as noted in the above table after which SEL will pay up to an aggregate loss corridor of \$900,000 for fund year 2020-2021 and \$1,000,000 for fund year 2021-2022 applicable to all SBLL covered losses, before the excess carrier has any obligation to pay.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Fund are prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of governmental units. The focus of the enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

Government Accounting Standards Board Codification Section 2100, *Defining Financial Reporting Entity*, establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The Fund has determined that there were no additional entities required to be included in the reporting entity under the criteria as described above in the current year. In addition, the Fund is not includable in any other reporting entity on the basis of such criteria.

Basis of Accounting

The Fund utilizes the economic resources measurement focus and the accrual basis of accounting whereby revenue is recorded as earned and expenses reflected as incurred. Net position reflects the excess (deficit) of total assets over total liabilities and reserves.

Cash and Investments

The Fund considers all highly liquid investments with maturities of less than three months at the time of purchase to be cash. The investments in government backed fixed maturities are carried at fair value. Fair value has been supplied by the custodian.

School Alliance Insurance Fund

Notes to Financial Statements

June 30, 2023 and 2022

New Jersey Statutes require deposits in a bank or trust company which has its place of business in the State of New Jersey and is organized under the laws of the United States or of the State of New Jersey. New Jersey Statutes provide a list of investments which may be purchased by New Jersey governmental units. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an Act of Congress, bonds or other obligations of the local unit or bonds or other obligations of the governmental unit of which the local unit is a part or within which the governmental unit is located, bonds or other obligations approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. In addition, other State Statutes permit investments in obligations issued by local authorities and other state agencies.

New Jersey Statutes establish the requirement for the security of deposits of governmental units. The Statutes require that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral having a market value at least equal to 5% of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Additionally, the Fund has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of GUDPA. The cash management plan designates the allowed depositories.

Fair Value of Financial Instruments

According to professional standards, the Fund measures its fair value under accounting principles generally accepted in the United States of America and provides disclosures about fair value measurements. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs using a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, used to measure fair value as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

School Alliance Insurance Fund

Notes to Financial Statements

June 30, 2023 and 2022

Revenue Recognition

The Fund offers annual coverage to its members. Member assessments (contributions) are recorded on the accrual basis. The member assessments of the participating boards of education are determined by the Fund Administrator and then certified by vote of the Fund's Board of Trustees. There are no advance sums collected for the revenue streams except any prepayments recorded as a liability. Revenue is recognized in the year the coverage is in effect and is recognized ratably over the period the service is provided.

Assessments Receivable

Assessments receivable are composed of member installments due to the Fund for the current year which remain unpaid at the end of the fiscal year. Assessments receivable are unsecured, are recorded when invoices are issued, and are presented in the statements of net position. Per the Fund's by-laws, past due assessments shall bear interest at a rate determined annually by the Executive Committee. The interest rate assessed for each of the years ended June 30, 2023 and 2022 was 2% plus prime as determined by the New Jersey Asset and Rebate Management Program and U.S. Bank, N.A., or its successors. Assessments receivable are written off when they are deemed to be uncollectible. Interest on delinquent assessments may be waived at the discretion of the Executive Committee.

Other Receivables

Other receivables represent amounts due from members' deductible billings and from reinsurers and can remain open until claims are settled. These amounts are unsecured, noninterest bearing and deemed to be fully collectible.

Claims Liabilities

The Fund establishes claims liabilities for the Fund's Self Insured Retention ("SIR") loss and claim adjustment expense based on estimates of the ultimate cost of claims (including allocated loss adjustment expenses ("ALAE")) that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverages such as general liability. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors.

A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and on other factors that are considered to be appropriate modifiers of past experience. The Fund does not discount claim liabilities. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. Subrogation and other recoverable claim amounts are recognized as a reduction of claim payments upon the receipt of cash or are accrued for the recoverable amount if known.

Reinsurance

The Fund purchases a multi-line reinsurance contract in accordance with the Risk Management Plan to reduce its exposure to large losses on certain types of insured events. Although reinsurance does not discharge the primary liability of the Fund as direct insurer of the risk of loss, the Fund does not report the claim payments or liabilities under reinsurance contracts unless it is probable that those liabilities will not be covered by reinsurers. A contingent liability may exist with respect to reinsurance which would become an actual liability in the event any of the insurance companies might be unable to meet their obligations to the Fund.

School Alliance Insurance Fund
Notes to Financial Statements
June 30, 2023 and 2022

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets, liabilities, and reserves at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. In addition, certain actuarial assumptions have been made in the preparation of these financial statements. Actual results could differ from those estimates. Significant estimates included in these financial statements are fair market value of investments, case reserves and incurred but not yet reported (“IBNR”) reserves.

Income Taxes

The Fund is a tax-exempt organization and is not subject to either federal or state taxes.

3. CASH AND CASH EQUIVALENTS

At June 30, the carrying amounts of the Fund’s deposits and the corresponding bank balances were as follows:

	<u>2023</u>		<u>2022</u>	
	<u>Carrying Amount</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Operating checking account	\$ 19,246,323	\$ 19,262,114	\$ 24,968,591	\$ 25,001,890
NJ Term deposits	9,871,280	9,871,280	-	-
Money market accounts	<u>70,502</u>	<u>70,502</u>	<u>46,651</u>	<u>46,651</u>
	<u>\$ 29,188,105</u>	<u>\$ 29,203,896</u>	<u>\$ 25,015,242</u>	<u>\$ 25,048,541</u>

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Fund’s deposits might not be recovered. Although the Fund does not have a formal policy regarding custodial credit risk, New Jersey Statutes require that governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA.

The operating checking account, money market account, NJ Term deposits, and the claims checking accounts are deposited in public depositories which are fully insured up to \$250,000 per institution by the Federal Deposit Insurance Corporation and in excess of \$250,000 are fully collateralized by the bank through GUDPA. Of the Fund’s bank balances of \$29,203,896 and \$25,048,541, \$250,000 and \$250,000 was insured and \$28,953,896 and \$24,798,541 was collateralized under GUDPA at June 30, 2023 and 2022, respectively.

4. INVESTMENTS

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Fund, and are held by either the counterparty or the counterparty’s trust department or agent but not in the Fund’s name.

School Alliance Insurance Fund
Notes to Financial Statements
June 30, 2023 and 2022

At June 30, 2023 and 2022, the Fund invested only in notes backed by the federal government and are triple A rated by Moody's with various interest rates ranging from 0.25% to 4.125% as of June 30, 2023 and .025% to 3.0% as of June 30, 2022. The maturity dates range from November 30, 2023 to May 31, 2028 as of June 30, 2023 and from September 30, 2022 to September 30, 2026 as of June 30, 2022. At June 30, 2023 and 2022, all of the Fund's investments are under the custody of the New Jersey Asset and Rebate Management Program, who is the Fund's investment advisor.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. To limit risk, the Fund's investment policy provides that no investment or deposit shall have a maturity longer than five years from date of purchase.

Credit Risk

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. New Jersey Statutes limit the investments that the Fund may purchase, such as Treasury securities, in order to limit the exposure of governmental units to credit risk. The Fund has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

The Fund does not place a limit on the amount that may be invested in any one issuer. All the Fund's investments are in debt obligations.

Future maturities of investments at June 30 are as follows:

	<u>2023</u>	<u>2022</u>
Within 1 year	\$ 2,710,922	\$ 4,190,791
2-5 years	<u>22,458,578</u>	<u>21,046,702</u>
	<u>\$ 25,169,500</u>	<u>\$ 25,237,493</u>

Investments are stated at fair value. The difference between fair value and amortized cost is recorded as unrealized loss. The amounts are as follows as of June 30:

	<u>2023</u>	<u>2022</u>
Face value	\$ 26,925,000	\$ 26,245,000
Unamortized premium (discount), net	(186,448)	93,385
Unrealized loss, net	<u>(1,569,052)</u>	<u>(1,100,892)</u>
Fair value	<u>\$ 25,169,500</u>	<u>\$ 25,237,493</u>

Investment return consisted of the following for the years ended June 30:

	<u>2023</u>	<u>2022</u>
Realized gain (loss) on amortized cost	\$ (20,843)	\$ 41,772
Amortization of discount (premium), net	35,870	(41,606)
Interest income	<u>1,331,628</u>	<u>461,301</u>
Investment return, net	<u>\$ 1,346,655</u>	<u>\$ 461,467</u>

School Alliance Insurance Fund
Notes to Financial Statements
June 30, 2023 and 2022

5. FAIR VALUE ACCOUNTING

Recurring Fair Value Measurements

The Fund has provided fair value disclosure information for relevant assets and liabilities in these financial statements. The following tables summarize assets which have been accounted for at fair value on a recurring basis as of June 30 along with the basis for the determination of fair value:

		2023			
		Basis for Valuation			
		Quoted Prices in Active Markets	Observable Measurement Criteria	Unobservable Measurement Criteria	
Total		Total	Total	Total	Total
Investments in U.S. Treasury Notes	\$	25,169,500	\$ 25,169,500	\$ -	\$ -
		2022			
		Basis for Valuation			
		Quoted Prices in Active Markets	Observable Measurement Criteria	Unobservable Measurement Criteria	
Total		Total	Total	Total	Total
Investments in U.S. Treasury Notes	\$	25,237,493	\$ 25,237,493	\$ -	\$ -

For applicable assets and liabilities subject to this pronouncement, the Fund will value such assets and liabilities using quoted market prices in active markets for identical assets and liabilities to the extent possible. To the extent that such market prices are not available, the Fund will next attempt to value such assets and liabilities using observable measurement criteria, including quoted market prices of similar assets and liabilities in active and inactive markets and other corroborated factors. In the event that quoted market prices in active markets and other observable measurement criteria are not available, the Fund will develop measurement criteria based on the best information available.

U.S. government backed fixed bonds are valued at the closing price reported on the active market on which individual securities are traded along with comparable bond ratings under Moody's and S&P.

The valuation methods for these investments are consistent for the years ended June 30, 2023 and 2022.

6. LOSS RESERVES

The liability for unpaid losses and loss adjustment expenses represents an estimate of the ultimate net cost of all losses and loss adjustment expenses incurred but not yet paid. This estimate is based on the estimated ultimate cost of settling the claims considering the historical experience of the Fund, various other industry statistics including the effects of inflation and other societal or economic factors, and the Fund's self-insured retention level. Management believes that the liability for unpaid losses is adequate to cover the ultimate cost of reported and unreported claims incurred but not yet paid. However, the ultimate cost may be more or less than the estimated liability. The Fund has created a loss reserve for any reported and potential unreported losses which have taken place but in which the Fund has not received notices or reports of losses.

