



VRSA

Virginia Risk Sharing Association

More Than Insurance



**Virginia Risk Sharing Association and Subsidiaries
Annual Comprehensive Financial Report
For the Fiscal Years Ended June 30, 2024 and 2023**



Annual Comprehensive Financial Report

For the Fiscal Years Ended June 30, 2024 and 2023

Prepared by:

Virginia Risk Sharing Association
Finance Department
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Virginia Risk Sharing Association and Subsidiaries

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Virginia Risk Sharing Association and Subsidiaries



INTRODUCTORY SECTION

For the Period July 1, 2023 – June 30, 2024

- Letter of Transmittal
- Certificate of Achievement for Excellence in Financial Reporting
- Members' Supervisory Board
- Pool Membership
- Staff Listing
- Staff Organization Charts



December 31, 2024

To the Members' Supervisory Board and the Members of Virginia Risk Sharing Pool

Bureau of Insurance regulations require that all public entity group self-insurance pools in Virginia file a complete set of audited financial statements within six months of the close of each fiscal year. This Annual Comprehensive Financial Report (ACFR) for Virginia Risk Sharing Association (the Pool) fulfills that requirement for the fiscal year ended June 30, 2024.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Keiter, Certified Public Accountants, have issued an unmodified ("clean") opinion on Virginia Risk Sharing Association and Subsidiaries consolidated financial statements for the year ended June 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

As required by Generally Accepted Accounting Principles (GAAP), the Management's Discussion and Analysis (MD&A) provides a narrative introduction, overview, and analysis to accompany the basic consolidated financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The statistical section includes selected financial and statistical data, generally presented on a multi-year basis.

Organization and Profile

The Pool is an unincorporated association formed for the purpose of administering risk management programs in accordance with laws of the Commonwealth of Virginia. The Pool is considered a public entity risk pool for operational purposes. A public entity risk pool is defined as a cooperative group of governmental entities joining together to finance an exposure, liability, or risk. The Pool's membership consists of cities, towns, counties, school divisions and other governmental authorities in Virginia. Pooling allows increased availability and affordability of coverages, as well as overall improvement in risk management.

The Pool is governed by a nine person Members' Supervisory Board that is comprised of eight elected or appointed officials from member jurisdictions and the executive director of Virginia Municipal League. Board members are elected by the membership for three-year terms and may serve multiple terms. The Board elects a Chairman and Vice-Chairman who serve one-year terms. The day-to-day operations of the Pool are overseen by the Managing Director, who is the chief administrative officer

and is responsible for the administrative implementation of policies stated in the Member Agreement and By-Laws as well as any policies established by the Board.

A detailed annual budget is prepared prior to each fiscal year and submitted to the Board for review and approval. The Pool operates on a fiscal year that begins July 1 and ends on June 30. Pool management is responsible for staying within budget and must advise the Board of any unusual or extraordinary items as they arise. Detailed reports comparing budget to actual are provided to the Board on a quarterly basis.

Economic Outlook

The Pool's economic outlook is tied to three factors: the economic condition of our members, the reinsurance market, and the financial market. Local public entity finances and outlooks have improved as property values and tax receipts have risen since the pandemic. The Pool expects the budgetary climate for members to remain relatively stable for the next few years.

The Pool continues to maintain stable membership with high membership retention. The Pool continues to provide the broadest protections with added services while keeping rates stable and affordable.

The second element of the Pool's economic outlook is the reinsurance market. The reinsurance market is a more settled environment than at any time since the pandemic. The Pool reviews loss history, retention levels, and coverage availability each year to maximize its reinsurance usage. Any increase should not be enough to cause coverage availability or affordability concerns because VIRSA has practiced sound underwriting for many years resulting in a strong financial position. In addition to reinsurance placed through the traditional market, the Pool created Virginia Interlocal Risk Sharing Association RE, LLC (VIRSA RE), a captive reinsurance company, effective July 1, 2018. VIRSA RE is a single member LLC for tax purposes utilizing the core/cell captive structure. The benefits to creating a captive include establishing a formal mechanism to set aside funds to manage losses in certain layers of risk; retain a portion of risk in an historically profitable layer; and addressing unique coverage needs not readily available in the commercial market.

