



MEMORANDUM

To: SELF Members

From: Dave George, Chief Executive Officer

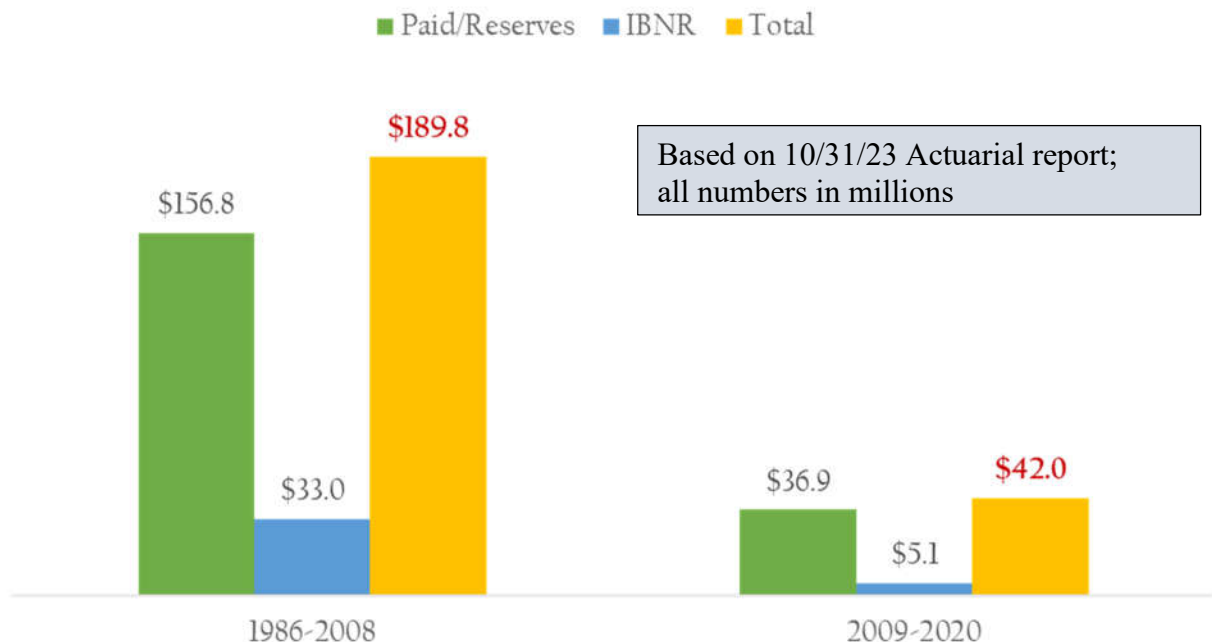
Date: April 1, 2024

Subject: AB 218 Liability Funding Budget Guidance

SELF's board has authorized a third phase of funding related to AB 218 claims. This communication is to offer budget guidance for the 2024/25 fiscal year.

School districts continue to receive a significant volume of claims following the implementation of The California Child Victims Act (AB 218). From January 1, 2020 through January 31, 2024, Districts have reported to SELF a total of 369 claims with 554 plaintiffs. Nearly a quarter of those claims were reported to us after January 1, 2023, following the closing of the three-year open window.

At present, there are child sexual assault claims in every program year from 1986/87 to 2019/20; though the majority of the fiscal impact remains within the period from 1986 to 2008, as we have previously reported.





The significant volume of claims coming in, and the increasing severity of those claims upon reaching judgment or settlement, have exceeded actuarial estimates. In light of this ongoing claim activity and development, and the resulting financial exposure to school districts, SELF's Board voted March 22 to declare a third funding installment of \$154.1M to the AB 218 Liability Funding Program.

Why am I receiving this now?

Invoices will be coming that will be due in 2024/25, so we are providing this now to allow you to plan and include in your 2024/25 Budget. Given the current budgetary climate and conclusion of COVID relief funds, SELF members have requested budget flexibility to the extent possible. An invoice will be produced in May 2024, which will provide the ability to pay within 2023/24 for those who so choose, but will not be ultimately due and payable until the 2024/25 fiscal year. Included with this memo is a preliminary cost estimate that you can use for budgeting purposes.

Due to the volume of claims, we are advising all members to plan for this to be an annual expense until all AB 218 claims are resolved. You will receive budget estimates annually in March until we have closed all AB 218 claims and accounted for all costs.

Your budget estimate included here and final invoice is based on your district's original Lottery ADA/FTES based contribution from the impacted years. Those impacted years are outlined in your budget estimate attached.

We realize that continuing costs related to AB 218 claims is unwelcome news with all of the fiscal pressures on districts in other areas of your budget. However, claims like these pose significant financial stress on a typical district. The benefit of risk pooling is that all members share the risks and no one district must shoulder catastrophic claims costs that would affect their ability to perform their core mission of education.

The SELF Board continues to monitor this ever-evolving situation and will keep members apprised of developments as we move forward. We are including the most recent policy year accounting report that outlines and provides further detail on your budget estimate. For those seeking additional information on AB 218, and for all previous communications on this topic, please visit the AB 218 Resources page on our website. For any questions not addressed in those documents, please contact us at info@selfjpa.org.