School Alliance Insurance Fund
Notes to Financial Statements
June 30, 2023 and 2022

Loss reserves at June 30, which have been estimated by the Fund's Actuary and Claims Servicing Organization, are as follows:

	<u>2023</u>	<u>2022</u>
Case reserves	\$ 22,105,852	\$ 19,343,724
Reserves for losses incurred but not reported	<u>7,453,070</u>	<u>7,282,838</u>
	<u>\$ 29,558,922</u>	<u>\$ 26,626,562</u>

The following represents changes in the aggregate reserves for the Fund as of June 30:

	<u>2023</u>	<u>2022</u>
Unpaid claim liabilities, beginning of year	<u>\$ 26,626,562</u>	<u>\$ 27,575,081</u>
Incurred claims		
Provision for insured events of the current year	16,147,404	14,426,788
Decrease in provision for insured events of prior years	<u>(524,572)</u>	<u>(2,644,527)</u>
Total increase in incurred claims	<u>15,622,832</u>	<u>11,782,261</u>
Payments		
Payments - net on claims for insured events of the current year	5,177,095	4,763,621
Payments - net on claims for insured events of prior years	<u>7,513,377</u>	<u>7,967,159</u>
Total payments	<u>12,690,472</u>	<u>12,730,780</u>
Unpaid claim liabilities, end of year	<u>\$ 29,558,922</u>	<u>\$ 26,626,562</u>

7. SUBSEQUENT EVENTS

The Fund has evaluated subsequent events occurring after the statement of net position date through November 21, 2023, which is the date the financial statements were available to be issued. Based on this evaluation, the Fund has determined that no subsequent events have occurred which require adjustment to or disclosure in the financial statements.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITOR'S REPORT

To the Fund Commissioners of
School Alliance Insurance Fund:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of School Alliance Insurance Fund, which comprise the statement of net position as of June 30, 2023, and the related statements of revenue, expenses, and changes in net position and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated November 21, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of the Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Withum Smith + Brown, PC

November 21, 2023

SUPPLEMENTARY INFORMATION

**School Alliance Insurance Fund
Ten Year Claims Development Information
Years Ended June 30, 2023 and 2022**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Underwriting income - regular contributions	\$ 33,869,258	\$ 38,073,207	\$ 40,869,276	\$ 41,923,835	\$ 41,895,626	\$ 40,308,555	\$ 41,598,458	\$ 42,790,917	\$ 48,115,160	\$ 52,815,984
Investment income (loss)	138,333	355,636	421,681	402,868	529,481	498,265	242,107	30,128	(164,160)	310,840
Other income (expense)	5,428	9,367	3,875	1,252	2,799	(13)	-	9	37	21
	<u>\$ 34,013,019</u>	<u>\$ 38,438,210</u>	<u>\$ 41,294,832</u>	<u>\$ 42,327,955</u>	<u>\$ 42,427,906</u>	<u>\$ 40,806,807</u>	<u>\$ 41,840,565</u>	<u>\$ 42,821,054</u>	<u>\$ 47,951,037</u>	<u>\$ 53,126,845</u>
Insurance and reinsurance premiums	\$ 14,218,664	\$ 16,037,373	\$ 17,192,214	\$ 17,726,036	\$ 17,811,989	\$ 18,200,582	\$ 19,599,439	\$ 20,863,292	\$ 24,387,955	\$ 27,475,929
Administrative expenses	7,173,757	7,988,147	8,671,027	8,868,622	9,071,183	8,876,615	9,111,024	9,735,778	10,735,137	3,109,459
	<u>\$ 21,392,421</u>	<u>\$ 24,025,520</u>	<u>\$ 25,863,241</u>	<u>\$ 26,594,658</u>	<u>\$ 26,883,172</u>	<u>\$ 27,077,197</u>	<u>\$ 28,710,463</u>	<u>\$ 30,599,070</u>	<u>\$ 35,123,092</u>	<u>\$ 30,585,388</u>
Estimated incurred claims, end of policy year	<u>\$ 14,721,698</u>	<u>\$ 13,850,000</u>	<u>\$ 13,527,041</u>	<u>\$ 13,572,384</u>	<u>\$ 13,146,026</u>	<u>\$ 13,724,205</u>	<u>\$ 12,929,505</u>	<u>\$ 13,656,126</u>	<u>\$ 14,426,788</u>	<u>\$ 16,147,404</u>
Cumulative paid claims as of										
End of policy year	5,694,731	5,182,262	4,570,962	4,437,898	3,708,980	4,866,054	4,223,256	3,264,034	4,763,621	5,177,095
One year later	8,470,000	8,074,420	7,915,162	7,237,920	6,394,247	7,612,048	7,188,015	6,073,090	8,119,320	
Two years later	10,163,800	9,458,331	9,643,395	9,144,541	8,090,871	9,614,659	8,799,161	7,600,808		
Three years later	11,431,986	10,535,343	10,817,875	10,257,915	9,068,631	10,656,956	9,925,935			
Four years later	12,235,100	11,323,244	11,775,604	10,928,648	10,005,250	10,952,332				
Five years later	12,581,111	12,147,039	11,901,739	11,316,936	10,322,572					
Six years later	12,909,442	12,808,864	12,121,236	11,573,098						
Seven years later	13,105,518	12,980,304	12,128,538							
Eight years later	13,269,664	13,110,316								
Nine years later	13,362,538									
Cumulative incurred claims as of										
End of policy year	14,721,698	13,850,000	13,527,041	13,572,384	13,146,026	13,724,205	12,929,505	13,656,126	14,426,788	16,147,404
One year later	13,890,000	13,412,999	14,193,429	14,573,406	12,176,380	13,515,252	12,973,653	12,172,780	15,404,752	
Two years later	14,430,083	13,412,523	14,054,064	12,880,568	12,163,575	12,500,436	11,874,468	10,356,450		
Three years later	13,959,918	13,013,056	12,976,765	12,583,588	11,424,968	12,396,151	11,772,705			
Four years later	13,441,236	12,821,053	12,679,385	12,360,887	11,580,592	12,583,993				
Five years later	13,384,773	13,048,915	12,705,476	12,133,111	11,413,293					
Six years later	13,553,224	13,183,807	12,586,746	12,003,313						
Seven years later	13,623,372	13,228,991	12,634,414							
Eight years later	13,733,054	13,346,505								
Nine years later	<u>13,743,602</u>									
Increase (decrease) in cumulative incurred claims from end of policy year	<u>\$ (978,096)</u>	<u>\$ (503,495)</u>	<u>\$ (892,627)</u>	<u>\$ (1,569,071)</u>	<u>\$ (1,732,733)</u>	<u>\$ (1,140,212)</u>	<u>\$ (1,156,800)</u>	<u>\$ (3,299,676)</u>	<u>\$ (977,964)</u>	<u>\$ -</u>

See Independent Auditor's Report.

School Alliance Insurance Fund
Schedule of Changes in Claim Liabilities by Line of Coverage
Years Ended June 30, 2023 and 2022

	2023					
	<u>Total</u>	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property and Auto Physical Damage</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>
Unpaid claim liabilities, beginning of year	\$ 26,626,562	\$ 13,515,404	\$ 3,450,216	\$ 886,671	\$ 403,897	\$ 8,370,374
Incurring claims						
Provision for insured events of current year	16,147,404	7,890,014	1,269,068	2,503,767	275,500	4,209,055
Increase (decrease) in provision for insured events of prior years	(524,572)	1,424,535	(1,495,982)	(325,321)	(88,570)	(39,234)
Increase (decrease) in incurred claims	15,622,832	9,314,549	(226,914)	2,178,446	186,930	4,169,821
Claim payments						
Payments, net on claims for insured events of current year	5,177,095	3,528,049	5,403	1,161,374	36,896	445,373
Payments, net on claims for insured events of prior years	7,513,377	3,556,137	1,026,544	561,350	112,416	2,256,930
Total payments	12,690,472	7,084,186	1,031,947	1,722,724	149,312	2,702,303
Unpaid claim liabilities, end of year	\$ 29,558,922	\$ 15,745,767	\$ 2,191,355	\$ 1,342,393	\$ 441,515	\$ 9,837,892
	2022					
	<u>Total</u>	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property and Auto Physical Damage</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>
Unpaid claim liabilities, beginning of year	\$ 27,575,081	\$ 14,990,594	\$ 3,439,701	\$ 289,140	\$ 679,112	\$ 8,176,534
Incurring claims						
Provision for insured events of current year	14,426,788	6,858,124	1,299,060	2,440,939	243,578	3,585,087
Increase (decrease) in provision for insured events of prior years	(2,644,527)	(1,979,646)	(45,068)	82,451	(167,051)	(535,213)
Increase in incurred claims	11,782,261	4,878,478	1,253,992	2,523,390	76,527	3,049,874
Claim payments						
Payments, net on claims for insured events of current year	4,763,621	2,897,092	37,351	1,554,268	46,117	228,793
Payments, net on claims for insured events of prior years	7,967,159	3,456,576	1,206,126	371,591	305,625	2,627,241
Total payments	12,730,780	6,353,668	1,243,477	1,925,859	351,742	2,856,034
Unpaid claim liabilities, end of year	\$ 26,626,562	\$ 13,515,404	\$ 3,450,216	\$ 886,671	\$ 403,897	\$ 8,370,374

See Independent Auditor's Report.

**School Alliance Insurance Fund
Combining Schedule of Net Income and Changes in Net Position for
Fund Years 1997 through 2023
Year Ended June 30, 2023**

<u>Fund Year</u>	<u>Net Position June 30, 2022</u>	<u>Net Income (Loss)</u>	<u>Less Surplus Returned to Members</u>	<u>Net Position June 30, 2023</u>
1997	\$ 16,541	\$ 210	\$ -	\$ 16,751
1998	390,315	4,932	-	395,247
1999	194,825	1,096	-	195,921
2000	56,580	(59,289)	-	(2,709)
2001	310,276	3,542	-	313,818
2002	31,572	469	-	32,041
2003	54,034	880	-	54,914
2004	435,217	5,797	-	441,014
2005	1,081,152	36,493	-	1,117,645
2006	2,134,480	20,548	-	2,155,028
2007	1,973,056	20,269	-	1,993,325
2008	3,215,114	17,071	-	3,232,185
2009	(1,055,144)	39,305	-	(1,015,839)
2010	(97,489)	(11,957)	-	(109,446)
2011	2,382,694	(156,565)	-	2,226,129
2012	227,804	(41,320)	-	186,484
2013	(1,476,172)	68,037	-	(1,408,135)
2014	(1,112,456)	(10,548)	-	(1,123,004)
2015	1,165,799	(99,614)	-	1,066,185
2016	2,802,967	(5,790)	-	2,797,177
2017	3,547,115	182,869	-	3,729,984
2018	3,897,663	233,778	-	4,131,441
2019	1,332,005	(186,388)	-	1,145,617
2020	1,199,182	158,215	-	1,357,397
2021	(59,495)	1,925,029	-	1,865,534
2022	(1,657,000)	(919,807)	-	(2,576,807)
2023	-	(2,321,121)	-	(2,321,121)
	<u>\$ 20,990,635</u>	<u>\$ (1,093,859)</u>	<u>\$ -</u>	<u>\$ 19,896,776</u>

See Independent Auditor's Report.

**School Alliance Insurance Fund
 Combined Cumulative Operating Results Analysis for
 Fund Years 1997 through 2023
 June 30, 2023**

Revenue	
Underwriting income - regular contributions	<u>\$ 748,072,750</u>
Expenses	
Claims	
Paid	246,307,290
Increase in case reserves	22,105,849
Increase in IBNR reserves	<u>7,453,070</u>
Claims - net	275,866,209
Insurance and reinsurance premiums	300,721,096
Administrative expenses	<u>159,205,494</u>
Total expenses	<u>735,792,799</u>
Operating income	<u>12,279,951</u>
Investment income	12,773,619
Other income	<u>222,305</u>
Total non-operating income	<u>12,995,924</u>
Net income	25,275,875
Less: Surplus returned to members	<u>(5,379,099)</u>
Net position	<u>\$ 19,896,776</u>

See Independent Auditor's Report.

