



Meeting Agenda – Finance Committee Meeting

August 10, 2016 10:00 a.m.

AMRRP Boardroom & via teleconference

14902 North 73rd Street – Scottsdale, AZ 85260

The public will be able to hear and see those persons participating electronically in the public sections of the meeting by attending the meeting in person at AMRRP's office.

1. Call to Order

2. Consent Agenda

Action recommended

Approve the consent agenda recommendations.

2.1 Approve May 2, 2016 Finance Committee minutes

3. Q2 Financial Overview

Sheryl Sattler

Action recommended

None – for discussion only.

3.1 Q2 Financial Report

4. Mid Year Investment Review

Paulina Woo & Luke Schneider, PFM

Action recommended

None – for discussion only

4.1 Mid Year Investment Review

5. Investment Policy Review

Paulina Woo & Luke Schneider, PFM

Action recommended

Recommend Board approval of PFM's proposed Investment Policy updates.

5.1 Investment Policy

6. Finance Committee Responsibilities

Tiffani Burleson

Action recommended

None – for discussion only.

6.1 AMRRP Finance Committee Responsibilities

7. Preliminary 2017 Administrative Expense Budget

Tiffani Burleson

Action recommended

None – for discussion only.

7.1 Preliminary Administrative Expense Budget

8. Independent Auditor selection

Tiffani Burleson

Action recommended

Approve Gilbert Associates to continue providing independent auditing services at a cost of \$33,000.

9. Adjourn

The Finance Committee of the Arizona Municipal Risk Retention Pool (AMRRP), an Arizona non-profit corporation, called and held a meeting on May 2, 2016 at AMRRP's offices and via teleconference.

Committee members present:

Terry Hinton, Thatcher
Yvonne Kimball, Dewey-Humboldt
Tom Belshe, *Committee Chair*, League of Arizona Cities & Towns
Scott McCarty, Queen Creek

Committee members not present:

Rudy Rodriguez, Trustee, Cottonwood
Kelly Udall, Trustee, Sahuarita

Others present:

Kevin Wong, Gilbert Associates

Staff present:

Tiffani Burleson, Sheri Reintjes, Jessica Russell, and Annette Schmidt

1. Call to Order

Committee Chair Belshe called the meeting to order at 10:05 a.m.

2. Consent Agenda

The committee unanimously carried a motion made by Hinton and seconded by Kimball to approve the consent agenda.

3. Independent Audit Report

Wong reviewed the Communications with Those Charged with Governance and reported the audit went smoothly, there were no issues revealed, and management was both well-prepared and cooperative. Management's judgment and accounting estimates, in conjunction with AMRRP's actuarial report, are consistent with industry practice.

Wong reported the financial statements are a fair representation of AMRRP's financial position as of December 31, 2015 and 2014, and the changes in financial position and cash flows are in conformity with generally accepted accounting principles (GAAP).

Highlights from Wong's report include the following:

- The audit was conducted at the Southwest Risk offices in February 2015, and the final report was issued in March.
- Gilbert Associates issued an unmodified opinion; Wong explained this is the best possible rating the firm can issue.
- A substantial growth in assets resulted in a significant increase in net position.
- Total assets were \$97.6 million in 2015, as opposed to \$90.9 million in the prior year.
- AMRRP's liabilities increased from \$61.9 million in 2014 to \$64.2 million in 2015.
- Operations revenue increased in 2015 by \$4.4 million.
- Operating expenditures increased from \$21 million in 2014 to \$25.4 million in 2015.

- Unpaid losses and loss adjustment expenses at the beginning of 2015 are \$44.9 million.
- Total incurred losses and loss adjustment expenses are \$21.6 million which is an increase from the prior year.
- Net income for property and liability is \$3.4 million and \$1 million for worker' compensation with a combined total of \$4.4 million

The Committee unanimously carried a motion made by McCarty and seconded by Kimball to recommend the Board of Trustees accept the Independent Financial Audit Report as prepared by Gilbert Associates, Inc.

Wong departed the meeting at 10:37 a.m.