Currently the Pool utilizes the captive for a portion of the workers' compensation, auto liability, general liability, public official's liability, law enforcement liability and cyber reinsurance. The Pool may continue to expand both the amounts of reinsurance and lines of coverage placed through the captive in the future. As a wholly owned subsidiary of the Pool, VIRSA RE's financial results are consolidated in the Pool's ACFR.

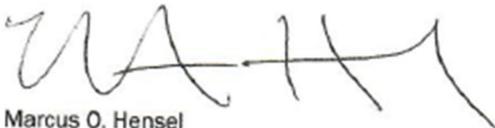
The final element affecting the Pool's financial condition is the financial market, specifically the bond market. The Pool maintains a substantial investment portfolio which represents claim reserves that will be paid out over several years. Starting in March 2022, the Federal Reserve initiated a series of interest rate hikes that have increased yields on bonds in all sectors. The Pool's investment income should increase over the next year as lower yielding securities mature and are replaced with higher earning investments.

Annual Comprehensive Financial Report

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Virginia Risk Sharing Association for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of only one year. However, the Pool believes that our current ACFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we will submit it to the GFOA for consideration of the award for this year as well.

The completion of the ACFR would not have been possible without the Pool's knowledgeable and dedicated team of professionals. A special note of gratitude goes to the Pool's personnel who assisted in this effort.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. O. Hensel', written in a cursive style.

Marcus O. Hensel
Managing Director
Virginia Risk Sharing Association



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Virginia Risk Sharing Association

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

**Virginia Risk Sharing Association
Members Supervisory Board
2023-24**

Chair

Rodney Hathaway
County Administrator
New Kent County
12007 Courthouse Circle
New Kent, VA 23124
804-966-9696
rahathaway@newkent-va.us

Leslie Beauregard
City Manager
City of Staunton
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Staunton, VA 24401
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William Johnson, III
City Manager
City of Emporia
201 South Main Street
Emporia, VA 23847
434-634-3332
wjohnson@ci.emporia.va.us

Michael McEvoy
Executive Director
Western Virginia Water Authority
601 S. Jefferson Street
Suite 200
Roanoke, VA 24011
540-853-5700
mike.mcevoy@westernvawater.org

Gregory Thomasson
Executive Director
Harrisonburg-Rockingham Sewer
Authority
856 North River Road
Mount Crawford, VA 22841
540-434-1053 ext 223
gthomasson@hrrsa.org

Vice Chair

Brian Thrower
County Administrator
Southampton County
P.O. Box 400
Courtland, VA 23837
757-653-3015
bthrower@southamptoncounty.org

Josh Farrar
Town Manager
Town of Ashland
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Ashland, VA 23005
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John Budesky
County Administrator
Hanover County
11375 N Lakeridge Parkway
Ashland, VA 23005
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jabudesky@hanovercounty.gov

Michelle Gowdy
Executive Director
Virginia Municipal League
P.O. 12164
Richmond, VA 23241
(804) 649-8471
mgowdy@vml.org