**School Alliance Insurance Fund
1997 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property & Auto Physical Damage</u>	<u>Auto Liability</u>	<u>Boiler Machinery & School Board Legal Liability</u>	<u>Totals</u>
Underwriting income						
Regular contributions	\$ 3,873,672	\$ 516,907	\$ 677,699	\$ 378,207	\$ 226,407	\$ 5,672,892
Expenses						
Claims						
Paid	2,818,462	158,268	10,578	58,406	-	3,045,714
Case reserves	-	-	-	-	-	-
IBNR reserves	-	-	-	-	-	-
Claims - net	<u>2,818,462</u>	<u>158,268</u>	<u>10,578</u>	<u>58,406</u>	<u>-</u>	<u>3,045,714</u>
Other						
Insurance and reinsurance premiums	614,064	321,445	392,835	228,565	192,218	1,749,127
Administrative	<u>654,895</u>	<u>137,772</u>	<u>179,552</u>	<u>97,860</u>	<u>30,189</u>	<u>1,100,268</u>
Total other expenses	<u>1,268,959</u>	<u>459,217</u>	<u>572,387</u>	<u>326,425</u>	<u>222,407</u>	<u>2,849,395</u>
Total expenses	<u>4,087,421</u>	<u>617,485</u>	<u>582,965</u>	<u>384,831</u>	<u>222,407</u>	<u>5,895,109</u>
Operating income (loss)	<u>(213,749)</u>	<u>(100,578)</u>	<u>94,734</u>	<u>(6,624)</u>	<u>4,000</u>	<u>(222,217)</u>
Non-operating income (expense)						
Investment income (loss)	316,472	(15,155)	60,305	16,313	3,100	381,035
Other income	11,006	1,926	3,018	1,477	917	18,344
Transfers	<u>(84,204)</u>	<u>108,931</u>	<u>(150,697)</u>	<u>(10,640)</u>	<u>(8,003)</u>	<u>(144,613)</u>
Total non-operating income (expense)	<u>243,274</u>	<u>95,702</u>	<u>(87,374)</u>	<u>7,150</u>	<u>(3,986)</u>	<u>254,766</u>
Net income (loss)	29,525	(4,876)	7,360	526	14	32,549
Less: Surplus returned to members	<u>(15,798)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,798)</u>
Net position	<u>\$ 13,727</u>	<u>\$ (4,876)</u>	<u>\$ 7,360</u>	<u>\$ 526</u>	<u>\$ 14</u>	<u>\$ 16,751</u>

See Independent Auditor's Report.

**School Alliance Insurance Fund
1998 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property & Auto Physical Damage</u>	<u>Auto Liability</u>	<u>Boiler Machinery & School Board Legal Liability</u>	<u>Totals</u>
Underwriting income						
Regular contributions	\$ 4,522,185	\$ 745,988	\$ 915,286	\$ 496,131	\$ 332,257	\$ 7,011,847
Expenses						
Claims						
Paid	3,013,798	69,777	192,452	93	-	3,276,120
Case reserves	-	-	-	-	-	-
IBNR reserves	-	-	-	-	-	-
Claims - net	<u>3,013,798</u>	<u>69,777</u>	<u>192,452</u>	<u>93</u>	<u>-</u>	<u>3,276,120</u>
Other						
Insurance and reinsurance premiums	614,630	450,865	503,133	294,766	279,240	2,142,634
Administrative	<u>772,317</u>	<u>198,546</u>	<u>230,350</u>	<u>115,235</u>	<u>44,746</u>	<u>1,361,194</u>
Total other expenses	<u>1,386,947</u>	<u>649,411</u>	<u>733,483</u>	<u>410,001</u>	<u>323,986</u>	<u>3,503,828</u>
Total expenses	<u>4,400,745</u>	<u>719,188</u>	<u>925,935</u>	<u>410,094</u>	<u>323,986</u>	<u>6,779,948</u>
Operating income (loss)	<u>121,440</u>	<u>26,800</u>	<u>(10,649)</u>	<u>86,037</u>	<u>8,271</u>	<u>231,899</u>
Non-operating income (expense)						
Investment income	528,744	45,528	37,935	48,027	4,659	664,893
Other income	7,014	1,258	1,522	868	564	11,226
Transfers	<u>(167,442)</u>	<u>-</u>	<u>-</u>	<u>(4,540)</u>	<u>(13,199)</u>	<u>(185,181)</u>
Total non-operating income (loss)	<u>368,316</u>	<u>46,786</u>	<u>39,457</u>	<u>44,355</u>	<u>(7,976)</u>	<u>490,938</u>
Net income	489,756	73,586	28,808	130,392	295	722,837
Less: Surplus returned to members	<u>(157,563)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>(119,762)</u>	<u>(265)</u>	<u>(327,590)</u>
Net position	<u>\$ 332,193</u>	<u>\$ 48,586</u>	<u>\$ 3,808</u>	<u>\$ 10,630</u>	<u>\$ 30</u>	<u>\$ 395,247</u>

See Independent Auditor's Report.

**School Alliance Insurance Fund
1999 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property*</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Totals</u>
Underwriting income						
Regular contributions	\$ 4,857,399	\$ 978,762	\$ 1,284,962	\$ 559,214	\$ 254,283	\$ 7,934,620
Expenses						
Claims						
Paid	3,127,216	591,174	74,939	44,475	-	3,837,804
Case reserves	-	-	-	-	-	-
IBNR reserves	-	-	-	-	-	-
Claims - net	<u>3,127,216</u>	<u>591,174</u>	<u>74,939</u>	<u>44,475</u>	<u>-</u>	<u>3,837,804</u>
Other						
Insurance and reinsurance premiums	642,658	582,448	756,419	372,721	221,623	2,575,869
Administrative	<u>837,954</u>	<u>255,860</u>	<u>313,688</u>	<u>142,174</u>	<u>30,514</u>	<u>1,580,190</u>
Total other expenses	<u>1,480,612</u>	<u>838,308</u>	<u>1,070,107</u>	<u>514,895</u>	<u>252,137</u>	<u>4,156,059</u>
Total expenses	<u>4,607,828</u>	<u>1,429,482</u>	<u>1,145,046</u>	<u>559,370</u>	<u>252,137</u>	<u>7,993,863</u>
Operating income (loss)	<u>249,571</u>	<u>(450,720)</u>	<u>139,916</u>	<u>(156)</u>	<u>2,146</u>	<u>(59,243)</u>
Non-operating income (expense)						
Investment income (loss)	605,904	(27,590)	93,345	14,017	1,378	687,054
Other income	7,504	1,349	1,407	880	586	11,726
Transfers	<u>(348,609)</u>	<u>323,263</u>	<u>(200,000)</u>	<u>2,519</u>	<u>(3,983)</u>	<u>(226,810)</u>
Total non-operating income (loss)	<u>264,799</u>	<u>297,022</u>	<u>(105,248)</u>	<u>17,416</u>	<u>(2,019)</u>	<u>471,970</u>
Net income (loss)	514,370	(153,698)	34,668	17,260	127	412,727
Less: Surplus returned to members	<u>(201,394)</u>	<u>(2,801)</u>	<u>(7,519)</u>	<u>(5,000)</u>	<u>(92)</u>	<u>(216,806)</u>
Net position	<u>\$ 312,976</u>	<u>\$ (156,499)</u>	<u>\$ 27,149</u>	<u>\$ 12,260</u>	<u>\$ 35</u>	<u>\$ 195,921</u>

* Property includes Auto Physical Damage and Boiler and Machinery.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2000 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Totals</u>
Underwriting income						
Regular contributions	\$ 4,191,609	\$ 1,222,215	\$ 1,317,938	\$ 716,015	\$ 310,336	\$ 7,758,113
Expenses						
Claims						
Paid	3,163,152	346,615	22,370	17,991	-	3,550,128
Case reserves	-	57,179	-	-	-	57,179
IBNR reserves	-	-	-	-	-	-
Claims - net	<u>3,163,152</u>	<u>403,794</u>	<u>22,370</u>	<u>17,991</u>	<u>-</u>	<u>3,607,307</u>
Other						
Insurance and reinsurance premiums	525,905	755,014	791,407	492,583	267,069	2,831,978
Administrative	<u>763,214</u>	<u>275,690</u>	<u>337,830</u>	<u>169,554</u>	<u>37,240</u>	<u>1,583,528</u>
Total other expenses	<u>1,289,119</u>	<u>1,030,704</u>	<u>1,129,237</u>	<u>662,137</u>	<u>304,309</u>	<u>4,415,506</u>
Total expenses	<u>4,452,271</u>	<u>1,434,498</u>	<u>1,151,607</u>	<u>680,128</u>	<u>304,309</u>	<u>8,022,813</u>
Operating income (loss)	<u>(260,662)</u>	<u>(212,283)</u>	<u>166,331</u>	<u>35,887</u>	<u>6,027</u>	<u>(264,700)</u>
Non-operating income (expense)						
Investment income	226,685	27,513	74,351	19,732	1,785	350,066
Other income	5,618	1,665	1,769	936	416	10,404
Transfers	<u>27,331</u>	<u>159,100</u>	<u>(222,798)</u>	<u>(53,900)</u>	<u>(8,175)</u>	<u>(98,442)</u>
Total non-operating income (loss)	<u>259,634</u>	<u>188,278</u>	<u>(146,678)</u>	<u>(33,232)</u>	<u>(5,974)</u>	<u>262,028</u>
Net income (loss)	<u>(1,028)</u>	<u>(24,005)</u>	<u>19,653</u>	<u>2,655</u>	<u>53</u>	<u>(2,672)</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(37)</u>	<u>(37)</u>
Net position	<u>\$ (1,028)</u>	<u>\$ (24,005)</u>	<u>\$ 19,653</u>	<u>\$ 2,655</u>	<u>\$ 16</u>	<u>\$ (2,709)</u>