4. Q1 Financial Overview

Schmidt provided a brief report on the Pool's Q1 financials, which included the following:

- Combined YTD net earned premiums totaled \$7m million, an increase of \$316,000 from the prior year
- YTD Net Loss and LAE Incurred total \$6.5 million, an unfavorable increase over the \$5.4 million from the prior year.
- Underwriting expenses total \$924,000, also up from the prior year.
- Underwriting loss of \$370,000 on a combined basis which is slightly unfavorable compared to last year.
- Net income totaled \$399,000 but is still unfavorable compared to the prior quarter.
- Loss & LAE Ratio is 92 percent which is up compared to the previous year.

Results by Line of Business

- Property/Casualty net earned premiums totaled \$3.6 million
- Workers' Compensation net earned premiums totaled \$3.4 million, which is slightly favorable over the same period in the prior 2015.
- Property/Casualty Loss and LAE Ratio is currently 99 percent, a 28 percent increase over 2015.
- Workers' Compensation Loss and LAE Ratio is currently 84 percent, a 7 percent decrease over 2015.

Investment Return and Asset Class

- Current Total Cash and Investments are \$78.8 million, an increase over the \$74.6 million from the previous quarter
- Total Investment return for the first quarter is \$769,000

Balance Sheet

- Current Total Assets of approximately \$94.2 million minus Current Total Liabilities of approximately \$60.3 million result in Member Surplus of \$33.9 million.

Schmidt report that all Key Ratios are well above the industry standard and the Balance Sheet is strong and healthy.

Member Surplus – Five Year Roll forward

- Net Underwriting loss of \$370,000.
- Total Investment Return of \$769,000.
- Net change in surplus position \$399,000.

Proforma

- 100 percent retention with 2.3 percent blended.
- Gross Written Premium is \$38.5 million compared to \$37.6 million in the previous year.
- Reinsurance Premiums are \$5.7 million.
- Total Net Written Premium of \$26.4 million, a decrease of \$2.9 million from 2015
- Net Earned Premium for 2016 are \$25.9 million compared to \$29 million in 2015
- Total Incurred Loss and LAE is \$17.6 million which is down compared to \$21.6 million in the previous year.
- Underwriting Expenses show the Management Fee increased by about 3 percent and the Administrative Expenses had a 2 percent inflation as well.
- Net Underwriting Results are \$4.6 million compared to \$3.7 million in 2015.
- Net Investment Income has not changed compared to the prior year.

The Committee unanimously agreed to accept the Q1 Financial Report.

5. Status of PFM Contract

Schmidt gave a brief update to the committee reiterating that the board approved the switch to PFM in the March Board meeting. Bill Sims is currently reviewing the contract with the BRAC legal team with estimated completion by the end of the second quarter.

6. Selection of Independent Actuary

Ms. Tiffani Burleson recalled the 2013 Solicitation for Proposal (SFP) process and AMRRP decision to change from Regnier Consulting Group to Gross Consulting for actuarial services. While the agreement with Gross Consulting renews annually, until a party to the agreement terminates, the pricing for services ends with this year's work. Rather than go out to bid after a three year period with the new actuary, staff recommended AMRRP maintain the same actuary for no less than five years before considering a possible change via SFP.

The committee unanimously carried a motion made by McCarty and seconded by Hinton to accept the recommended plan by staff.

7. Adjourn

Committee Chair Belshe adjourned the meeting at 10:43 a.m.

Financial Review
2nd Quarter 2016
AMRRP - FINANCE COMMITTEE
August 10, 2016

Agenda

Operating Results

- AMRRP Combined
- Line of Business Results
- Investment Income/Asset Class

Financial Position

Member Surplus Roll Forward

Proforma

Operating Results – AMRRP Combined

As of June 30, 2016 (\$ in 000s)

	2nd Quarter		Fav/(Unfav)	
	2016	2015	\$ Change	% Change
Net Earned Premiums	\$ 14,120	\$ 14,058	\$ 61	0%
Net Loss & LAE Incurred	11,967	10,753	(1,213)	-11%
Administrative Fees	1,577	1,575	(2)	0%
Professional Fees	165	343	178	52%
Premium Taxes	88	85	(3)	-4%
Loss Control	28	5	(23)	-481%
Other Exp	39	69	30	43%
Underwriting Expenses	1,897	2,077	179	9%
Underwriting Results	\$ 255	\$ 1,228	\$ (973)	-79%
Total Investment Return	1,228	499	729	146%
Net Income Before Dividends	1,483	1,727	(244)	-14%
Member Dividends	-	-	-	-
Net Income	\$ 1,483	\$ 1,727	\$ (244)	-14%