JAMES MARTA & COMPANY LLP

**SCHOOLS EXCESS
LIABILITY FUND (SELF)**

**SPECIAL PURPOSE REPORT
EQUITY CALCULATION & RECONCILIATION
BY PROGRAM YEAR
FOR THE LIABILITY PROGRAM
AS OF JUNE 30, 2023**

CONTACT:

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PARTNER
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Prepared By:

**James Marta & Company LLP
Certified Public Accountants**

SCHOOLS EXCESS LIABILITY FUND

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James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

Board of Directors
Schools Excess Liability Fund
Sacramento, California

We have performed the procedures enumerated below, which were agreed to by the Board and management of Schools Excess Liability Fund (SELF), solely to assist you in reconciling and presenting the Liability Program pool equity by program year as of June 30, 2023. This report is prepared to assist SELF with the presentation of program year equity balances in conjunction with a special assessment of additional contributions related to the AB218 Revived Liability Funding Plan (RLFP). SELF's management is responsible for the underlying assumptions, methods, and allocations used in determining the equity by program year. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures Performed

1. We prepared the program year equity calculation and accounting reconciliation which reconciles the liability program pool equity by program year through June 30, 2023 with the corresponding audited financial statements.
2. We reviewed with the JPA's management certain principles and allocation theories regarding other expenses and investments earnings.
3. We prepared the allocation of investment income.
4. We prepared the allocation of claims expenses, including IBNR and ULAE.
5. We allocated the AB218 RLFP to the appropriate years as assigned by management.
6. We prepared the allocation of 2021, 2022 & 2023 AB218 general and administration expenses to the past policy years based on the actuary projected AB218 incurred claims.

This information was prepared based on historical audited financial statements, actuarial reports, claims loss runs, financial schedules and related data as provided by SELF management.

Notes to the Analysis

District Assessments:

In 2020, the SELF board approved a Special Assessment to Address Retroactive Liabilities, in the amount of \$46.6M. This Special Assessment was applied to the 96/97, 99/00, 06/07, 16/17 fiscal years.

In 2022, the SELF board approved a second Special Assessment to Address Retroactive Liabilities, in the amount of \$96.9M. However, at June 30, 2022 the Special Assessment was recorded with a 0.3% discount, or \$300k, for a net of \$96.6M. We used the net amount of \$96.6M for this report. This Special Assessment was applied to the 90/91, 96/97, 98/99, 99/00, 00/01, 03/04, 04/05 & 06/07 fiscal years.

Following are the pool equity by program year results for each of the years. All program years identified reflect a deficit position.

Summary Schedule of Pool Equity by Program Year – Selected Years with negative net position as of June 30, 2023

RECONCILIATION OF POOL EQUITY PROGRAM YEAR WITH AUDITED FINANCIAL STATEMENTS

**Summary Schedule - Pool Equity by Program Year
As of June 30, 2023**

	1990-1991	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2006-2007
Revenues:											
Member Contributions & Other Income	12,346,279	10,270,785	9,241,493	9,538,834	9,333,346	8,914,453	13,326,709	14,880,120	21,078,506	21,399,664	17,872,000
Assessment	2,790,244	18,816,263	-	16,591,611	28,991,075	22,910,682	-	-	7,195,405	12,465,277	22,237,905
Investment Earnings	4,196,494	(467,757)	8,085,303	(6,609,541)	(7,591,542)	(7,713,296)	511,722	(1,974,127)	(756,251)	(158,319)	1,580,343
Rate Credit	-	-	-	(4,010,605)	(5,500,000)	(3,991,266)	-	-	-	-	-
Total Revenues:	19,333,017	28,619,291	17,326,796	15,510,299	25,232,879	20,120,573	13,838,431	12,905,993	27,517,660	33,706,622	41,690,248
Operating Expenses:											
Operating Expenses*	526,589	(517,157)	1,029,916	3,883,811	5,003,288	5,326,842	7,285,328	8,390,581	8,966,139	9,131,775	8,780,220
Premium Rebate Expense	11,000,000	-	-	-	-	-	-	-	-	-	-
2021 AB-218 G&A Expenses (Allocated	346,212	75,381	357,176	149,755	444,099	137,668	101,686	110,528	114,434	102,873	41,826
Claims Expense	15,327,709	40,929,114	33,626,570	16,697,643	28,587,204	28,059,119	13,248,493	16,692,981	19,704,185	27,318,966	36,002,666
Total Expenses:	26,854,299	40,411,957	34,656,486	20,581,454	33,590,492	33,385,961	20,533,821	25,083,562	28,670,324	36,450,740	44,782,887
Change in Program Year Net Position	(7,867,493)	(11,868,047)	(17,686,866)	(5,220,909)	(8,801,712)	(13,403,056)	(6,797,076)	(12,288,097)	(1,267,098)	(2,846,991)	(3,134,465)
Net Position end of Program Year	\$ (7,867,493)	\$ (11,868,047)	\$ (17,686,866)	\$ (5,220,909)	\$ (8,801,712)	\$ (13,403,056)	\$ (6,797,076)	\$ (12,288,097)	\$ (1,267,098)	\$ (2,846,991)	\$ (3,134,465)