* Property includes Auto Physical Damage and Boiler and Machinery.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2001 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 5,035,265	\$ 1,204,485	\$ 1,519,900	\$ 643,589	\$ 630,291	\$ 52,433	\$ 9,085,963
Expenses							
Claims							
Paid	3,517,083	705,001	32,444	3,670	153,333	-	4,411,531
Case reserves	15,700	-	-	-	-	-	15,700
IBNR reserves	-	-	-	-	-	-	-
Claims - net	<u>3,532,783</u>	<u>705,001</u>	<u>32,444</u>	<u>3,670</u>	<u>153,333</u>	<u>-</u>	<u>4,427,231</u>
Other							
Insurance and reinsurance premiums	843,881	790,315	977,595	440,058	255,957	39,180	3,346,986
Administrative	<u>887,151</u>	<u>280,746</u>	<u>372,160</u>	<u>158,753</u>	<u>181,295</u>	<u>13,223</u>	<u>1,893,328</u>
Total other expenses	<u>1,731,032</u>	<u>1,071,061</u>	<u>1,349,755</u>	<u>598,811</u>	<u>437,252</u>	<u>52,403</u>	<u>5,240,314</u>
Total expenses	<u>5,263,815</u>	<u>1,776,062</u>	<u>1,382,199</u>	<u>602,481</u>	<u>590,585</u>	<u>52,403</u>	<u>9,667,545</u>
Operating income (loss)	<u>(228,550)</u>	<u>(571,577)</u>	<u>137,701</u>	<u>41,108</u>	<u>39,706</u>	<u>30</u>	<u>(581,582)</u>
Non-operating income (expense)							
Investment income (loss)	254,324	(21,129)	40,459	14,628	46,187	27	334,496
Other income	8,741	2,154	2,908	1,162	1,139	162	16,266
Transfers	<u>35,341</u>	<u>812,351</u>	<u>(170,000)</u>	<u>(55,000)</u>	<u>(41,425)</u>	<u>(217)</u>	<u>581,050</u>
Total non-operating income (loss)	<u>298,406</u>	<u>793,376</u>	<u>(126,633)</u>	<u>(39,210)</u>	<u>5,901</u>	<u>(28)</u>	<u>931,812</u>
Net income	69,856	221,799	11,068	1,898	45,607	2	350,230
Less: Surplus returned to members	<u>(4,164)</u>	<u>(25,000)</u>	<u>(5,000)</u>	<u>(1,863)</u>	<u>(385)</u>	<u>-</u>	<u>(36,412)</u>
Net position	<u>\$ 65,692</u>	<u>\$ 196,799</u>	<u>\$ 6,068</u>	<u>\$ 35</u>	<u>\$ 45,222</u>	<u>\$ 2</u>	<u>\$ 313,818</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2002 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 7,380,316	\$ 1,609,449	\$ 1,907,229	\$ 654,400	\$ 834,093	\$ 152,670	\$ 12,538,157
Expenses							
Claims							
Paid	4,732,533	435,741	27,403	34,301	-	-	5,229,978
Case reserves	-	-	-	-	-	-	-
IBNR reserves	-	-	-	-	-	-	-
Claims - net	<u>4,732,533</u>	<u>435,741</u>	<u>27,403</u>	<u>34,301</u>	<u>-</u>	<u>-</u>	<u>5,229,978</u>
Other							
Insurance and reinsurance premiums	1,791,670	931,406	1,229,062	324,352	655,372	113,930	5,045,792
Administrative	<u>1,264,257</u>	<u>355,406</u>	<u>536,449</u>	<u>140,839</u>	<u>163,428</u>	<u>17,674</u>	<u>2,478,053</u>
Total other expenses	<u>3,055,927</u>	<u>1,286,812</u>	<u>1,765,511</u>	<u>465,191</u>	<u>818,800</u>	<u>131,604</u>	<u>7,523,845</u>
Total expenses	<u>7,788,460</u>	<u>1,722,553</u>	<u>1,792,914</u>	<u>499,492</u>	<u>818,800</u>	<u>131,604</u>	<u>12,753,823</u>
Operating income (loss)	<u>(408,144)</u>	<u>(113,104)</u>	<u>114,315</u>	<u>154,908</u>	<u>15,293</u>	<u>21,066</u>	<u>(215,666)</u>
Non-operating income (expense)							
Investment income	287,806	22,586	37,450	50,934	5,762	6,772	411,310
Other income	9,778	2,018	2,794	621	155	341	15,707
Transfers	<u>121,820</u>	<u>85,700</u>	<u>(133,806)</u>	<u>(52,898)</u>	<u>(4,407)</u>	<u>(1,633)</u>	<u>14,776</u>
Total non-operating income (expense)	<u>419,404</u>	<u>110,304</u>	<u>(93,562)</u>	<u>(1,343)</u>	<u>1,510</u>	<u>5,480</u>	<u>441,793</u>
Net income (loss)	11,260	(2,800)	20,753	153,565	16,803	26,546	226,127
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>(16,194)</u>	<u>(137,102)</u>	<u>(15,623)</u>	<u>(25,167)</u>	<u>(194,086)</u>
Net position	<u>\$ 11,260</u>	<u>\$ (2,800)</u>	<u>\$ 4,559</u>	<u>\$ 16,463</u>	<u>\$ 1,180</u>	<u>\$ 1,379</u>	<u>\$ 32,041</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2003 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 7,111,164	\$ 2,397,725	\$ 2,472,603	\$ 870,496	\$ 1,203,685	\$ 163,258	\$ 14,218,931
Expenses							
Claims							
Paid	5,523,502	719,443	772,971	67,929	-	-	7,083,845
Case reserves	-	-	-	-	-	-	-
IBNR reserves	-	-	-	-	-	-	-
Claims - net	<u>5,523,502</u>	<u>719,443</u>	<u>772,971</u>	<u>67,929</u>	<u>-</u>	<u>-</u>	<u>7,083,845</u>
Other							
Insurance and reinsurance premiums	682,359	1,082,727	777,691	387,401	966,248	134,220	4,030,646
Administrative	<u>1,250,942</u>	<u>581,333</u>	<u>553,354</u>	<u>247,476</u>	<u>235,706</u>	<u>21,006</u>	<u>2,889,817</u>
Total other expenses	<u>1,933,301</u>	<u>1,664,060</u>	<u>1,331,045</u>	<u>634,877</u>	<u>1,201,954</u>	<u>155,226</u>	<u>6,920,463</u>
Total expenses	<u>7,456,803</u>	<u>2,383,503</u>	<u>2,104,016</u>	<u>702,806</u>	<u>1,201,954</u>	<u>155,226</u>	<u>14,004,308</u>
Operating income (loss)	<u>(345,639)</u>	<u>14,222</u>	<u>368,587</u>	<u>167,690</u>	<u>1,731</u>	<u>8,032</u>	<u>214,623</u>
Non-operating income (expense)							
Investment income	280,814	81,724	87,200	41,813	552	1,571	493,674
Other income	4,203	1,376	1,299	611	77	76	7,642
Transfers	<u>4,875</u>	<u>(4,817)</u>	<u>(29,397)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,339)</u>
Total non-operating income	<u>289,892</u>	<u>78,283</u>	<u>59,102</u>	<u>42,424</u>	<u>629</u>	<u>1,647</u>	<u>471,977</u>
Net income (loss)	<u>(55,747)</u>	<u>92,505</u>	<u>427,689</u>	<u>210,114</u>	<u>2,360</u>	<u>9,679</u>	<u>686,600</u>
Less: Surplus returned to members	<u>-</u>	<u>(80,919)</u>	<u>(364,268)</u>	<u>(174,662)</u>	<u>(2,237)</u>	<u>(9,600)</u>	<u>(631,686)</u>
Net position	<u>\$ (55,747)</u>	<u>\$ 11,586</u>	<u>\$ 63,421</u>	<u>\$ 35,452</u>	<u>\$ 123</u>	<u>\$ 79</u>	<u>\$ 54,914</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2004 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 8,238,238	\$ 2,937,165	\$ 3,088,546	\$ 1,014,509	\$ 1,782,909	\$ 227,468	\$ 17,288,835
Expenses							
Claims							
Paid	6,338,673	685,999	850,000	114,001	-	-	7,988,673
Case reserves	11,805	-	-	-	-	-	11,805
IBNR reserves	-	-	-	-	-	-	-
Claims - net	<u>6,350,478</u>	<u>685,999</u>	<u>850,000</u>	<u>114,001</u>	<u>-</u>	<u>-</u>	<u>8,000,478</u>
Other							
Insurance and reinsurance premiums	889,015	1,459,111	1,269,936	468,825	1,373,351	186,030	5,646,268
Administrative	<u>1,425,059</u>	<u>626,765</u>	<u>798,942</u>	<u>270,112</u>	<u>375,949</u>	<u>26,513</u>	<u>3,523,340</u>
Total other expenses	<u>2,314,074</u>	<u>2,085,876</u>	<u>2,068,878</u>	<u>738,937</u>	<u>1,749,300</u>	<u>212,543</u>	<u>9,169,608</u>
Total expenses	<u>8,664,552</u>	<u>2,771,875</u>	<u>2,918,878</u>	<u>852,938</u>	<u>1,749,300</u>	<u>212,543</u>	<u>17,170,086</u>
Operating income (loss)	<u>(426,314)</u>	<u>165,290</u>	<u>169,668</u>	<u>161,571</u>	<u>33,609</u>	<u>14,925</u>	<u>118,749</u>
Non-operating income (expense)							
Investment income	271,894	100,168	35,890	41,784	6,699	2,832	459,267
Other income	8,519	2,662	3,372	1,242	1,775	177	17,747
Transfers	<u>550,041</u>	<u>(157,848)</u>	<u>(117,801)</u>	<u>(95,841)</u>	<u>(27,534)</u>	<u>(8,877)</u>	<u>142,140</u>
Total non-operating income (loss)	<u>830,454</u>	<u>(55,018)</u>	<u>(78,539)</u>	<u>(52,815)</u>	<u>(19,060)</u>	<u>(5,868)</u>	<u>619,154</u>
Net income	404,140	110,272	91,129	108,756	14,549	9,057	737,903
Less: Surplus returned to members	<u>-</u>	<u>(107,152)</u>	<u>(82,199)</u>	<u>(84,159)</u>	<u>(14,366)</u>	<u>(9,013)</u>	<u>(296,889)</u>
Net position	<u>\$ 404,140</u>	<u>\$ 3,120</u>	<u>\$ 8,930</u>	<u>\$ 24,597</u>	<u>\$ 183</u>	<u>\$ 44</u>	<u>\$ 441,014</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2005 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 10,989,811	\$ 3,508,935	\$ 3,945,540	\$ 1,344,474	\$ 2,082,821	\$ 246,921	\$ 22,118,502
Expenses							
Claims							
Paid	5,179,117	1,106,189	795,127	93,565	-	-	7,173,998
Case reserves	47,488	44,012	-	-	-	-	91,500
IBNR reserves	-	-	-	-	-	-	-
Claims - net	<u>5,226,605</u>	<u>1,150,201</u>	<u>795,127</u>	<u>93,565</u>	<u>-</u>	<u>-</u>	<u>7,265,498</u>
Other							
Insurance and reinsurance premiums	1,518,218	1,703,445	1,564,106	584,191	1,582,861	205,770	7,158,591
Administrative	1,920,259	769,627	939,413	333,626	434,380	33,481	4,430,786
Total other expenses	<u>3,438,477</u>	<u>2,473,072</u>	<u>2,503,519</u>	<u>917,817</u>	<u>2,017,241</u>	<u>239,251</u>	<u>11,589,377</u>
Total expenses	<u>8,665,082</u>	<u>3,623,273</u>	<u>3,298,646</u>	<u>1,011,382</u>	<u>2,017,241</u>	<u>239,251</u>	<u>18,854,875</u>
Operating income (loss)	<u>2,324,729</u>	<u>(114,338)</u>	<u>646,894</u>	<u>333,092</u>	<u>65,580</u>	<u>7,670</u>	<u>3,263,627</u>
Non-operating income (expense)							
Investment income	873,844	154,827	122,747	65,482	13,911	1,344	1,232,155
Other income	17,961	4,955	5,884	1,858	-	310	30,968
Transfers	<u>(145,149)</u>	<u>169,437</u>	<u>(77,870)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(53,582)</u>
Total non-operating income	<u>746,656</u>	<u>329,219</u>	<u>50,761</u>	<u>67,340</u>	<u>13,911</u>	<u>1,654</u>	<u>1,209,541</u>
Net income	3,071,385	214,881	697,655	400,432	79,491	9,324	4,473,168
Less: Surplus returned to members	<u>(2,304,847)</u>	<u>-</u>	<u>(597,317)</u>	<u>(364,815)</u>	<u>(79,245)</u>	<u>(9,299)</u>	<u>(3,355,523)</u>
Net position	<u>\$ 766,538</u>	<u>\$ 214,881</u>	<u>\$ 100,338</u>	<u>\$ 35,617</u>	<u>\$ 246</u>	<u>\$ 25</u>	<u>\$ 1,117,645</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2006 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 11,645,471	\$ 3,812,507	\$ 4,591,980	\$ 1,402,149	\$ 2,241,849	\$ 69,615	\$ 23,763,571
Expenses							
Claims							
Paid	7,518,343	1,318,885	1,388,967	141,558	129,693	-	10,497,446
Case reserves	158,525	-	-	-	-	-	158,525
IBNR reserves	-	-	-	-	-	-	-
Claims - net	<u>7,676,868</u>	<u>1,318,885</u>	<u>1,388,967</u>	<u>141,558</u>	<u>129,693</u>	<u>-</u>	<u>10,655,971</u>
Other							
Insurance and reinsurance premiums	1,655,671	1,809,442	1,989,948	641,186	1,228,096	57,597	7,381,940
Administrative	<u>2,053,697</u>	<u>755,993</u>	<u>1,227,753</u>	<u>308,805</u>	<u>450,535</u>	<u>8,431</u>	<u>4,805,214</u>
Total other expenses	<u>3,709,368</u>	<u>2,565,435</u>	<u>3,217,701</u>	<u>949,991</u>	<u>1,678,631</u>	<u>66,028</u>	<u>12,187,154</u>
Total expenses	<u>11,386,236</u>	<u>3,884,320</u>	<u>4,606,668</u>	<u>1,091,549</u>	<u>1,808,324</u>	<u>66,028</u>	<u>22,843,125</u>
Operating income (loss)	<u>259,235</u>	<u>(71,813)</u>	<u>(14,688)</u>	<u>310,600</u>	<u>433,525</u>	<u>3,587</u>	<u>920,446</u>
Non-operating income							
Investment income	807,290	218,185	31,644	107,990	165,655	725	1,331,489
Other income	<u>3,609</u>	<u>1,031</u>	<u>1,620</u>	<u>368</u>	<u>737</u>	<u>-</u>	<u>7,365</u>
Total non-operating income	<u>810,899</u>	<u>219,216</u>	<u>33,264</u>	<u>108,358</u>	<u>166,392</u>	<u>725</u>	<u>1,338,854</u>
Net income	1,070,134	147,403	18,576	418,958	599,917	4,312	2,259,300
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>(4,272)</u>	<u>(104,272)</u>
Net position	<u>\$ 1,070,134</u>	<u>\$ 147,403</u>	<u>\$ 18,576</u>	<u>\$ 318,958</u>	<u>\$ 599,917</u>	<u>\$ 40</u>	<u>\$ 2,155,028</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2007 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 12,566,638	\$ 4,220,267	\$ 5,397,003	\$ 1,508,768	\$ 2,404,020	\$ 72,617	\$ 26,169,313
Expenses							
Claims							
Paid	8,101,083	1,488,818	1,702,683	141,754	209,491	-	11,643,829
Case reserves	232,833	-	-	-	-	-	232,833
IBNR reserves	-	-	-	-	-	-	-
Claims - net	<u>8,333,916</u>	<u>1,488,818</u>	<u>1,702,683</u>	<u>141,754</u>	<u>209,491</u>	<u>-</u>	<u>11,876,662</u>
Other							
Insurance and reinsurance premiums	1,785,737	2,010,940	2,437,417	468,043	1,291,481	62,872	8,056,490
Administrative	<u>2,268,015</u>	<u>918,357</u>	<u>1,261,984</u>	<u>331,687</u>	<u>539,891</u>	<u>8,854</u>	<u>5,328,788</u>
Total other expenses	<u>4,053,752</u>	<u>2,929,297</u>	<u>3,699,401</u>	<u>799,730</u>	<u>1,831,372</u>	<u>71,726</u>	<u>13,385,278</u>
Total expenses	<u>12,387,668</u>	<u>4,418,115</u>	<u>5,402,084</u>	<u>941,484</u>	<u>2,040,863</u>	<u>71,726</u>	<u>25,261,940</u>
Operating income (loss)	<u>178,970</u>	<u>(197,848)</u>	<u>(5,081)</u>	<u>567,284</u>	<u>363,157</u>	<u>891</u>	<u>907,373</u>
Non-operating income							
Investment income	801,342	141,434	60,120	147,988	127,390	646	1,278,920
Other income	<u>3,444</u>	<u>985</u>	<u>1,547</u>	<u>352</u>	<u>703</u>	<u>-</u>	<u>7,031</u>
Total non-operating income	<u>804,786</u>	<u>142,419</u>	<u>61,667</u>	<u>148,340</u>	<u>128,093</u>	<u>646</u>	<u>1,285,951</u>
Net income (loss)	983,756	(55,429)	56,586	715,624	491,250	1,537	2,193,324
Less: Surplus returned to members	<u>(99,999)</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>(199,999)</u>
Net position	<u>\$ 883,757</u>	<u>\$ (55,429)</u>	<u>\$ 56,586</u>	<u>\$ 615,624</u>	<u>\$ 491,250</u>	<u>\$ 1,537</u>	<u>\$ 1,993,325</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2008 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 13,362,210	\$ 4,293,508	\$ 6,044,143	\$ 1,571,053	\$ 2,418,283	\$ 144,422	\$ 27,833,619
Expenses							
Claims							
Paid	7,811,419	1,279,978	1,948,762	137,122	242,047	-	11,419,328
Case reserves	54,957	-	-	-	-	-	54,957
IBNR reserves	1,959	-	-	-	-	-	1,959
Claims - net	<u>7,868,335</u>	<u>1,279,978</u>	<u>1,948,762</u>	<u>137,122</u>	<u>242,047</u>	<u>-</u>	<u>11,476,244</u>
Other							
Insurance and reinsurance premiums	1,807,898	1,862,274	2,860,134	673,118	1,244,924	126,486	8,574,834
Administrative	2,312,184	932,035	1,468,727	343,276	479,622	17,937	5,553,781
Total other expenses	<u>4,120,082</u>	<u>2,794,309</u>	<u>4,328,861</u>	<u>1,016,394</u>	<u>1,724,546</u>	<u>144,423</u>	<u>14,128,615</u>
Total expenses	<u>11,988,417</u>	<u>4,074,287</u>	<u>6,277,623</u>	<u>1,153,516</u>	<u>1,966,593</u>	<u>144,423</u>	<u>25,604,859</u>
Operating income (loss)	<u>1,373,793</u>	<u>219,221</u>	<u>(233,480)</u>	<u>417,537</u>	<u>451,690</u>	<u>(1)</u>	<u>2,228,760</u>
Non-operating income							
Investment income	657,595	142,424	13,332	84,531	93,345	45	991,272
Other income	5,833	1,580	3,038	607	1,095	-	12,153
Total non-operating income	<u>663,428</u>	<u>144,004</u>	<u>16,370</u>	<u>85,138</u>	<u>94,440</u>	<u>45</u>	<u>1,003,425</u>
Net income (loss)	<u>2,037,221</u>	<u>363,225</u>	<u>(217,110)</u>	<u>502,675</u>	<u>546,130</u>	<u>44</u>	<u>3,232,185</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 2,037,221</u>	<u>\$ 363,225</u>	<u>\$ (217,110)</u>	<u>\$ 502,675</u>	<u>\$ 546,130</u>	<u>\$ 44</u>	<u>\$ 3,232,185</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2009 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 13,907,711	\$ 4,014,139	\$ 6,051,194	\$ 1,428,321	\$ 2,007,925	\$ 167,139	\$ 27,576,429
Expenses							
Claims							
Paid	9,871,001	2,045,421	1,586,683	119,614	289,726	-	13,912,445
Case reserves	608,044	-	-	-	-	-	608,044
IBNR reserves	2,615	-	-	-	-	-	2,615
Claims - net	<u>10,481,660</u>	<u>2,045,421</u>	<u>1,586,683</u>	<u>119,614</u>	<u>289,726</u>	<u>-</u>	<u>14,523,104</u>
Other							
Insurance and reinsurance premiums	2,259,993	1,779,491	2,921,544	525,978	1,010,368	146,213	8,643,587
Administrative	<u>2,505,202</u>	<u>920,613</u>	<u>1,543,024</u>	<u>331,420</u>	<u>412,392</u>	<u>20,928</u>	<u>5,733,579</u>
Total other expenses	<u>4,765,195</u>	<u>2,700,104</u>	<u>4,464,568</u>	<u>857,398</u>	<u>1,422,760</u>	<u>167,141</u>	<u>14,377,166</u>
Total expenses	<u>15,246,855</u>	<u>4,745,525</u>	<u>6,051,251</u>	<u>977,012</u>	<u>1,712,486</u>	<u>167,141</u>	<u>28,900,270</u>
Operating income (loss)	<u>(1,339,144)</u>	<u>(731,386)</u>	<u>(57)</u>	<u>451,309</u>	<u>295,439</u>	<u>(2)</u>	<u>(1,323,841)</u>
Non-operating income							
Investment income	174,177	44,704	7,600	35,601	36,919	256	299,257
Other income	<u>2,758</u>	<u>747</u>	<u>1,436</u>	<u>287</u>	<u>517</u>	<u>3,000</u>	<u>8,745</u>
Total non-operating income	<u>176,935</u>	<u>45,451</u>	<u>9,036</u>	<u>35,888</u>	<u>37,436</u>	<u>3,256</u>	<u>308,002</u>
Net income (loss)	<u>(1,162,209)</u>	<u>(685,935)</u>	<u>8,979</u>	<u>487,197</u>	<u>332,875</u>	<u>3,254</u>	<u>(1,015,839)</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (1,162,209)</u>	<u>\$ (685,935)</u>	<u>\$ 8,979</u>	<u>\$ 487,197</u>	<u>\$ 332,875</u>	<u>\$ 3,254</u>	<u>\$ (1,015,839)</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2010 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 14,692,844	\$ 4,148,386	\$ 6,510,114	\$ 1,436,303	\$ 2,192,205	\$ 224,005	\$ 29,203,857
Expenses							
Claims							
Paid	10,362,636	1,142,490	2,169,538	187,972	285,882	-	14,148,518
Case reserves	269,164	-	-	-	-	-	269,164
IBNR reserves	1,977	-	-	-	-	-	1,977
Claims - net	<u>10,633,777</u>	<u>1,142,490</u>	<u>2,169,538</u>	<u>187,972</u>	<u>285,882</u>	<u>-</u>	<u>14,419,659</u>
Other							
Insurance and reinsurance premiums	2,586,429	1,282,768	3,198,703	808,259	1,050,123	195,785	9,122,067
Administrative	2,688,953	958,617	1,645,514	338,934	401,762	28,208	6,061,988
Total other expenses	<u>5,275,382</u>	<u>2,241,385</u>	<u>4,844,217</u>	<u>1,147,193</u>	<u>1,451,885</u>	<u>223,993</u>	<u>15,184,055</u>
Total expenses	<u>15,909,159</u>	<u>3,383,875</u>	<u>7,013,755</u>	<u>1,335,165</u>	<u>1,737,767</u>	<u>223,993</u>	<u>29,603,714</u>
Operating income (loss)	<u>(1,216,315)</u>	<u>764,511</u>	<u>(503,641)</u>	<u>101,138</u>	<u>454,438</u>	<u>12</u>	<u>(399,857)</u>
Non-operating income							
Investment income	157,591	80,600	2,558	10,163	36,033	83	287,028
Other income	<u>1,624.00</u>	<u>441.00</u>	<u>845.00</u>	<u>168.00</u>	<u>305.00</u>	<u>-</u>	<u>3,383.00</u>
Total non-operating income	<u>159,215</u>	<u>81,041</u>	<u>3,403</u>	<u>10,331</u>	<u>36,338</u>	<u>83</u>	<u>290,411</u>
Net income (loss)	<u>(1,057,100)</u>	<u>845,552</u>	<u>(500,238)</u>	<u>111,469</u>	<u>490,776</u>	<u>95</u>	<u>(109,446)</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (1,057,100)</u>	<u>\$ 845,552</u>	<u>\$ (500,238)</u>	<u>\$ 111,469</u>	<u>\$ 490,776</u>	<u>\$ 95</u>	<u>\$ (109,446)</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2011 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 14,607,350	\$ 3,985,452	\$ 6,665,327	\$ 1,360,292	\$ 2,289,818	\$ 144,363	\$ 29,052,602
Expenses							
Claims							
Paid	8,572,592	841,100	1,575,854	129,664	570,577	-	11,689,787
Case reserves	385,713	-	-	-	-	-	385,713
IBNR reserves	21,907	-	-	-	-	-	21,907
Claims - net	<u>8,980,212</u>	<u>841,100</u>	<u>1,575,854</u>	<u>129,664</u>	<u>570,577</u>	<u>-</u>	<u>12,097,407</u>
Other							
Insurance and reinsurance premiums	2,655,988	1,465,832	3,030,444	680,037	1,020,258	126,042	8,978,601
Administrative	<u>2,772,685</u>	<u>931,806</u>	<u>1,843,623</u>	<u>326,570</u>	<u>404,878</u>	<u>17,217</u>	<u>6,296,779</u>
Total other expenses	<u>5,428,673</u>	<u>2,397,638</u>	<u>4,874,067</u>	<u>1,006,607</u>	<u>1,425,136</u>	<u>143,259</u>	<u>15,275,380</u>
Total expenses	<u>14,408,885</u>	<u>3,238,738</u>	<u>6,449,921</u>	<u>1,136,271</u>	<u>1,995,713</u>	<u>143,259</u>	<u>27,372,787</u>
Operating income	<u>198,465</u>	<u>746,714</u>	<u>215,406</u>	<u>224,021</u>	<u>294,105</u>	<u>1,104</u>	<u>1,679,815</u>
Non-operating income (expense)							
Investment income	271,789	129,347	45,835	32,929	59,474	169	539,543
Other income (expense)	<u>4,492</u>	<u>1,217</u>	<u>(249)</u>	<u>468</u>	<u>842</u>	<u>1</u>	<u>6,771</u>
Total non-operating income	<u>276,281</u>	<u>130,564</u>	<u>45,586</u>	<u>33,397</u>	<u>60,316</u>	<u>170</u>	<u>546,314</u>
Net income	474,746	877,278	260,992	257,418	354,421	1,274	2,226,129
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 474,746</u>	<u>\$ 877,278</u>	<u>\$ 260,992</u>	<u>\$ 257,418</u>	<u>\$ 354,421</u>	<u>\$ 1,274</u>	<u>\$ 2,226,129</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2012 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 13,332,062	\$ 3,799,894	\$ 6,533,496	\$ 1,374,380	\$ 2,272,544	\$ 146,347	\$ 27,458,723
Expenses							
Claims							
Paid	7,283,815	1,121,033	1,916,216	512,752	381,051	-	11,214,867
Case reserves	250,124	-	-	-	-	-	250,124
IBNR reserves	-	-	-	-	-	-	-
Claims - net	<u>7,533,939</u>	<u>1,121,033</u>	<u>1,916,216</u>	<u>512,752</u>	<u>381,051</u>	<u>-</u>	<u>11,464,991</u>
Other							
Insurance and reinsurance premiums	3,686,029	1,322,587	2,950,604	774,184	1,232,862	129,495	10,095,761
Administrative	<u>2,675,018</u>	<u>898,688</u>	<u>1,613,776</u>	<u>327,207</u>	<u>394,816</u>	<u>18,637</u>	<u>5,928,142</u>
Total other expenses	<u>6,361,047</u>	<u>2,221,275</u>	<u>4,564,380</u>	<u>1,101,391</u>	<u>1,627,678</u>	<u>148,132</u>	<u>16,023,903</u>
Total expenses	<u>13,894,986</u>	<u>3,342,308</u>	<u>6,480,596</u>	<u>1,614,143</u>	<u>2,008,729</u>	<u>148,132</u>	<u>27,488,894</u>
Operating income (loss)	<u>(562,924)</u>	<u>457,586</u>	<u>52,900</u>	<u>(239,763)</u>	<u>263,815</u>	<u>(1,785)</u>	<u>(30,171)</u>
Non-operating income							
Investment income	94,971	63,845	16,660	6,292	28,837	40	210,645
Other income	<u>2,885</u>	<u>781</u>	<u>1,502</u>	<u>301</u>	<u>541</u>	<u>-</u>	<u>6,010</u>
Total non-operating income	<u>97,856</u>	<u>64,626</u>	<u>18,162</u>	<u>6,593</u>	<u>29,378</u>	<u>40</u>	<u>216,655</u>
Net income (loss)	<u>(465,068)</u>	<u>522,212</u>	<u>71,062</u>	<u>(233,170)</u>	<u>293,193</u>	<u>(1,745)</u>	<u>186,484</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (465,068)</u>	<u>\$ 522,212</u>	<u>\$ 71,062</u>	<u>\$ (233,170)</u>	<u>\$ 293,193</u>	<u>\$ (1,745)</u>	<u>\$ 186,484</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2013 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 15,471,076	\$ 4,031,171	\$ 7,444,715	\$ 1,491,045	\$ 2,532,467	\$ 156,027	\$ 31,126,501
Expenses							
Claims							
Paid	9,765,319	1,280,592	1,962,373	172,772	729,673	-	13,910,729
Case reserves	261,043	-	-	-	-	-	261,043
IBNR reserves	-	-	-	-	-	-	-
Claims - net	<u>10,026,362</u>	<u>1,280,592</u>	<u>1,962,373</u>	<u>172,772</u>	<u>729,673</u>	<u>-</u>	<u>14,171,772</u>
Other							
Insurance and reinsurance premiums	4,211,238	1,565,933	3,795,405	736,202	1,381,858	135,820	11,826,456
Administrative	2,977,563	954,806	1,849,102	356,116	443,290	19,913	6,600,790
Total other expenses	<u>7,188,801</u>	<u>2,520,739</u>	<u>5,644,507</u>	<u>1,092,318</u>	<u>1,825,148</u>	<u>155,733</u>	<u>18,427,246</u>
Total expenses	<u>17,215,163</u>	<u>3,801,331</u>	<u>7,606,880</u>	<u>1,265,090</u>	<u>2,554,821</u>	<u>155,733</u>	<u>32,599,018</u>
Operating income (loss)	<u>(1,744,087)</u>	<u>229,840</u>	<u>(162,165)</u>	<u>225,955</u>	<u>(22,354)</u>	<u>294</u>	<u>(1,472,517)</u>
Non-operating income (expense)							
Investment income (loss)	5,891	32,857	(1,486)	6,954	12,034	90	56,340
Other income	<u>2,540</u>	<u>688</u>	<u>1,323</u>	<u>265</u>	<u>476</u>	<u>2,750</u>	<u>8,042</u>
Total non-operating income (expense)	<u>8,431</u>	<u>33,545</u>	<u>(163)</u>	<u>7,219</u>	<u>12,510</u>	<u>2,840</u>	<u>64,382</u>
Net income (loss)	<u>(1,735,656)</u>	<u>263,385</u>	<u>(162,328)</u>	<u>233,174</u>	<u>(9,844)</u>	<u>3,134</u>	<u>(1,408,135)</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (1,735,656)</u>	<u>\$ 263,385</u>	<u>\$ (162,328)</u>	<u>\$ 233,174</u>	<u>\$ (9,844)</u>	<u>\$ 3,134</u>	<u>\$ (1,408,135)</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2014 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 16,116,807	\$ 3,925,901	\$ 9,148,328	\$ 1,469,792	\$ 3,078,268	\$ 130,162	\$ 33,869,258
Expenses							
Claims							
Paid	9,072,850	1,348,495	1,863,869	167,850	909,474	-	13,362,538
Case reserves	378,945	-	-	-	-	-	378,945
IBNR reserves	2,119	-	-	-	-	-	2,119
Claims - net	<u>9,453,914</u>	<u>1,348,495</u>	<u>1,863,869</u>	<u>167,850</u>	<u>909,474</u>	<u>-</u>	<u>13,743,602</u>
Other							
Insurance and reinsurance premiums	4,583,495	1,493,953	5,434,584	632,262	1,960,771	113,599	14,218,664
Administrative	3,138,684	952,472	2,151,686	378,292	536,060	16,563	7,173,757
Total other expenses	<u>7,722,179</u>	<u>2,446,425</u>	<u>7,586,270</u>	<u>1,010,554</u>	<u>2,496,831</u>	<u>130,162</u>	<u>21,392,421</u>
Total expenses	<u>17,176,093</u>	<u>3,794,920</u>	<u>9,450,139</u>	<u>1,178,404</u>	<u>3,406,305</u>	<u>130,162</u>	<u>35,136,023</u>
Operating income (loss)	<u>(1,059,286)</u>	<u>130,981</u>	<u>(301,811)</u>	<u>291,388</u>	<u>(328,037)</u>	<u>-</u>	<u>(1,266,765)</u>
Non-operating income							
Investment income	65,388	46,570	606	16,760	8,731	278	138,333
Other income	2,606	705	1,357	271	489	-	5,428
Total non-operating income	<u>67,994</u>	<u>47,275</u>	<u>1,963</u>	<u>17,031</u>	<u>9,220</u>	<u>278</u>	<u>143,761</u>
Net income (loss)	<u>(991,292)</u>	<u>178,256</u>	<u>(299,848)</u>	<u>308,419</u>	<u>(318,817)</u>	<u>278</u>	<u>(1,123,004)</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (991,292)</u>	<u>\$ 178,256</u>	<u>\$ (299,848)</u>	<u>\$ 308,419</u>	<u>\$ (318,817)</u>	<u>\$ 278</u>	<u>\$ (1,123,004)</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2015 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 16,547,927	\$ 4,899,172	\$ 11,343,735	\$ 1,825,254	\$ 3,434,711	\$ 22,408	\$ 38,073,207
Expenses							
Claims							
Paid	8,994,664	1,035,870	1,529,596	650,244	899,942	-	13,110,316
Case reserves	231,277	-	-	-	-	-	231,277
IBNR reserves	4,912	-	-	-	-	-	4,912
Claims - net	<u>9,230,853</u>	<u>1,035,870</u>	<u>1,529,596</u>	<u>650,244</u>	<u>899,942</u>	<u>-</u>	<u>13,346,505</u>
Other							
Insurance and reinsurance premiums	4,208,888	1,482,432	6,931,652	1,085,985	2,308,606	19,810	16,037,373
Administrative	<u>3,293,472</u>	<u>1,085,420</u>	<u>2,536,526</u>	<u>434,312</u>	<u>636,285</u>	<u>2,132</u>	<u>7,988,147</u>
Total other expenses	<u>7,502,360</u>	<u>2,567,852</u>	<u>9,468,178</u>	<u>1,520,297</u>	<u>2,944,891</u>	<u>21,942</u>	<u>24,025,520</u>
Total expenses	<u>16,733,213</u>	<u>3,603,722</u>	<u>10,997,774</u>	<u>2,170,541</u>	<u>3,844,833</u>	<u>21,942</u>	<u>37,372,025</u>
Operating income (loss)	<u>(185,286)</u>	<u>1,295,450</u>	<u>345,961</u>	<u>(345,287)</u>	<u>(410,122)</u>	<u>466</u>	<u>701,182</u>
Non-operating income							
Investment income	170,230	136,297	31,846	2,991	14,247	25	355,636
Other income	<u>4,496</u>	<u>1,218</u>	<u>2,342</u>	<u>468</u>	<u>843</u>	<u>-</u>	<u>9,367</u>
Total non-operating income	<u>174,726</u>	<u>137,515</u>	<u>34,188</u>	<u>3,459</u>	<u>15,090</u>	<u>25</u>	<u>365,003</u>
Net income (loss)	<u>(10,560)</u>	<u>1,432,965</u>	<u>380,149</u>	<u>(341,828)</u>	<u>(395,032)</u>	<u>491</u>	<u>1,066,185</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (10,560)</u>	<u>\$ 1,432,965</u>	<u>\$ 380,149</u>	<u>\$ (341,828)</u>	<u>\$ (395,032)</u>	<u>\$ 491</u>	<u>\$ 1,066,185</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2016 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 17,323,800	\$ 4,921,932	\$ 12,357,408	\$ 1,775,880	\$ 4,461,228	\$ 29,028	\$ 40,869,276
Expenses							
Claims							
Paid	6,357,674	1,535,385	1,853,890	391,052	1,990,537	-	12,128,538
Case reserves	403,096	-	-	-	59,793	-	462,889
IBNR reserves	12,953	-	-	-	30,034	-	42,987
Claims - net	<u>6,773,723</u>	<u>1,535,385</u>	<u>1,853,890</u>	<u>391,052</u>	<u>2,080,364</u>	<u>-</u>	<u>12,634,414</u>
Other							
Insurance and reinsurance premiums	5,060,167	2,067,551	7,313,513	703,877	2,023,283	23,823	17,192,214
Administrative	3,367,261	1,141,715	2,891,207	410,892	855,882	4,070	8,671,027
Total other expenses	<u>8,427,428</u>	<u>3,209,266</u>	<u>10,204,720</u>	<u>1,114,769</u>	<u>2,879,165</u>	<u>27,893</u>	<u>25,863,241</u>
Total expenses	<u>15,201,151</u>	<u>4,744,651</u>	<u>12,058,610</u>	<u>1,505,821</u>	<u>4,959,529</u>	<u>27,893</u>	<u>38,497,655</u>
Operating income (loss)	<u>2,122,649</u>	<u>177,281</u>	<u>298,798</u>	<u>270,059</u>	<u>(498,301)</u>	<u>1,135</u>	<u>2,371,621</u>
Non-operating income							
Investment income	268,922	72,456	26,170	34,337	19,731	65	421,681
Other income	<u>1,684</u>	<u>465</u>	<u>1,163</u>	<u>155</u>	<u>387</u>	<u>21</u>	<u>3,875</u>
Total non-operating income	<u>270,606</u>	<u>72,921</u>	<u>27,333</u>	<u>34,492</u>	<u>20,118</u>	<u>86</u>	<u>425,556</u>
Net income (loss)	2,393,255	250,202	326,131	304,551	(478,183)	1,221	2,797,177
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 2,393,255</u>	<u>\$ 250,202</u>	<u>\$ 326,131</u>	<u>\$ 304,551</u>	<u>\$ (478,183)</u>	<u>\$ 1,221</u>	<u>\$ 2,797,177</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2017 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 18,558,429	\$ 3,888,451	\$ 13,229,256	\$ 1,716,947	\$ 4,416,546	\$ 114,206	\$ 41,923,835
Expenses							
Claims							
Paid	5,806,900	1,468,064	2,020,755	236,181	2,041,198	-	11,573,098
Case reserves	279,788	-	-	-	72,762	-	352,550
IBNR reserves	22,665	-	-	-	55,000	-	77,665
Claims - net	<u>6,109,353</u>	<u>1,468,064</u>	<u>2,020,755</u>	<u>236,181</u>	<u>2,168,960</u>	<u>-</u>	<u>12,003,313</u>
Other							
Insurance and reinsurance premiums	5,535,121	1,612,239	7,687,448	779,122	2,010,770	101,336	17,726,036
Administrative	<u>3,466,224</u>	<u>945,269</u>	<u>3,138,201</u>	<u>427,221</u>	<u>879,450</u>	<u>12,257</u>	<u>8,868,622</u>
Total other expenses	<u>9,001,345</u>	<u>2,557,508</u>	<u>10,825,649</u>	<u>1,206,343</u>	<u>2,890,220</u>	<u>113,593</u>	<u>26,594,658</u>
Total expenses	<u>15,110,698</u>	<u>4,025,572</u>	<u>12,846,404</u>	<u>1,442,524</u>	<u>5,059,180</u>	<u>113,593</u>	<u>38,597,971</u>
Operating income (loss)	<u>3,447,731</u>	<u>(137,121)</u>	<u>382,852</u>	<u>274,423</u>	<u>(642,634)</u>	<u>613</u>	<u>3,325,864</u>
Non-operating income							
Investment income	278,592	53,667	26,958	23,821	19,714	116	402,868
Other income	<u>556</u>	<u>116</u>	<u>396</u>	<u>51</u>	<u>133</u>	<u>-</u>	<u>1,252</u>
Total non-operating income	<u>279,148</u>	<u>53,783</u>	<u>27,354</u>	<u>23,872</u>	<u>19,847</u>	<u>116</u>	<u>404,120</u>
Net income (loss)	<u>3,726,879</u>	<u>(83,338)</u>	<u>410,206</u>	<u>298,295</u>	<u>(622,787)</u>	<u>729</u>	<u>3,729,984</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 3,726,879</u>	<u>\$ (83,338)</u>	<u>\$ 410,206</u>	<u>\$ 298,295</u>	<u>\$ (622,787)</u>	<u>\$ 729</u>	<u>\$ 3,729,984</u>