<u>Key Ratios</u>	2Q 2016	2Q 2015	Change
Loss & LAE Ratio	85%	76%	9%
Expense Ratio	13%	15%	-2%
Combined Ratio	98%	91%	7%

Operating Results – By Line of Business

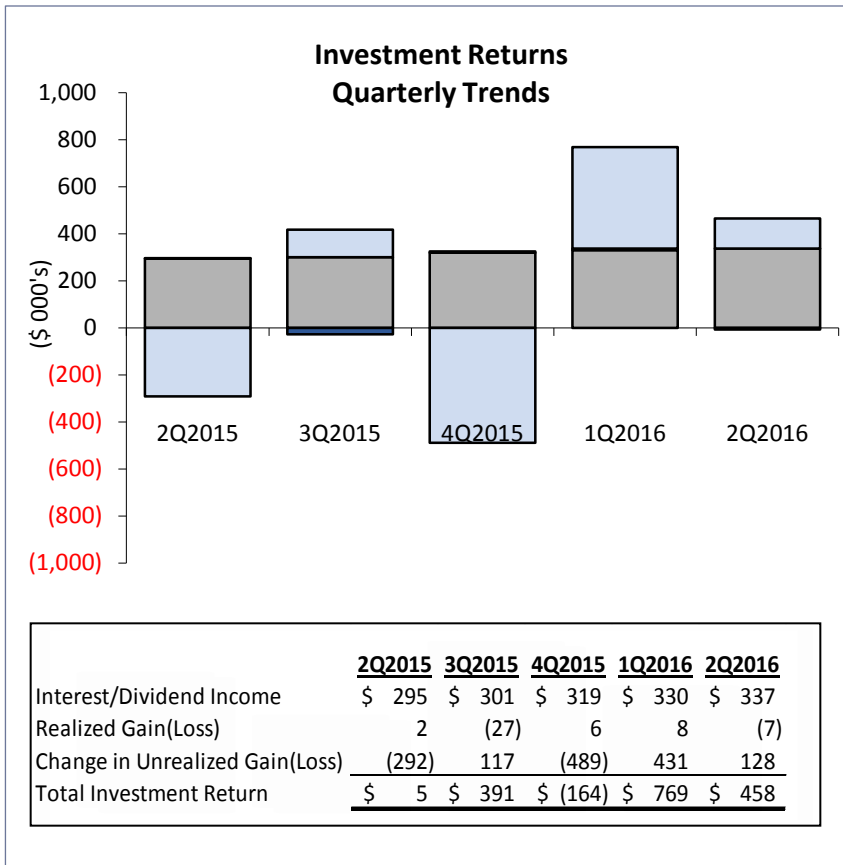
As of June 30, 2016 (\$ in 000s)

	Property & Casualty			Workers Compensation		
	2016	2015	Change	2016	2015	Change
Premiums:						
Gross Written Premiums	\$ 1,356	\$ 1,418	\$ (62)	\$ -	\$ -	\$ -
Ceded Premiums	(325)	(460)	135	-	-	\$ -
Ceded Premiums BRAC	(315)	-	(315)	-	-	-
Net Written Premiums	716	958	(242)	-	-	-
Chg in UEP	6,496	6,217	279	6,907	6,884	23
Earned Premiums	\$ 7,212	\$ 7,175	\$ 37	\$ 6,907	\$ 6,884	\$ 23
Losses:						
Paid	\$ 5,038	\$ 3,977	\$ 1,061	\$ 3,421	\$ 5,973	\$ (2,552)
Paid BRAC	(14)	-	(14)	-	-	-
Change in Case Reserves	(81)	(1,137)	1,056	2,912	(1,226)	4,138
Change in Case Reserves BRAC	(28)	-	(28)	-	-	-
Change in IBNR Reserves	1,255	2,213	(958)	(537)	953	(1,490)
Loss & LAE Incurred	6,170	5,053	1,117	5,796	5,700	96
Net Results (excl underwriting expenses)	\$ 1,042	\$ 2,122	\$ (1,080)	\$ 1,111	\$ 1,184	\$ (73)

Key Ratios	2016	2015	Change	2016	2015	Change
Loss & LAE Ratio	86%	70%	15%	84%	83%	1%

Operating Results

Investment Return and Asset Class (\$ 000s)



