

Go, ASCIP, GO!

CEO'S REPORT

FRITZ J. HEIRICH

“Hats Off!” to our members...

- ❑ ASCIP is a community of sharing:
 - Risks
 - Insurance Purchases
 - Ideas
 - Solutions
- ❑ ASCIP Members Define our Culture:
 - Respect
 - Openness
 - Pursuit of Excellence
 - Courtesy & Civility



Why Financial Results Matter...

ASCIP's Mission:

To help our members reduce the risk of harm to their students and staff, the public, and their assets.

By Pooling Members' Insurance Needs,

ASCIP creates scale, improves quality, and reduces costs.

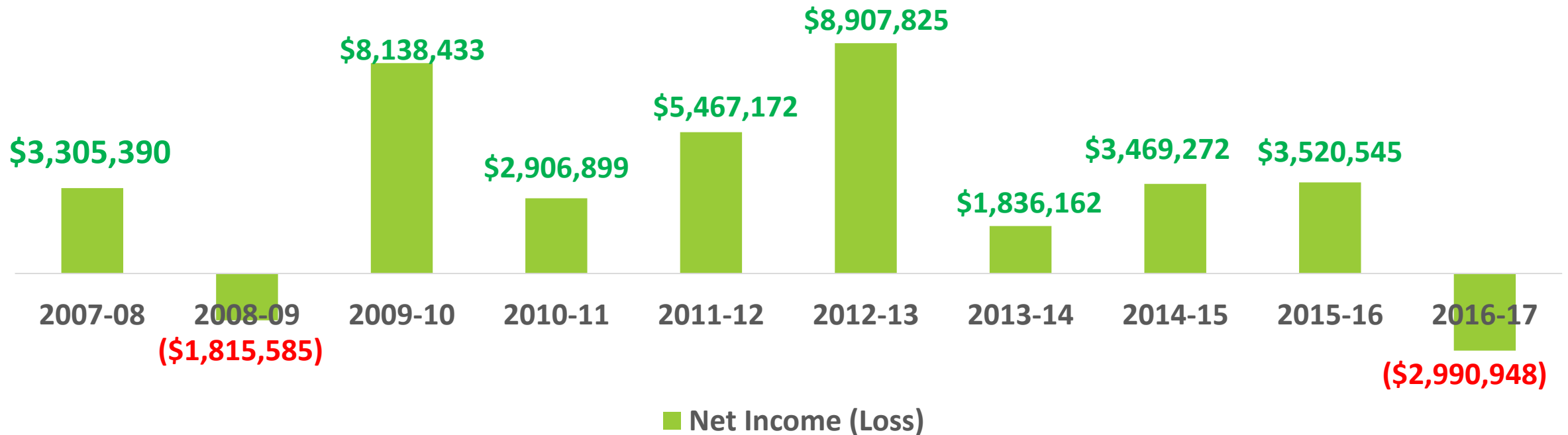
Strong Financial Performance Provides:

Resources that provide additional risk management services and knowledge sharing that reduce harm for our members.