* Property includes Auto Physical Damage, Boiler and Machinery, Crime and Environmental Impairment Liability.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2018 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property & Auto Physical Damage *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 17,261,977	\$ 3,847,901	\$ 13,855,927	\$ 2,004,230	\$ 4,831,055	\$ 94,536	\$ 41,895,626
Expenses							
Claims							
Paid	4,929,190	1,157,825	1,788,906	368,041	2,078,610	-	10,322,572
Case reserves	921,942	99,912	-	-	-	-	1,021,854
IBNR reserves	35,416	33,451	-	-	-	-	68,867
Claims - net	<u>5,886,548</u>	<u>1,291,188</u>	<u>1,788,906</u>	<u>368,041</u>	<u>2,078,610</u>	<u>-</u>	<u>11,413,293</u>
Other							
Insurance and reinsurance premiums	5,192,722	1,656,028	7,880,502	906,639	2,091,044	85,054	17,811,989
Administrative	<u>3,449,963</u>	<u>927,315</u>	<u>3,246,145</u>	<u>494,488</u>	<u>943,790</u>	<u>9,482</u>	<u>9,071,183</u>
Total other expenses	<u>8,642,685</u>	<u>2,583,343</u>	<u>11,126,647</u>	<u>1,401,127</u>	<u>3,034,834</u>	<u>94,536</u>	<u>26,883,172</u>
Total expenses	<u>14,529,233</u>	<u>3,874,531</u>	<u>12,915,553</u>	<u>1,769,168</u>	<u>5,113,444</u>	<u>94,536</u>	<u>38,296,465</u>
Operating income (loss)	<u>2,732,744</u>	<u>(26,630)</u>	<u>940,374</u>	<u>235,062</u>	<u>(282,389)</u>	<u>-</u>	<u>3,599,161</u>
Non-operating income							
Investment income	298,100	59,372	78,188	26,388	67,310	123	529,481
Other income	<u>1,159</u>	<u>258</u>	<u>928</u>	<u>136</u>	<u>318</u>	<u>-</u>	<u>2,799</u>
Total non-operating income	<u>299,259</u>	<u>59,630</u>	<u>79,116</u>	<u>26,524</u>	<u>67,628</u>	<u>123</u>	<u>532,280</u>
Net income (loss)	<u>3,032,003</u>	<u>33,000</u>	<u>1,019,490</u>	<u>261,586</u>	<u>(214,761)</u>	<u>123</u>	<u>4,131,441</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 3,032,003</u>	<u>\$ 33,000</u>	<u>\$ 1,019,490</u>	<u>\$ 261,586</u>	<u>\$ (214,761)</u>	<u>\$ 123</u>	<u>\$ 4,131,441</u>