SELF

RECONCILIATION OF POOL EQUITY PROGRAM YEAR WITH AUDITED FINANCIAL STATEMENTS

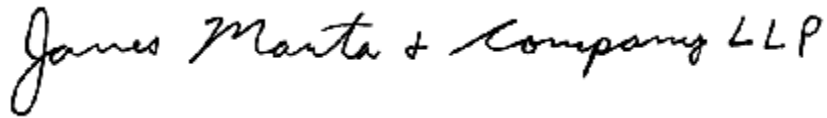
Summary Schedule - Pool Equity by Program Year

As of June 30, 2023

	2007-2008	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2019-2020
Revenues:										
Member Contributions & Other Income	10,603,000	11,381,000	10,818,000	10,301,000	9,873,823	10,005,143	11,001,550	14,362,888	15,074,654	25,663,634
Assessment	-	-	-	-	-	-	-	11,243,911	-	-
Investment Earnings	505,971	(854,788)	(315,247)	(16,607)	(300,408)	(1,697,970)	250,394	370,818	491,510	300,988
Rate Credit	-	-	-	-	-	-	-	-	-	-
Total Revenues:	11,108,971	10,526,212	10,502,753	10,284,393	9,573,415	8,307,173	11,251,944	25,977,617	15,566,164	25,964,622
Operating Expenses:										
Operating Expenses*	6,947,527	9,416,735	9,661,735	7,871,322	8,002,241	8,564,775	8,925,761	9,591,283	9,372,926	12,105,066
Premium Rebate Expense	-	-	-	-	-	-	-	-	-	-
2021 AB-218 G&A Expenses (Allocated	48,720	18,218	9,633	23,148	10,630	11,374	12,557	114,860	48,858	8,150
Claims Expense	5,400,249	10,061,560	5,299,885	5,075,494	10,885,808	20,284,586	3,576,805	21,046,447	13,798,507	14,356,277
Total Expenses:	12,347,776	19,478,294	14,961,620	12,946,815	18,888,049	28,849,361	12,502,566	30,637,730	23,171,433	26,461,343
Change in Program Year Net Position	(1,287,526)	(8,970,300)	(4,468,499)	(2,685,570)	(9,325,264)	(20,553,562)	(1,263,179)	(4,774,973)	(7,654,127)	(504,871)
Net Position end of Program Year	\$ (1,287,526)	\$ (8,970,300)	\$ (4,468,499)	\$ (2,685,570)	\$ (9,325,264)	\$ (20,553,562)	\$ (1,263,179)	\$ (4,774,973)	\$ (7,654,127)	\$ (504,871)

The detail by policy year on pages 5-8 do show additional years with deficits.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the accompanying financial statements of Schools Excess Liability Fund as of June 30, 2023. Accordingly, we do not express such an opinion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

A handwritten signature in black ink that reads "James Marta & Company LLP". The script is cursive and fluid, with the letters connected. The "J" is large and loops around, and the "LLP" is written in a slightly more upright but still cursive style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
February 6, 2024

SELF

RECONCILIATION OF POOL EQUITY PROGRAM YEAR WITH AUDITED FINANCIAL STATEMENTS

Summary Schedule - Pool Equity by Program Year
As of June 30, 2023

	1986-1987	1987-1988	1988-1989	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996
Revenues:										
Member Contributions & Other Income	9,973,593	10,384,518	10,841,601	11,742,417	12,346,279	13,898,560	14,458,481	15,094,180	14,582,291	15,272,898
Assessment	-	-	-	-	2,790,244	-	-	-	-	-
Investment Earnings	9,702,929	7,762,542	9,277,124	11,347,717	4,196,494	5,211,397	23,876,142	25,339,110	8,464,474	19,357,506
Rate Credit	-	-	-	-	-	-	-	-	-	-
Total Revenues:	19,676,522	18,147,060	20,118,725	23,090,134	19,333,017	19,109,957	38,334,623	40,433,290	23,046,765	34,630,404
Operating Expenses:										
Operating Expenses*	237,616	325,638	904,675	614,419	526,589	837,936	668,921	571,853	488,432	(7,258)
Premium Rebate Expense	8,424,044	9,000,000	7,000,000	6,500,000	11,000,000	10,500,000	3,000,000	-	-	-
2021 AB-218 G&A Expenses (Allocated)	92,395	23,917	25,146	26,737	346,212	39,907	41,566	43,356	43,640	144,368
Claims Expense	9,339,902	2,878,638	7,056,214	8,762,972	15,327,709	3,378,384	7,045,138	16,359,468	14,937,644	23,821,913
Total Expenses:	18,001,562	12,204,276	14,960,889	15,877,390	26,854,299	14,716,321	10,714,059	16,931,321	15,426,075	23,814,655
Change in Program Year Net Position	1,582,564	5,918,868	5,132,690	7,186,007	(7,867,493)	4,353,729	27,578,998	23,458,613	7,577,049	10,671,382
Net Position end of Program Year	\$ 1,582,564	\$ 5,918,868	\$ 5,132,690	\$ 7,186,007	\$ (7,867,493)	\$ 4,353,729	\$ 27,578,998	\$ 23,458,613	\$ 7,577,049	\$ 10,671,382