Property & Liability Program

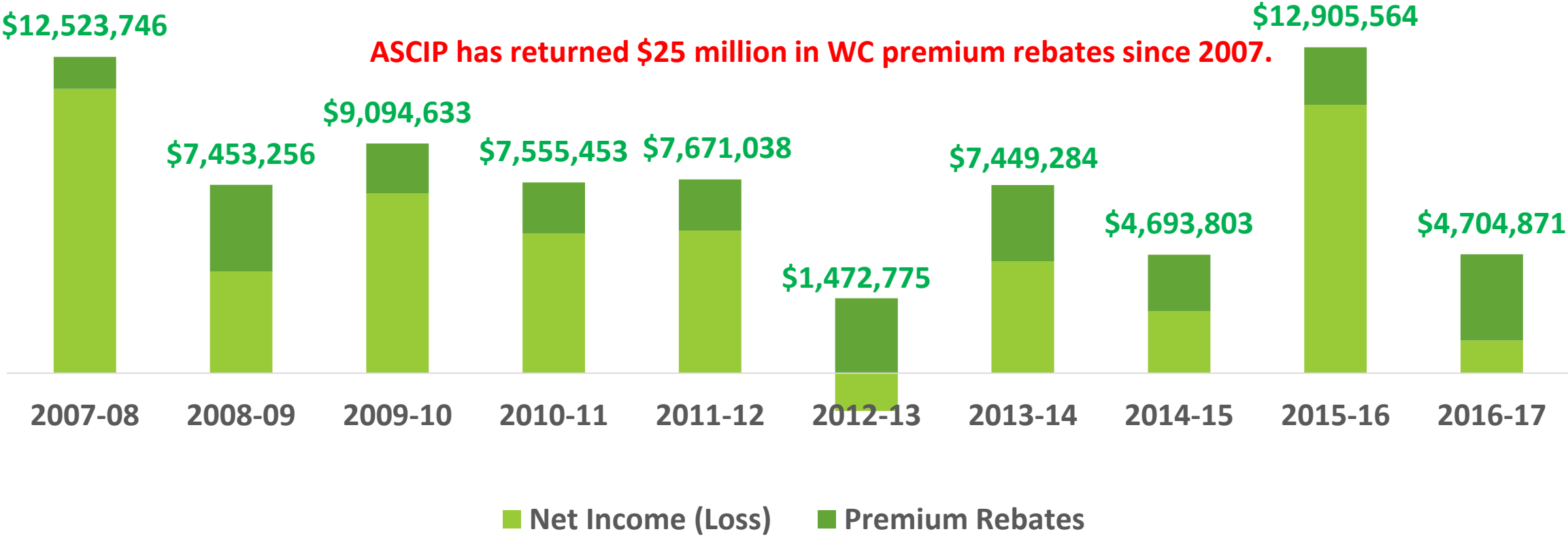
10-Year History of Program Gross Income (Loss)

2016-17 results include \$2.3 million of “book losses” in the investment portfolio due to rising interest rates.