* Property includes Crime and Boiler and Machinery.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2019 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property & Auto Physical Damage *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 15,970,106	\$ 3,631,420	\$ 13,725,715	\$ 2,077,421	\$ 4,802,390	\$ 101,503	\$ 40,308,555
Expenses							
Claims							
Paid	5,296,113	804,609	2,142,799	465,201	2,243,610	-	10,952,332
Case reserves	1,215,458	-	-	-	295,149	-	1,510,607
IBNR reserves	46,054	-	-	-	75,000	-	121,054
Claims - net	<u>6,557,625</u>	<u>804,609</u>	<u>2,142,799</u>	<u>465,201</u>	<u>2,613,759</u>	<u>-</u>	<u>12,583,993</u>
Other							
Insurance and reinsurance premiums	4,808,622	1,776,425	8,482,533	1,001,152	2,040,618	91,232	18,200,582
Administrative	<u>3,306,258</u>	<u>856,859</u>	<u>3,236,581</u>	<u>510,530</u>	<u>956,208</u>	<u>10,179</u>	<u>8,876,615</u>
Total other expenses	<u>8,114,880</u>	<u>2,633,284</u>	<u>11,719,114</u>	<u>1,511,682</u>	<u>2,996,826</u>	<u>101,411</u>	<u>27,077,197</u>
Total expenses	<u>14,672,505</u>	<u>3,437,893</u>	<u>13,861,913</u>	<u>1,976,883</u>	<u>5,610,585</u>	<u>101,411</u>	<u>39,661,190</u>
Operating income (loss)	<u>1,297,601</u>	<u>193,527</u>	<u>(136,198)</u>	<u>100,538</u>	<u>(808,195)</u>	<u>92</u>	<u>647,365</u>
Non-operating income (expense)							
Investment income	179,092	45,824	165,185	21,763	86,307	94	498,265
Other loss	<u>(5)</u>	<u>(1)</u>	<u>(4)</u>	<u>(1)</u>	<u>(2)</u>	<u>-</u>	<u>(13)</u>
Total non-operating income	<u>179,087</u>	<u>45,823</u>	<u>165,181</u>	<u>21,762</u>	<u>86,305</u>	<u>94</u>	<u>498,252</u>
Net income (loss)	<u>1,476,688</u>	<u>239,350</u>	<u>28,983</u>	<u>122,300</u>	<u>(721,890)</u>	<u>186</u>	<u>1,145,617</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 1,476,688</u>	<u>\$ 239,350</u>	<u>\$ 28,983</u>	<u>\$ 122,300</u>	<u>\$ (721,890)</u>	<u>\$ 186</u>	<u>\$ 1,145,617</u>