Audited Financial Statements

Revenues:																				
Member Contributions	\$	9,973,593	\$	10,384,518	\$	10,841,601	\$	11,742,417	\$	12,346,279	\$	13,898,560	\$	14,458,481	\$	15,009,065	\$	14,477,374	\$	15,167,392
Discount																				
Investment Income		541,158		1,300,084		2,614,558		3,569,211		4,870,149		4,644,140		4,219,952		5,273,505		(142,055)		6,349,434
Other Income		-		-		-		-		-		-		-		85,115		104,917		105,506
Member Assessment																				
Rate Credits		-		-		-		-		-		-		-		-		-		-
Total Revenues		10,514,751		11,684,602		13,456,159		15,311,628		17,216,428		18,542,700		18,678,433		20,367,685		14,440,236		21,622,332
Expenses																				
Claims Expense		9,500,000		9,000,000		10,000,000		4,676,417		16,990,768		12,121,275		10,978,705		1,401,471		7,562,920		2,571,661
Reinsurance Costs						467,816		349,705		341,077		353,436		340,698		358,361		359,608		445,191
General & Administration		299,922		373,608		581,385		448,320		500,786		532,610		531,403		587,033		839,742		914,609
Rate Rebates								2,000,000		3,000,000		2,000,000		2,000,000		2,000,000		5,000,000		12,000,000
Total Expenses		9,799,922		9,373,608		11,049,201		7,474,442		20,832,631		15,007,321		13,850,806		4,346,865		13,762,270		15,931,461
Net Income		714,829		2,310,994		2,406,958		7,837,186		(3,616,203)		3,535,379		4,827,627		16,020,820		677,966		5,690,871
Beg Fund Balance		-		714,829		3,025,823		5,432,781		13,269,967		9,653,764		13,189,143		16,590,248		32,611,068		33,289,034
Equity Adjustments**														(1,426,522)						
End Fund Balance	\$	714,829	\$	3,025,823	\$	5,432,781	\$	13,269,967	\$	9,653,764	\$	13,189,143	\$	16,590,248	\$	32,611,068	\$	33,289,034	\$	38,979,905

RECONCILATION OF POOL EQUITY PROGRAM YEAR WITH AUDITED FINANCIAL STATEMENTS

Summary Schedule - Pool Equity by Program Year As of June 30, 2023

	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
Revenues:										
Member Contributions & Other Income	10,270,785	9,241,493	9,538,834	9,333,346	8,914,453	13,326,709	14,880,120	21,078,506	21,399,664	23,820,834
Assessment	18,816,263	-	16,591,611	28,991,075	22,910,682	-	-	7,195,405	12,465,277	-
Investment Earnings	(467,757)	8,085,303	(6,609,541)	(7,591,542)	(7,713,296)	511,722	(1,974,127)	(756,251)	(158,319)	3,702,866
Rate Credit	-	-	(4,010,605)	(5,500,000)	(3,991,266)	-	-	-	-	-
Total Revenues:	28,619,291	17,326,796	15,510,299	25,232,879	20,120,573	13,838,431	12,905,993	27,517,660	33,706,622	27,523,700
Operating Expenses:										
Operating Expenses*	(517,157)	1,029,916	3,883,811	5,003,288	5,326,842	7,285,328	8,390,581	8,966,139	9,131,775	9,798,358
Premium Rebate Expense	-	-	-	-	-	-	-	-	-	-
2021 AB-218 G&A Expenses (Allocated)	75,381	357,176	149,755	444,099	137,668	101,686	110,528	114,434	102,873	84,999
Claims Expense	40,929,114	33,626,570	16,697,643	28,587,204	28,059,119	13,248,493	16,692,981	19,704,185	27,318,966	10,813,831
Total Expenses:	40,411,957	34,656,486	20,581,454	33,590,492	33,385,961	20,533,821	25,083,562	28,670,324	36,450,740	20,612,189
Change in Program Year Net Position	(11,868,047)	(17,686,866)	(5,220,909)	(8,801,712)	(13,403,056)	(6,797,076)	(12,288,097)	(1,267,098)	(2,846,991)	6,826,512
Net Position end of Program Year	\$(11,868,047)	\$(17,686,866)	\$(5,220,909)	\$(8,801,712)	\$(13,403,056)	\$(6,797,076)	\$(12,288,097)	\$(1,267,098)	\$(2,846,991)	\$ 6,826,512