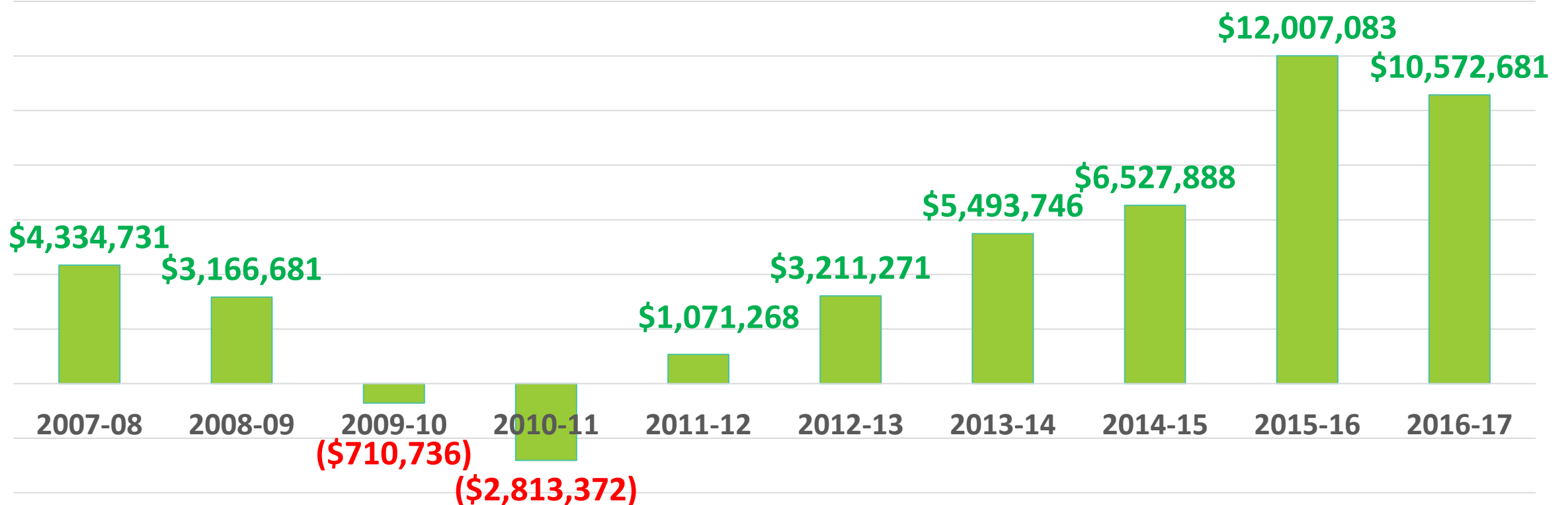
Workers Compensation Program

10-Year History of Program Gross Income (Loss)



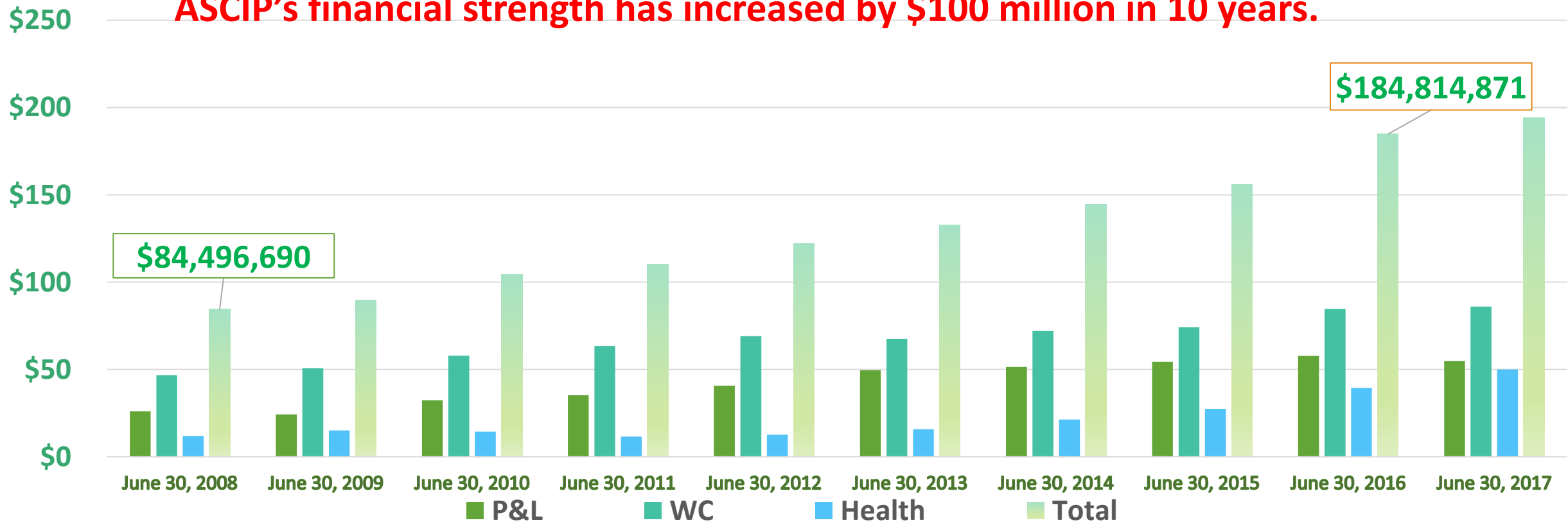
Health Benefits Programs

10-Year History of Program Net Income (Loss)