Asset Class at Fair Value	<u>6/30/2016</u>		<u>12/31/2015</u>	
	<u>\$</u>	<u>% Mix</u>	<u>\$</u>	<u>% Mix</u>
Cutwater Investments:				
Cash and Equivalents	\$ -	0.0%	\$ 501	0.7%
U.S. Treasury	5,135	6.5%	6,195	8.3%
U.S. Agency	265	0.3%	321	0.4%
U.S. Instrumentality	19,917	25.1%	20,850	28.0%
Corporate	23,609	29.8%	15,300	20.5%
Municipal	5,035	6.4%	6,203	8.3%
Managed Investments	\$ 53,961	68.1%	\$ 49,370	66.2%
Operating Cash	7,791	9.8%	7,953	10.7%
AZ LGIP	15,570	19.6%	15,343	20.6%
AZ LGIP - Short Term	1,918	2.4%	1,913	2.6%
Total Cash and Investments	\$ 79,240	100%	\$ 74,579	100%
Unrealized Gains/(Losses)	<u>\$ (134)</u>		<u>\$ (694)</u>	
Weighted Average Duration - Cutwater				
Property & Casualty	1.86 yrs		2.05 yrs	
Workers' Compensation	2.56 yrs		2.14 yrs	

Financial Position

Balance Sheet (\$ in 000s)

	Jun 30, 2016	Dec 31, 2015
Assets		
Cash and Short Term Investments	\$ 9,708	\$ 9,866
Securities	69,532	64,713
Subtotal Cash and Investments	\$ 79,240	\$ 74,579
Premium Receivables	5,333	21,292
Premium Receivables - BRAC	13	-
Reinsurance Recoverables	671	1,121
Prepaid Expenses	2,699	-
Other Assets	527	689
Total Assets	\$ 88,483	\$ 97,681
Liabilities		
Loss and LAE Reserves	\$ 52,176	\$ 48,631
Loss and LAE Reserves - BRAC	\$ (28)	\$ -
Net Unearned Premium	1,563	14,966
Payables and Other Liabilities	(201)	593
Total Liabilities	\$ 53,510	\$ 64,190
Member Surplus		
Total Member Surplus	34,973	33,491
Total Liabilities & Member Surplus	\$ 88,483	\$ 97,681

Key Ratios:

Asset to Liability Ratio (a)	1.65	1.52
Cash and Investments/Liabilities Ratio (a)	1.48	1.16
GWP to Surplus (b)	0.04	1.12


Financial Position

Member Surplus - Five Year Rollforward (\$ in 000's)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2Q 2016</u>	<u>2012 to 2Q 2016</u>
Member Surplus, Beg. of Period	\$ 27,721	\$ 24,822	\$ 21,762	\$ 29,075	\$ 33,491	\$ 27,721
Add: Underwriting Results	(2,497)	(3,096)	6,134	3,690	255	4,486
Add: Total Investment Return	1,598	36	1,179	726	1,228	4,767
Less: Member Dividends	(2,000)	-	-	-	-	(2,000)
Net Change in Surplus Position	<u>\$ (2,899)</u>	<u>\$ (3,060)</u>	<u>\$ 7,313</u>	<u>\$ 4,416</u>	<u>\$ 1,483</u>	<u>\$ 7,253</u>
Member Surplus, End of Period	<u><u>\$ 24,822</u></u>	<u><u>\$ 21,762</u></u>	<u><u>\$ 29,075</u></u>	<u><u>\$ 33,491</u></u>	<u><u>\$ 34,974</u></u>	<u><u>\$ 34,973</u></u>

Supplemental Data

A.R.S. Title 35 Compliance Report

	 Chase Operating Account P&C	Chase Operating Account WC	LGIP #5-91335 (Fixed Income - Short Term) P&C	LGIP #5-91338 (Fixed Income - Short Term) WC	LGIP #5-91287 (Fixed Income - Long Term) ICA Secured WC	Wells Fargo Investment Custodial P&C	Wells Fargo Investment Custodial WC	Investments (Cutwater) P&C	Investments (Cutwater) WC	TOTAL
Apr-16	1,760	4,711	1,568	346	15,499	186	32	48,056	8,581	80,739
May-16	779	2,357	1,569	346	15,500	752	301	47,449	10,298	79,351
Jun-16	988	5,133	1,570	347	15,570	1,647	22	46,810	7,152	79,240