Audited Financial Statements

Revenues:										
Member Contributions	\$ 10,270,785	\$ 8,057,750	\$ 8,340,611	\$ 8,440,646	\$ 8,807,803	\$ 13,252,724	\$ 14,853,204	\$ 21,071,111	\$ 21,378,709	\$ 23,813,729
Discount										
Investment Income	6,396,088	7,423,365	5,126,039	4,930,938	8,718,648	6,458,789	5,922,159	1,391,392	2,760,729	2,776,776
Other Income	-	1,183,743	1,198,223	892,700	106,650	73,985	26,916	7,395	20,955	7,105
Member Assessment										
Rate Credits	-		(4,010,605)	(5,500,000)	(3,991,266)	-	-	-	-	-
Total Revenues	16,666,873	16,664,858	10,654,268	8,764,284	13,641,835	19,785,498	20,802,279	22,469,898	24,160,393	26,597,610
Expenses										
Claims Expense	1,072,999	(3,633,066)	30,303,535	(741,113)	24,668,362	4,017,330	16,814,405	30,647,262	19,169,970	12,701,987
Reinsurance Costs	377,006	377,004	759,392	779,985	995,914	1,188,375	1,816,233	2,568,573	2,187,652	2,465,337
General & Administration	876,487	1,053,629	1,007,361	1,186,000	1,162,219	1,311,843	1,201,930	1,178,390	1,633,621	1,460,271
Rate Rebates	5,000,000	-	-	-	5,000,000	-	7,972,000	9,452,044	-	-
Total Expenses	7,326,492	(2,202,433)	32,070,288	1,224,872	31,826,495	6,517,548	27,804,568	43,846,269	22,991,243	16,627,595
Net Income	9,340,381	18,867,291	(21,416,020)	7,539,412	(18,184,660)	13,267,950	(7,002,289)	(21,376,371)	1,169,150	9,970,015
Begin Fund Balance	38,979,905	46,352,287	64,876,495	43,460,475	59,300,372	41,115,712	54,762,180	47,759,891	26,383,520	27,552,670
Equity Adjustments**	(1,967,999)	(343,083)		8,300,485		378,518				
End Fund Balance	\$ 46,352,287	\$ 64,876,495	\$ 43,460,475	\$ 59,300,372	\$ 41,115,712	\$ 54,762,180	\$ 47,759,891	\$ 26,383,520	\$ 27,552,670	\$ 37,522,685

Summary Schedule - Pool Equity by Program Year
As of June 30, 2023

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Revenues:										
Member Contributions & Other Income	17,872,000	10,603,000	10,000,000	14,269,000	11,381,000	10,818,000	10,301,000	9,873,823	10,005,143	11,001,550
Assessment	22,237,905	-	-	-	-	-	-	-	-	-
Investment Earnings	1,580,343	505,971	170,308	436,514	(854,788)	(315,247)	(16,607)	(300,408)	(1,697,970)	250,394
Rate Credit	-	-	-	-	-	-	-	-	-	-
Total Revenues:	41,690,248	11,108,971	10,170,308	14,705,514	10,526,212	10,502,753	10,284,393	9,573,415	8,307,173	11,251,944
Operating Expenses:										
Operating Expenses*	8,780,220	6,947,527	9,350,000	12,121,999	9,416,735	9,661,735	7,871,322	8,002,241	8,564,775	8,925,761
Premium Rebate Expense	-	-	-	-	-	-	-	-	-	-
2021 AB-218 G&A Expenses (Allocated)	41,826	48,720	-	11,593	18,218	9,633	23,148	10,630	11,374	12,557
Claims Expense	36,002,666	5,400,249	-	706,653	10,061,560	5,299,885	5,075,494	10,885,808	20,284,586	3,576,805
Total Expenses:	44,782,887	12,347,776	9,350,000	12,828,652	19,478,294	14,961,620	12,946,815	18,888,049	28,849,361	12,502,566
Change in Program Year Net Position	(3,134,465)	(1,287,526)	820,308	1,865,270	(8,970,300)	(4,468,499)	(2,685,570)	(9,325,264)	(20,553,562)	(1,263,179)
Net Position end of Program Year	\$ (3,134,465)	\$ (1,287,526)	\$ 820,308	\$ 1,865,270	\$ (8,970,300)	\$ (4,468,499)	\$ (2,685,570)	\$ (9,325,264)	\$ (20,553,562)	\$ (1,263,179)

Audited Financial Statements

Revenues:										
Member Contributions	\$ 17,198,000	\$ 10,600,000	\$ 9,998,000	\$ 14,268,000	\$ 11,376,000	\$ 10,817,000	\$ 9,829,000	\$ 9,873,823	\$ 10,293,954	\$ 10,982,004
Discount										
Investment Income	5,863,000	7,465,000	4,924,000	2,240,000	1,054,000	809,000	146,000	783,410	566,069	820,096
Other Income	674,000	3,000	2,000	1,000	5,000	1,000	472,000	-	(288,811)	19,546
Member Assessment										
Rate Credits	-	-	-	-	-	-	-	-	-	-
Total Revenues	23,735,000	18,068,000	14,924,000	16,509,000	12,435,000	11,627,000	10,447,000	10,657,233	10,571,212	11,821,646
Expenses										
Claims Expense	17,986,000	9,789,000	12,324,000	7,401,000	2,374,000	1,665,000	3,668,000	1,282,556	12,004,724	18,942,208
Reinsurance Costs	2,999,000	3,017,000	7,955,000	10,345,000	7,997,000	8,296,000	6,610,000	6,605,173	7,060,714	7,401,411
General & Administration	1,509,000	1,320,000	1,395,000	1,777,000	1,406,000	1,359,000	1,255,000	1,388,136	1,504,061	1,524,350
Rate Rebates	-	-	-	-	-	-	-	-	-	-
Total Expenses	22,494,000	14,126,000	21,674,000	19,523,000	11,777,000	11,320,000	11,533,000	9,275,865	20,569,499	27,867,969
Net Income	1,241,000	3,942,000	(6,750,000)	(3,014,000)	658,000	307,000	(1,086,000)	1,381,368	(9,998,287)	(16,046,323)
Beg Fund Balance	37,522,685	38,515,000	42,457,000	35,707,000	32,693,000	33,351,000	33,658,000	32,572,000	33,953,127	23,528,924
Equity Adjustments**	(248,685)							(241)	(425,916)	
End Fund Balance	\$ 38,515,000	\$ 42,457,000	\$ 35,707,000	\$ 32,693,000	\$ 33,351,000	\$ 33,658,000	\$ 32,572,000	\$ 33,953,127	\$ 23,528,924	\$ 7,482,601