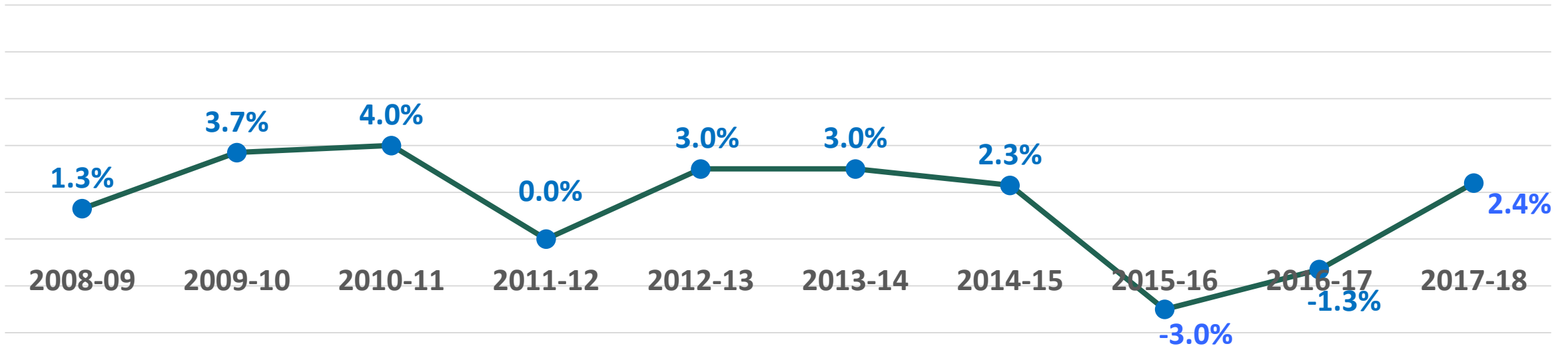
10-Year History of Net Assets

ASCIP's financial strength has increased by \$100 million in 10 years.



Property & Liability Program*

10-Year History of Average Program Rate Changes



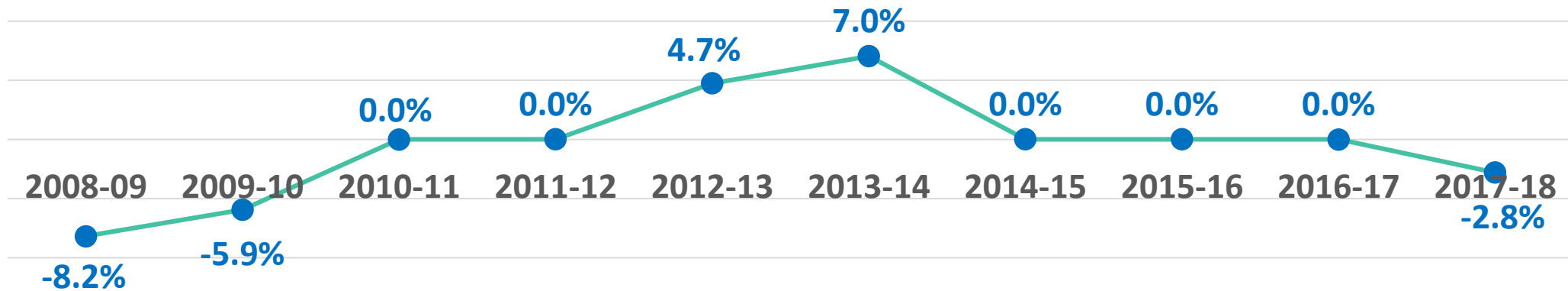
The average program rate change has been between -3% and +4% over the last 10 years.

*Includes All Coverages Provided in the Property & Liability Program.

Workers Compensation Program*

10-Year History of Program Rate Changes

The average program rate is lower today than it was 10 years ago.



*First Dollar (No Deductible Coverage).

What's "Under Our Hat" for 2018...

- Finalizing ASCIP's updated capital modeling, and capital retention and premium rebate policies.
- A Revised Workers' Compensation Memorandum of Coverage.
- Expansion of On-site ("Doc-in-the-Box") and Mobile (Heal) Primary Care Programs
- Organizational priority of addressing sexual abuse risks.
 - Less than 5% of claims; but approaching 40% of payments.
 - Inflation trend is 2-3 times greater than other types of liability claims.
- New ASCIP Staff:
 - Shawn Potter, Workers Compensation Manager
 - Lisa Larriva, Liability Claims Adjuster
 - Tanya Hernandez, Property Claims Adjuster
 - Sandy Chen, Accountant
 - Gio Navas, Claims Assistant