A.R.S. Title 35 Compliancy Analysis					
ARIZONA MUNICIPAL RISK RETENTION POOL	2016 Q2	2016 Q1	2015 Q4	2015 Q3	
Total Cash and Investments	\$ 79,240	\$ 78,780	\$ 74,579	\$ 70,945	
P&C WF Custodial & Cutwater Non-Title 35 Holdings	(16,250)	(15,453)	(13,301)	(15,082)	
WC WF Custodial & Cutwater Non-Title 35 Holdings	(3,145)	(2,519)	(2,252)	(2,061)	
Title 35 Compliant	<u>\$ 59,845</u>	<u>\$ 60,808</u>	<u>\$ 59,026</u>	<u>\$ 53,802</u>	
Members Equity	<u>\$ 34,973</u>	<u>\$ 33,889</u>	<u>\$ 33,490</u>	<u>\$ 31,957</u>	
Excess Allowed Outside A.R.S. Title 35	24,872	26,919	25,536	21,845	
Avail. for Investment Outside Title 35 (80%)	19,898	21,535	20,429	17,476	

Proforma 2016 (\$ in 000's)

	<u>12/31/15</u>	<u>12/31/16 P</u>
<u>Premiums:</u>		
New Business (Direct)	-	-
Renewal Premium	37,614	38,479
Gross Written Premiums	37,614	38,479
Reinsurance Premium		6,375
Reinsurance Premiums - BRAC	8,375	5,717
Net Written Premium	29,239	26,387
	Ceded Premium Ratio	17%
	Ceded Premium Ratio - BRAC	15%
Change in unearned premium:	(179)	(406)
Net Earned Premium	29,060	25,981
<u>Incurred Loss and LAE:</u>		
Current Accident Year Loss Provision	21,581	17,573
	-	-
Total Incurred Loss and LAE	21,581	17,573
	Loss Ratio	68%
<u>Underwriting Expenses:</u>		
Management Fee	3,151	3,153
Administrative Expenses	638	651
Total Underwriting Expenses:	3,789	3,804
Net Underwriting Results	3,690	4,604
Net Investment Income	726	726
Net Income/(Loss)	4,416	5,330

Questions and Comments?

AMRRP Finance Committee Responsibilities

Responsibility	Contractor constraints	Recommendation Deadline	Rationale
Year end / Q4 Financials, full report to Board		prior to March Board meeting	Finance Committee Charter
Annual capital management/surplus, dividend, and member premium rate recommendations to Board	IBNR provided by Gross Consulting late February	prior to March Board meeting	Finance Committee Charter & Member Budget Deadlines
Annual Independent Investment Manager review and contract renewal recommendation to Board		prior to March Board meeting	Finance Committee Charter. PFM Asset Management agreement renews annually 5/25/xx at prices stipulated in the agreement. Termination requires 30 days' notice.
Year end Investment Report- by Vendor, recommendations to Board if needed	Investment Report provided by PFM Asset Management	prior to March Board meeting (if needed)	Finance Committee Charter
Quarter 1 Financials, report of performance to Board		prior to May Board meeting	Finance Committee Charter
Annual Actuarial analysis review, recommendations to Board if needed	Actuary Report provided by Gross Consulting	prior to May Board meeting (if needed)	Finance Committee Charter
Annual Financial Audit - by Vendor & report to Board	Audit Report provided by Gilbert Associates	prior to May Board meeting	Finance Committee Charter
Administrative Expense Budget recommendation to Board - preliminary		prior to August Board meeting	Board practice
Annual Independent Auditor review and contract renewal recommendation to Board		prior to August Board meeting	Finance Committee Charter. Audit and Tax services agreements signed annually. Gilbert Associates pricing is Board approved for the 2014, 2015, and 2016 year end audits.
Annual Independent Actuary review and contract renewal recommendation to Board		prior to August Board meeting (completed for 2016)	Finance Committee Charter & Agreement renews annually 1/1/xx. Gross Consulting prices are Board approved for 2017-2019 service.
Quarter 2 Financials, report of performance to Board		prior to November Board meeting	Finance Committee Charter
Quarter 3 Financials, report of performance to Board		prior to November Board meeting	Finance Committee Charter
Annual reinsurance structure recommendation to Board	Quotes provided by current and potential Excess Carriers	prior to November Board meeting	Finance Committee Charter
Mid year Investment Report - by Vendor, recommendations to Board if needed	Investment Report provided by PFM Asset Management	prior to November Board meeting	Finance Committee Charter
Administrative Expense Budget recommendation to Board - final		prior to November Board meeting	Finance Committee Charter
Annual Investment Policy Review & recommendations to Board		prior to November Board meeting	Finance Committee Charter
Mid-year Actuarial analysis review, recommendations to Board if needed	Actuary Report provided by Gross Consulting	prior to November Board meeting (if needed)	Finance Committee Charter