SELF
RECONCILIATION OF POOL EQUITY PROGRAM YEAR WITH AUDITED FINANCIAL STATEMENTS

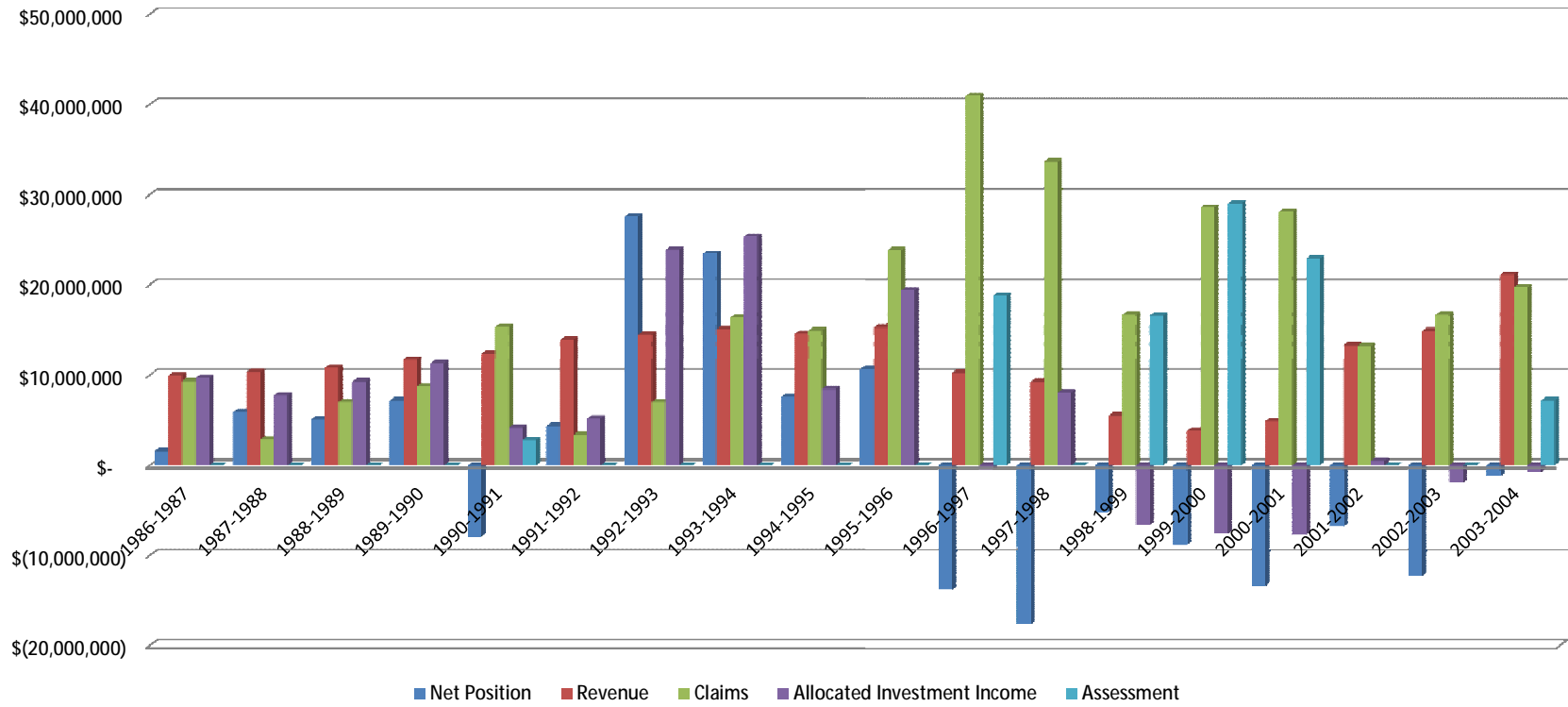
Summary Schedule - Pool Equity by Program Year
As of June 30, 2023

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	Totals
Revenues:								
Member Contributions & Other Income	14,362,888	15,074,654	21,097,676	25,663,634	44,293,319	48,743,790	54,615,248	610,375,287
Assessment	11,243,911	-	-	-	-	-	-	143,242,373
Investment Earnings	370,818	491,510	952,638	300,988	255,617	175,691	381,903	114,252,172
Rate Credit	-	-	-	-	-	-	-	(13,501,871)
Total Revenues:	25,977,617	15,566,164	22,050,314	25,964,622	44,548,936	48,919,481	54,997,151	854,367,961
Operating Expenses:								
Operating Expenses*	9,591,283	9,372,926	10,122,931	12,105,066	18,531,227	21,179,022	29,078,765	263,091,238
Premium Rebate Expense	-	-	-	-	-	-	-	55,424,044
2021 AB-218 G&A Expenses (Allocated)	114,860	48,858	14,787	8,150	-	-	-	2,880,197
Claims Expense	21,046,447	13,798,507	2,503,744	14,356,277	6,937,867	14,770,845	14,843,485	530,136,964
Total Expenses:	30,637,730	23,171,433	12,626,675	26,461,343	25,469,094	35,949,867	43,922,250	848,652,246
Change in Program Year Net Position	(4,774,973)	(7,654,127)	9,408,852	(504,871)	19,079,842	12,969,615	11,074,901	(8,239,383)
Net Position end of Program Year	\$ (4,774,973)	\$ (7,654,127)	\$ 9,408,852	\$ (504,871)	\$ 19,079,842	\$ 12,969,615	\$ 11,074,901	\$ 2,835,518