* Property includes Crime and Boiler & Machinery.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2020 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property & Auto Physical Damage *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 15,401,805	\$ 4,909,015	\$ 13,772,672	\$ 2,098,118	\$ 5,330,646	\$ 86,202	\$ 41,598,458
Expenses							
Claims							
Paid	3,905,732	946,903	2,107,695	76,378	2,889,227	-	9,925,935
Case reserves	774,436	271,003	-	57,734	201,462	-	1,304,635
IBNR reserves	113,847	-	-	-	428,288	-	542,135
Claims - net	<u>4,794,015</u>	<u>1,217,906</u>	<u>2,107,695</u>	<u>134,112</u>	<u>3,518,977</u>	<u>-</u>	<u>11,772,705</u>
Other							
Insurance and reinsurance premiums	4,923,651	2,785,293	8,400,335	1,089,335	2,323,271	77,554	19,599,439
Administrative	<u>3,236,894</u>	<u>1,142,645</u>	<u>3,169,919</u>	<u>504,559</u>	<u>1,048,359</u>	<u>8,648</u>	<u>9,111,024</u>
Total other expenses	<u>8,160,545</u>	<u>3,927,938</u>	<u>11,570,254</u>	<u>1,593,894</u>	<u>3,371,630</u>	<u>86,202</u>	<u>28,710,463</u>
Total expenses	<u>12,954,560</u>	<u>5,145,844</u>	<u>13,677,949</u>	<u>1,728,006</u>	<u>6,890,607</u>	<u>86,202</u>	<u>40,483,168</u>
Operating income (loss)	<u>2,447,245</u>	<u>(236,829)</u>	<u>94,723</u>	<u>370,112</u>	<u>(1,559,961)</u>	<u>-</u>	<u>1,115,290</u>
Non-operating income							
Investment income	75,985	24,138	97,668	11,153	32,529	634	242,107
Other expense	-	-	-	-	-	-	-
Total non-operating income	<u>75,985</u>	<u>24,138</u>	<u>97,668</u>	<u>11,153</u>	<u>32,529</u>	<u>634</u>	<u>242,107</u>
Net income (loss)	<u>2,523,230</u>	<u>(212,691)</u>	<u>192,391</u>	<u>381,265</u>	<u>(1,527,432)</u>	<u>634</u>	<u>1,357,397</u>
Less: Surplus returned to members	-	-	-	-	-	-	-
Net position	<u>\$ 2,523,230</u>	<u>\$ (212,691)</u>	<u>\$ 192,391</u>	<u>\$ 381,265</u>	<u>\$ (1,527,432)</u>	<u>\$ 634</u>	<u>\$ 1,357,397</u>