ARIZONA MUNICIPAL RISK RETENTION POOL Finance Committee Roles & Expectations

Approved March 30, 2012

	Finance Committee	Board of Trustees
General Financial Review	<p>Quarterly review of and discussion about overall AMRRP financial position, Title 35 compliancy and operating results on an ongoing monitor basis, including period-to-period performance. Examples of review items include AMRRP revenue (premiums and investment income), expenses (losses and administration), investment income, and surplus. Report of relative performance against benchmarks, exceptions, or notable results to Board.</p> <p>Annual in-depth analysis of the same with a full report to the Board.</p>	<p>Quarterly acceptance of Finance Committee review, open for questions or discussion.</p> <p>Annual in-depth review and discussion of overall AMRRP financial position and operating results.</p>
Rate-Setting	<p>Annual review of actuarial analyses, reinsurance structure and contracts, and member premium rate recommendations. Recommendations about reinsurance structure and member premium rates to the Board.</p> <p>Review of mid-year actuarial report. Report of exceptions or notable results to Board.</p>	<p>Annual review of and decision about reinsurance structure and member premium rates.</p> <p>Acceptance of Finance Committee review, open for questions or discussion.</p>



ARIZONA MUNICIPAL RISK RETENTION POOL Finance Committee Roles & Expectations

Approved March 30, 2012

Capital Management	<p>Annual review of capital management strategy including surplus policy, goals, and status. Recommendations about capital management policy changes or adjustments to Board.</p> <p>Annual recommendations to the Board about dividends.</p>	<p>Annual review and discussion of capital management policy and Finance Committee recommendations.</p> <p>Annual decision about dividends.</p>
Investment Policy and Performance	<p>Semi-annual review* of the investment portfolio's performance, market conditions, investment outlook and strategy, and other matters affecting the investment policies or philosophy of AMRRP. Recommend review by the Board, if needed for any reason.</p> <p>Annual review of the investment policy, including overall investment goals, allowable investments, allocation and duration targets, and performance targets. Recommendations about changes or adjustments to the Board.</p> <p>Annual review of investment managers and advisors, and of contractual relationships for the same. Recommendations about contracts to Board.</p>	<p>Review recommendations as may be forwarded from the Finance Committee.</p> <p>Annual review of recommended revisions, if any, of investment policy statement.</p> <p>Annual decision about investment manager and advisor contracts.</p>
Administrative Expenses	<p>Annual analysis of and discussion about administrative expenses (actual and budgeted).</p>	<p>Annual in-depth review and approval.</p>
Independent Auditor	<p>Annual review of independent auditors and contract. Recommendations about contracts to Board.</p> <p>Annual review of independent auditor report, including opportunity for executive session with auditor. Report of audit findings to Board.</p>	<p>Annual decision about independent auditor contract.</p> <p>Annual review and acceptance of independent auditor report, including opportunity for executive session with auditor.</p>
Actuary	<p>Annual review of independent actuaries and contract. Recommendations about contracts to Board.</p>	<p>Annual decision about independent actuary contract.</p>