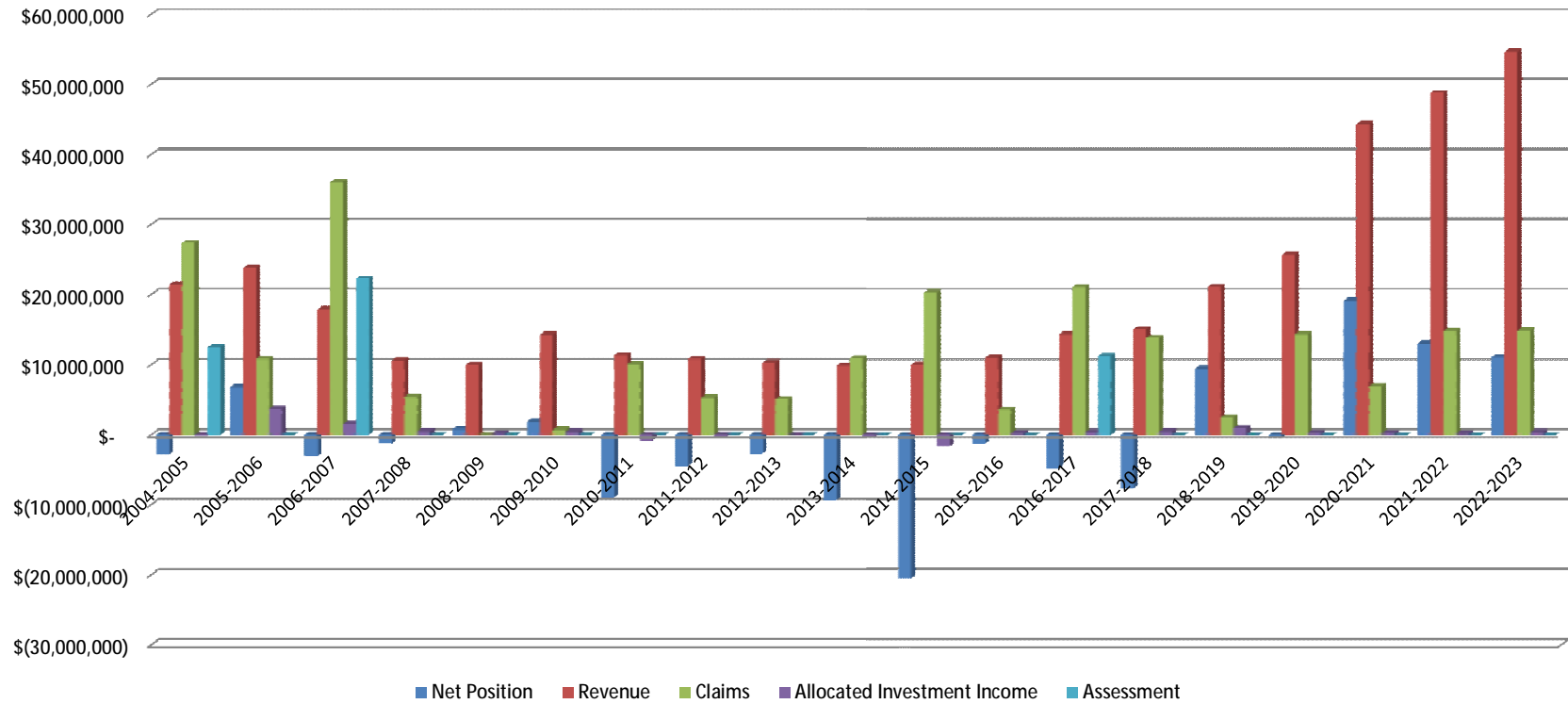
Audited Financial Statements

Revenues:								
Member Contributions	\$ 14,352,055	\$ 15,073,823	\$ 21,096,568	\$ 25,662,424	\$ 45,360,516	\$ 48,299,334	\$ 56,721,147	
Discount					(1,067,901)	(3,018)	(2,130,440)	
Investment Income	28,696	61,884	1,361,587	1,357,313	291,387	(957,168)	2,292,839	
Other Income	10,833	831	1,108	1,210	704	447,474	24,541	
Member Assessment				46,600,000	-	96,642,373	-	
Rate Credits	-	-	-	-	-	-	-	
Total Revenues	14,391,584	15,136,538	22,459,263	73,620,947	44,584,706	144,428,995	56,908,087	
Expenses								
Claims Expense	9,272,484	11,683,648	14,048,112	53,525,062	20,034,874	70,976,844	83,330,718	
Reinsurance Costs	8,220,764	7,898,686	8,246,965	10,169,773	17,930,285	39,098,891	27,365,901	
General & Administration	1,370,519	1,474,240	1,875,966	1,935,293	2,083,065	1,979,923	2,500,783	
Rate Rebates	-	-	-	-	-	-	-	
Total Expenses	18,863,767	21,056,574	24,171,043	65,630,128	40,048,224	112,055,658	113,197,402	
Net Income	(4,472,183)	(5,920,036)	(1,711,780)	7,990,819	4,536,482	32,373,337	(56,289,315)	
Beg Fund Balance	7,482,601	3,010,418	(2,909,618)	(4,621,398)	3,369,421	7,905,903	40,279,240	
Equity Adjustments**							18,845,593	
End Fund Balance	\$ 3,010,418	\$ (2,909,618)	\$ (4,621,398)	\$ 3,369,421	\$ 7,905,903	\$ 40,279,240	\$ 2,835,518	

