

Mission Statement

The SDML Workers' Compensation Fund has a strong commitment to providing a competitive workers' compensation program for the public entities in South Dakota through administrative, loss control and technical services.

As a risk-sharing pool the SDML Workers' Compensation Fund was created for its Members and is controlled by its Members.

Board of Trustees

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CREATED, SPONSORED, AND ENDORSED BY

South Dakota Municipal League
Yvonne Taylor, Executive Director
800-658-3633

ENDORSED BY

South Dakota Association of
County Commissioners
Bob Wilcox, Executive Director
605-224-4554

Service Providers

Administration & Marketing

Insurance Benefits, Inc.
4901 Isabel Place, Suite 110
Sioux Falls, SD 57108
800-233-9073

Actuarial Services

AON Risk Solutions
100 Bayview Circle, Suite 100
Newport Beach, CA 92660
949-608-6332

Claims Administration

Claims Associates, Inc.
4901 Isabel Place, Suite 100
Sioux Falls, SD 57108
888-654-6495

Claims Audit

Northshore International Insurance
Services
76 Lafayette Street
Salem, MA 01970

Financial Audit

RSM US LLP
110 S. Phillips Avenue, Suite 300
Sioux Falls, SD 57104
605-336-0753

Investment Manager

Bankwest Trust
PO Box 998
Pierre, SD 57501
605-224-7392

Loss Control

Safety Benefits, Inc.
4901 Isabel Place, Suite 120
Sioux Falls, SD 57108
888-313-0839

Re-Insurance

Safety National Casualty Corporation
2043 Woodland Parkway
St. Louis, MO 63146

2016 Annual Financial Report

SDML Workers' Compensation Fund

To the Membership



SDML Workers' Compensation Fund
Selected Financial Data

Assets	As of December 31,				
	2016	2015	2014	2013	2012
Cash and cash equivalents	\$ 3,150,780	\$ 4,522,614	\$ 2,982,554	\$ 3,025,144	\$ 1,780,869
Investments	28,133,408	26,608,996	27,083,600	26,074,143	26,996,836
Receivables	502,957	511,719	428,427	414,417	584,417
Prepaid expenses	588,341	-	3,010	8,169	13,328
Contributed surplus and member equity in NLC Mutual	1,893,847	1,834,234	1,776,499	1,691,098	1,605,980
Total assets	\$ 34,269,333	\$ 33,477,563	\$ 32,274,090	\$ 31,212,971	\$ 30,981,430

Liabilities and Net Position

Liabilities					
Estimated liability for reported and unreported claims and claims adjustment expenses	\$ 8,918,230	\$ 8,574,055	\$ 8,209,239	\$ 8,375,694	\$ 8,944,175
Other liabilities, primarily advance member contributions	2,978,989	3,384,798	3,060,681	3,175,111	2,581,648
Total liabilities	11,897,219	11,958,853	11,269,920	11,550,805	11,525,823
Net Position	22,372,114	21,518,710	21,004,170	19,662,166	19,455,607
Total liabilities and net position	\$ 34,269,333	\$ 33,477,563	\$ 32,274,090	\$ 31,212,971	\$ 30,981,430

Income	Years Ended December 31,				
	2016	2015	2014	2013	2012
Operating revenues:					
Member contributions earned, net of renewal and loss control credits and reinsurance *	\$ 6,473,606	\$ 6,154,602	\$ 5,955,884	\$ 5,675,046	\$ 5,555,316
Operating expenses:					
Claims and claims adjustment expenses incurred, net	4,473,007	4,544,786	3,757,795	4,466,226	3,946,114
General and administrative expenses	1,026,790	1,034,326	1,013,100	967,762	926,045
Dividends to members, return on equity credits	493,382	439,398	405,403	371,393	307,109
Total operating expenses	5,993,179	6,018,510	5,176,298	5,805,381	5,179,268
Operating income (loss)	480,427	136,092	779,586	(130,335)	376,048
Nonoperating revenues:					
Net investment income	313,364	320,713	477,017	251,776	628,398
Earned member equity, NLC Mutual	59,613	57,735	85,401	85,118	63,400
Total nonoperating revenues	372,977	378,448	562,418	336,894	691,798
Change in net position	\$ 853,404	\$ 514,540	\$ 1,342,004	\$ 206,559	\$ 1,067,846

* Renewal and loss control credits \$ 2,041,657 \$ 1,694,408 \$ 1,635,696 \$ 1,600,418 \$ 1,510,343