**potential change to AMRRP operational policy #:006 regarding monthly reporting to finance committee.*



Preliminary Administrative Expense Budget

	2016 Approved	2016 Projected	2016 Projected to Approved	2017 Proposed
<u>Taxes, Insurance, and Fees</u>				
Taxes or Assessments	\$ 273,818	\$ 198,891	\$ (74,927)	\$ 188,594
Bank Fees	\$ 16,500	\$ 30,000	\$ 13,500	\$ 30,000
Reinsurance / D&O / BOP / Other Insurance	\$ 6,190,517	\$ 6,190,517	\$ -	\$ 6,500,517
Berkley Risk - Casualty Reinsurance	\$ 5,300,000	\$ 3,200,000	\$ (2,100,000)	\$ 5,500,000
Special Project Printing	\$ 500	\$ 21	\$ (479)	\$ -
Insurance Policies/Bonds/Letter of Credit	\$ -	\$ -	\$ -	\$ -
Rating Agency or Bureau Fees	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 11,781,335	\$ 9,619,429	\$ (2,161,906)	\$ 12,219,111
<u>Pool Administration Fees</u>				
Workers' Compensation Fee	\$ 992,497	\$ 977,513	\$ (14,984)	\$ 979,468
Property & Casualty Fee	\$ 2,209,107	\$ 2,175,755	\$ (33,352)	\$ 2,180,106
Subtotal	\$ 3,201,604	\$ 3,153,268	\$ (48,336)	\$ 3,159,574
<u>Claims Programs & Services</u>				
IDT 911	\$ 3,700	\$ 3,700	\$ -	\$ 3,700
Bottomline Technologies	\$ 35,000	\$ 56,522	\$ 21,522	\$ 42,000
Flat Fee Employment Defense Program	\$ 650,000	\$ 650,000	\$ -	\$ 650,000
Triage Now	\$ 37,500	\$ 37,500	\$ -	\$ 37,500
Subtotal	\$ 726,200	\$ 747,722	\$ 21,522	\$ 733,200
<u>Member Programs & Services</u>				
EEOC Program	\$ -	\$ -	\$ -	\$ -
PAL Program	\$ -	\$ -	\$ -	\$ -
LUAL Program	\$ 5,000	\$ 3,600	\$ (1,400)	\$ 7,500
Enquiron Program	\$ 41,250	\$ 41,250	\$ -	\$ 41,250
IGA Program	\$ 43,000	\$ 11,000	\$ (32,000)	\$ 43,000
PSAP (10-78) Program	\$ 24,000	\$ 9,650	\$ (14,350)	\$ 24,000
Online Training	\$ 39,880	\$ 39,880	\$ -	\$ 39,880
Loss Control Awards	\$ 500	\$ -	\$ (500)	\$ 500
Subtotal	\$ 153,630	\$ 105,380	\$ (48,250)	\$ 156,130
<u>Pool Associations & Events</u>				
NLC-RISC Dues	\$ 16,300	\$ 14,141	\$ (2,159)	\$ 14,141
ACMA Sponsorship	\$ 5,500	\$ 5,500	\$ -	\$ 5,500
AZ PRIMA Sponsorship	\$ 3,000	\$ 3,000	\$ -	\$ 3,000
League of Arizona Cities and Towns	\$ 145,864	\$ 145,422	\$ (442)	\$ 147,314
League of Arizona Cities & Towns Conference	\$ 1,750	\$ 1,750	\$ -	\$ 1,750
Subtotal	\$ 172,414	\$ 169,813	\$ (2,601)	\$ 171,705
<u>Independent Consultant Services</u>				
Independent Financial Audits/Statements	\$ 32,000	\$ 32,000	\$ -	\$ 33,000
Independent Actuary Study/Reports	\$ 19,450	\$ 19,400	\$ (50)	\$ 19,000
Investment Advisor Fees	\$ 42,000	\$ 51,000	\$ 9,000	\$ 42,000
Legal Counsel	\$ 18,000	\$ 43,000	\$ 25,000	\$ 35,000
Coverage Review & Form Revision	\$ -	\$ -	\$ -	\$ -
Independent Claim Audits	\$ -	\$ -	\$ -	\$ -
Professional Services	\$ 5,000	\$ -	\$ (5,000)	\$ 5,000
Independent Premium Auditor Fees	\$ -	\$ -	\$ -	\$ -
Dept. of Insurance or ICA Audits	\$ -	\$ -	\$ -	\$ 35,000
Premium/Payroll Audits	\$ -	\$ -	\$ -	\$ -
Lobbyist Services	\$ -	\$ -	\$ -	\$ -
Other Independent Consultants	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 116,450	\$ 145,400	\$ 28,950	\$ 169,000
<u>Board of Trustees</u>				
Board Meetings and Retreat	\$ 32,000	\$ 22,000	\$ (10,000)	\$ 25,000
Trustee Conference Expenses	\$ 18,000	\$ 5,400	\$ (12,600)	\$ 18,000
Subtotal	\$ 50,000	\$ 27,400	\$ (22,600)	\$ 43,000
Total	\$ 16,201,633	\$ 13,968,412	\$ (2,233,221)	\$ 16,651,720