Analysis of Program Years As of June 30, 2023



Analysis of Program Years As of June 30, 2023



Summary of Policy Year Changes

Policy year	Net position as of			Claims expense as of		
	6/30/2023	6/30/2022	Change	6/30/2023	6/30/2022	Change
1986/87	\$ 1,582,564	\$ 2,399,221	\$ (816,657)	\$ 9,339,902	\$ 8,483,710	\$ 856,192
1987/88	5,918,868	5,432,676	486,191	2,878,638	3,384,468	(505,831)
1988/89	5,132,690	4,457,755	674,935	7,056,214	7,578,405	(522,190)
1989/90	7,186,007	6,671,800	514,207	8,762,972	9,300,481	(537,509)
1990/91	(7,867,493)	(10,609,414)	2,741,921	15,327,709	16,310,227	(982,518)
1991/92	4,353,729	3,505,990	847,738	3,378,384	4,190,783	(812,399)
1992/93	27,578,998	29,225,054	(1,646,055)	7,045,138	5,334,267	1,710,871
1993/94	23,458,613	31,700,963	(8,242,350)	16,359,468	8,047,179	8,312,288
1994/95	7,577,049	9,671,689	(2,094,640)	14,937,644	13,248,226	1,689,418
1995/96	10,671,382	12,975,471	(2,304,090)	23,821,913	20,206,032	3,615,881
1996/97	(11,868,047)	(2,911,749)	(8,956,297)	40,929,114	31,161,891	9,767,223
1997/98	(17,686,866)	(2,402,420)	(15,284,445)	33,626,570	18,475,474	15,151,096
1998/99	(5,220,909)	(6,739,219)	1,518,309	16,697,643	18,665,219	(1,967,576)
1999/00	(8,801,712)	(4,286,193)	(4,515,519)	28,587,204	24,170,905	4,416,299
2000/01	(13,403,056)	(5,807,528)	(7,595,528)	28,059,119	20,782,009	7,277,110
2001/02	(6,797,076)	(6,998,868)	201,792	13,248,493	13,537,121	(288,629)
2002/03	(12,288,097)	(14,054,270)	1,766,173	16,692,981	18,639,694	(1,946,713)
2003/04	(1,267,098)	(3,063,904)	1,796,806	19,704,185	21,686,666	(1,982,482)
2004/05	(2,846,991)	(2,636,066)	(210,924)	27,318,966	27,286,311	32,655
2005/06	6,826,512	5,416,716	1,409,796	10,813,831	12,203,377	(1,389,546)
2006/07	(3,134,465)	(1,043,778)	(2,090,687)	36,002,666	33,736,014	2,266,652
2007/08	(1,287,526)	(2,015,263)	727,737	5,400,249	6,145,695	(745,446)
2008/09	820,308	808,305	12,003	-	-	-
2009/10	1,865,270	1,409,976	455,294	706,653	1,124,665	(418,012)
2010/11	(8,970,300)	(9,401,827)	431,526	10,061,560	10,613,246	(551,687)
2011/12	(4,468,499)	(4,794,958)	326,459	5,299,885	5,680,882	(380,998)
2012/13	(2,685,570)	(4,043,959)	1,358,388	5,075,494	6,461,960	(1,386,466)
2013/14	(9,325,264)	(5,680,329)	(3,644,935)	10,885,808	7,306,566	3,579,242
2014/15	(20,553,562)	(20,694,837)	141,275	20,284,586	20,713,369	(428,783)
2015/16	(1,263,179)	618,398	(1,881,577)	3,576,805	1,661,984	1,914,822
2016/17	(4,774,973)	(6,316,862)	1,541,889	21,046,447	22,561,874	(1,515,427)
2017/18	(7,654,127)	1,057,127	(8,711,254)	13,798,507	5,004,035	8,794,472
2018/19	9,408,852	8,261,752	1,147,100	2,503,744	3,478,219	(974,476)
2019/20	(504,871)	7,225,294	(7,730,164)	14,356,277	6,512,527	7,843,749
2020/21	19,079,842	15,311,808	3,768,034	6,937,867	10,291,358	(3,353,492)
2021/22	12,969,615	7,627,087	5,342,528	14,770,845	853,404	13,917,440
2022/23	11,074,901		11,074,901	14,843,485		14,843,485
Ending Net Position	<u>\$ 2,835,518</u>	<u>\$ 40,275,637</u>	Claims expense	<u>\$ 530,136,964</u>	<u>\$ 444,838,247</u>	<u>\$ 85,298,717</u>