* Property includes Crime and Boiler & Machinery.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2021 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property & Auto Physical Damage *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 13,503,034	\$ 5,784,600	\$ 16,242,331	\$ 1,460,145	\$ 5,729,953	\$ 70,854	\$ 42,790,917
Expenses							
Claims							
Paid	3,389,816	101,678	1,660,006	53,497	2,395,811	-	7,600,808
Case reserves	778,602	163,153	-	-	684,917	-	1,626,672
IBNR reserves	384,074	148,028	-	-	596,868	-	1,128,970
Claims - net	<u>4,552,492</u>	<u>412,859</u>	<u>1,660,006</u>	<u>53,497</u>	<u>3,677,596</u>	<u>-</u>	<u>10,356,450</u>
Other							
Insurance and reinsurance premiums	4,365,706	3,458,927	10,067,861	848,092	2,058,960	63,746	20,863,292
Administrative	3,199,340	1,346,934	3,696,397	352,808	1,133,263	7,036	9,735,778
Total other expenses	<u>7,565,046</u>	<u>4,805,861</u>	<u>13,764,258</u>	<u>1,200,900</u>	<u>3,192,223</u>	<u>70,782</u>	<u>30,599,070</u>
Total expenses	<u>12,117,538</u>	<u>5,218,720</u>	<u>15,424,264</u>	<u>1,254,397</u>	<u>6,869,819</u>	<u>70,782</u>	<u>40,955,520</u>
Operating income (loss)	<u>1,385,496</u>	<u>565,880</u>	<u>818,067</u>	<u>205,748</u>	<u>(1,139,866)</u>	<u>72</u>	<u>1,835,397</u>
Non-operating income (expense)							
Investment income (loss)	20,661	6,847	(1,556)	1,372	2,833	(29)	30,128
Other income	3	1	4	-	1	-	9
Total non-operating income (expense)	<u>20,664</u>	<u>6,848</u>	<u>(1,552)</u>	<u>1,372</u>	<u>2,834</u>	<u>(29)</u>	<u>30,137</u>
Net income (loss)	1,406,160	572,728	816,515	207,120	(1,137,032)	43	1,865,534
Less: Surplus returned to members	-	-	-	-	-	-	-
Net position	<u>\$ 1,406,160</u>	<u>\$ 572,728</u>	<u>\$ 816,515</u>	<u>\$ 207,120</u>	<u>\$ (1,137,032)</u>	<u>\$ 43</u>	<u>\$ 1,865,534</u>

* Property includes Crime and Boiler & Machinery.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2022 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property & Auto Physical Damage *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 13,533,780	\$ 6,691,777	\$ 18,495,423	\$ 1,740,082	\$ 7,574,789	\$ 79,309	\$ 48,115,160
Expenses							
Claims							
Paid	4,787,276	133,843	2,141,241	60,928	996,032	-	8,119,320
Case reserves	3,157,810	498,457	-	74,585	1,228,136	-	4,958,988
IBNR reserves	239,367	679,532	-	70,592	1,336,953	-	2,326,444
Claims - net	<u>8,184,453</u>	<u>1,311,832</u>	<u>2,141,241</u>	<u>206,105</u>	<u>3,561,121</u>	<u>-</u>	<u>15,404,752</u>
Other							
Insurance and reinsurance premiums	4,146,567	4,301,471	12,002,657	1,055,612	2,810,298	71,350	24,387,955
Administrative	<u>3,223,296</u>	<u>1,449,427</u>	<u>4,180,884</u>	<u>409,561</u>	<u>1,463,999</u>	<u>7,970</u>	<u>10,735,137</u>
Total other expenses	<u>7,369,863</u>	<u>5,750,898</u>	<u>16,183,541</u>	<u>1,465,173</u>	<u>4,274,297</u>	<u>79,320</u>	<u>35,123,092</u>
Total expenses	<u>15,554,316</u>	<u>7,062,730</u>	<u>18,324,782</u>	<u>1,671,278</u>	<u>7,835,418</u>	<u>79,320</u>	<u>50,527,844</u>
Operating income (loss)	<u>(2,020,536)</u>	<u>(370,953)</u>	<u>170,641</u>	<u>68,804</u>	<u>(260,629)</u>	<u>(11)</u>	<u>(2,412,684)</u>
Non-operating income (expense)							
Investment loss	(41,525)	(23,401)	(72,337)	(6,269)	(20,311)	(317)	(164,160)
Other income	<u>15</u>	<u>4</u>	<u>12</u>	<u>1</u>	<u>5</u>	<u>-</u>	<u>37</u>
Total non-operating expense	<u>(41,510)</u>	<u>(23,397)</u>	<u>(72,325)</u>	<u>(6,268)</u>	<u>(20,306)</u>	<u>(317)</u>	<u>(164,123)</u>
Net income (loss)	<u>(2,062,046)</u>	<u>(394,350)</u>	<u>98,316</u>	<u>62,536</u>	<u>(280,935)</u>	<u>(328)</u>	<u>(2,576,807)</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (2,062,046)</u>	<u>\$ (394,350)</u>	<u>\$ 98,316</u>	<u>\$ 62,536</u>	<u>\$ (280,935)</u>	<u>\$ (328)</u>	<u>\$ (2,576,807)</u>

* Property includes Crime and Boiler & Machinery.

See Independent Auditor's Report.

**School Alliance Insurance Fund
2023 Fund Year
Cumulative Operating Results Analysis
June 30, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Property & Auto Physical Damage *</u>	<u>Auto Liability</u>	<u>School Board Legal Liability</u>	<u>Group Purchases</u>	<u>Totals</u>
Underwriting income							
Regular contributions	\$ 13,192,637	\$ 7,261,081	\$ 22,276,344	\$ 1,796,281	\$ 8,210,332	\$ 79,309	\$ 52,815,984
Expenses							
Claims							
Paid	3,528,049	5,403	1,161,374	36,896	445,373	-	5,177,095
Case reserves	4,348,937	289,112	1,341,393	41,733	1,839,675	-	7,860,850
IBNR reserves	13,028	974,553	1,000	196,871	1,924,007	-	3,109,459
Claims - net	<u>7,890,014</u>	<u>1,269,068</u>	<u>2,503,767</u>	<u>275,500</u>	<u>4,209,055</u>	<u>-</u>	<u>16,147,404</u>
Other							
Insurance and reinsurance premiums	4,196,549	4,367,695	14,864,193	1,113,582	2,862,560	71,350	27,475,929
Administrative	<u>3,219,354</u>	<u>1,641,046</u>	<u>4,995,517</u>	<u>421,394</u>	<u>1,539,540</u>	<u>7,782</u>	<u>11,824,633</u>
Total other expenses	<u>7,415,903</u>	<u>6,008,741</u>	<u>19,859,710</u>	<u>1,534,976</u>	<u>4,402,100</u>	<u>79,132</u>	<u>39,300,562</u>
Total expenses	<u>15,305,917</u>	<u>7,277,809</u>	<u>22,363,477</u>	<u>1,810,476</u>	<u>8,611,155</u>	<u>79,132</u>	<u>55,447,966</u>
Operating income (loss)	<u>(2,113,280)</u>	<u>(16,728)</u>	<u>(87,133)</u>	<u>(14,195)</u>	<u>(400,823)</u>	<u>177</u>	<u>(2,631,982)</u>
Non-operating income							
Investment income	77,654	42,734	131,068	10,576	48,341	467	310,840
Other income	<u>6</u>	<u>3</u>	<u>8</u>	<u>1</u>	<u>3</u>	<u>-</u>	<u>21</u>
Total non-operating income	<u>77,660</u>	<u>42,737</u>	<u>131,076</u>	<u>10,577</u>	<u>48,344</u>	<u>467</u>	<u>310,861</u>
Net income (loss)	<u>(2,035,620)</u>	<u>26,009</u>	<u>43,943</u>	<u>(3,618)</u>	<u>(352,479)</u>	<u>644</u>	<u>(2,321,121)</u>
Less: Surplus returned to members	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (2,035,620)</u>	<u>\$ 26,009</u>	<u>\$ 43,943</u>	<u>\$ (3,618)</u>	<u>\$ (352,479)</u>	<u>\$ 644</u>	<u>\$ (2,321,121)</u>

* Property includes Crime and Boiler & Machinery.

See Independent Auditor's Report.

**School Alliance Insurance Fund
Cumulative Expense Analysis
Years Ended June 30, 2023 and 2022**

2023 Fund Year

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
Acquisition costs	\$ 6,484,115	\$ 706.00	\$ 6,484,821
Actuary	26,687	27,031	53,718
Administrator	2,416,099	220,736	2,636,835
Attorney	113,421	22,685	136,106
Auditor	-	27,551	27,551
Claims service	741,451	141,194	882,645
Loss control	261,405	88,629	350,034
Treasurer	5,720	520	6,240
Contingency	72,980	602,020	675,000
Website services	23,802	6,198	30,000
Non-contracted	131,812	23,192	155,004
Regional Focus Safety Group	60,778	275,901	336,679
MEL Safety Institute	<u>50,000</u>	<u>-</u>	<u>50,000</u>
	<u>\$ 10,388,270</u>	<u>\$ 1,436,363</u>	<u>\$ 11,824,633</u>

2022 Fund Year

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
Acquisition costs	\$ 5,692,792	\$ -	\$ 5,692,792
Actuary	38,581	14,084	52,665
Administrator	2,201,643	200,149	2,401,792
Attorney	111,197	22,239	133,436
Auditor	-	27,011	27,011
Claims service	786,567	124,958	911,525
Loss control	256,376	86,794	343,170
Treasurer	5,610	510	6,120
Contingency	124,459	550,541	675,000
Website services	23,793	6,207	30,000
Non-contracted	108,547	46,453	155,000
Regional Focus Safety Group	-	256,626	256,626
MEL Safety Institute	<u>50,000</u>	<u>-</u>	<u>50,000</u>
	<u>\$ 9,399,565</u>	<u>\$ 1,335,572</u>	<u>\$ 10,735,137</u>

See Independent Auditor's Report.

**School Alliance Insurance Fund
Schedule of Findings and Recommendations
June 30, 2023**

None.

See Independent Auditor's Report.