

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 210
Sioux Falls, SD 57108
800-233-9073

Actuarial Services

AON Risk Solutions
17875 Von Karman Avenue, Suite 300
Irvine, CA 92614
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

2018 Annual Financial Report

SDML Workers' Compensation Fund

To the Membership



SDML Workers' Compensation Fund
Selected Financial Data

Assets	As of December 31,				
	2018	2017	2016	2015	2014
Cash and cash equivalents	\$ 4,418,344	\$ 3,185,786	\$ 3,150,780	\$ 4,522,614	\$ 2,982,554
Investments	29,431,409	29,471,002	28,133,408	26,608,996	27,083,600
Receivables	659,456	561,643	502,957	511,719	428,427
Prepaid expenses	-	3,795	588,341	-	3,010
Contributed surplus and member equity in NLC Mutual	2,029,717	1,960,132	1,893,847	1,834,234	1,776,499
Total assets	\$ 36,538,926	\$ 35,182,358	\$ 34,269,333	\$ 33,477,563	\$ 32,274,090

Liabilities and Net Position

Liabilities					
Estimated liability for reported and unreported claims and claims adjustment expenses	\$ 9,655,594	\$ 8,516,916	\$ 8,918,230	\$ 8,574,055	\$ 8,209,239
Other liabilities, primarily advance member contributions	3,131,159	3,187,059	2,978,989	3,384,798	3,060,681
Total liabilities	12,786,753	11,703,975	11,897,219	11,958,853	11,269,920
Net Position	23,752,173	23,478,383	22,372,114	21,518,710	21,004,170
Total liabilities and net position	\$ 36,538,926	\$ 35,182,358	\$ 34,269,333	\$ 33,477,563	\$ 32,274,090

Income	Years Ended December 31,				
	2018	2017	2016	2015	2014
Operating revenues:					
Member contributions earned, net of renewal and loss control credits and reinsurance *	\$ 7,094,033	\$ 6,723,867	\$ 6,473,606	\$ 6,154,602	\$ 5,955,884
Operating expenses:					
Claims and claims adjustment expenses incurred, net	5,715,189	4,471,036	4,473,007	4,544,786	3,757,795
General and administrative expenses	1,088,769	1,062,642	1,026,790	1,034,326	1,013,100
Dividends to members, return on equity credits	598,330	546,040	493,382	439,398	405,403
Total operating expenses	7,402,288	6,079,718	5,993,179	6,018,510	5,176,298
Operating income (loss)	(308,255)	644,149	480,427	136,092	779,586
Nonoperating revenues:					
Net investment income	512,460	395,835	313,364	320,713	477,017
Earned member equity, NLC Mutual	69,585	66,285	59,613	57,735	85,401
Total nonoperating revenues	582,045	462,120	372,977	378,448	562,418
Change in net position	\$ 273,790	\$ 1,106,269	\$ 853,404	\$ 514,540	\$ 1,342,004

* Renewal and loss control credits	\$ 2,118,792	\$ 2,025,552	\$ 2,041,657	\$ 1,694,408	\$ 1,635,696
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