2023 - 2024 VRSA MEMBERSHIP

Accomack County DSS
Accomack-Northampton PDC
Albemarle County Service Authority
Albemarle/Charlottesville Regional Jail Authority
Alberta, Town of
Alexandria City Schools
Alexandria Library
Alexandria Renew Enterprises
Alexandria Transit Company
Altavista, Town of
Appalachian Juvenile Commission
Appomattox Regional Governor's School
Appomattox River Water Authority
Appomattox, Town of
Ashland, Town of
Augusta County Landfill Trust
Augusta County Service Authority
Bath County Service Authority
Bedford Regional Water Authority
Bedford, Town of
Berryville, Town of
Blacksburg VPI Sanitation Authority
Blacksburg, Town of
Blackstone, Town of
Bloxom, Town of
Blue Ridge Crossroads EDA
Blue Ridge Juvenile Detention Commission
Blue Ridge Regional Library
Boones Mill, Town of
Botetourt County DSS
Bowling Green, Town of
Boyce, Town of
Boydton, Town of
Boykins, Town of
Branchville, Town of
Bridgewater Industrial Development Authority
Bridgewater, Town of
Broadway, Town of
Brodnax, Town of
Brookneal, Town of
Buchanan, Town of
Buena Vista, City of
Bull Run ASAP
Burkeville, Town of
Campbell County DSS
Campbell County IDA
Campbell County Utilities & Service Authority
Cape Charles, Town of
Capital Area ASAP
Capron, Town of
Cardinal Criminal Justice Academy
Carroll County DSS
Cedar Bluff, Town of
Central Rappahannock Regional Library
Central Shenandoah Criminal Justice Training Academy
Central Shenandoah PDC
Central Virginia ASAP
Central Virginia Criminal Justice Academy
Central Virginia Transit Management Company
Central Virginia Waste Management Authority
Charlottesville City Schools
Charlottesville Redevelopment & Housing Authority
Charlottesville, City of
Charlottesville- UVA - Albemarle Emergency Communication Center
Charlottesville-Albemarle Airport Authority
Charlottesville-Albemarle Technical Center
Chase City, Town of
Chatham, Town of
Cheriton, Town of
Chesapeake Airport Authority
Chesapeake Bay Bridge & Tunnel District
Chesapeake City Schools
Chesapeake Redevelopment & Housing Authority
Chilhowie, Town of
Chincoteague, Town of
Claremont, Town of
Clarke County DSS
Clarksville, Town of
Clifton Forge, Town of
Clifton, Town of
Clintwood, Town of
CodeRVA
Coeburn, Town of
Colonial Beach, Town of
Colonial Behavioral Health
Colonial Juvenile Services Commission
Colonial Heights, City of
Commonwealth Governor's School
Community Action Partnership of Staunton, Augusta & Waynesboro
Court Community Corrections ASAP
Court Community Corrections DCJS
Court Community Corrections Drug Court
Covington, City of
Craig-New Castle PSA
Craigs ville, Town of
Crater Criminal Justice Training Academy
Crater PDC
Crewe, Town of
Crossroads IFA c/o Joint IDA of Wythe County
Culpeper County Schools
Cumberland Plateau PDC
Dan River ASAP
Danville City Schools
Danville Redevelopment & Housing Authority
Danville, City of
Danville-Pittsylvania Regional IFA
Dayton, Town of
Dendron, Town of
Dittwyn, Town of
Dinwiddie County Water Authority
District Nine ASAP
Drakes Branch, Town of
Dublin, Town of
Duffield, Town of
Dumfries, Town of
Dungannon, Town of
Eastern Shore Public Library
Eastville, Town of
EDA of the City of Winchester
Edinburg, Town of
Elkton, Town of
Emporia, City of
Essex County DSS
Exmore, Town of
Fairfax County Water Authority
Fairfax, City of
Falls Church City Schools
Falls Church, City of
Farmville, Town of
Fauquier County Water & Sanitation Authority

2023 - 2024 VRSA MEMBERSHIP, CONTINUED

Fincastle, Town of
Floyd, Town of
Floyd-Floyd County PSA
Franklin County DSS
Franklin, City of
Frederick-Winchester Service Authority
Fredericksburg City DSS
Fredericksburg EDA
Fredericksburg, City of
Fries, Town of
Front Royal, Town of
Galax, City of
Galax-Carroll Regional Library
Galax-Grayson EMS
Gate City, Town of
Glen Lyn, Town of
Gloucester County
Gloucester County DSS
Gloucester County Schools
GO Northern Virginia Council Region 7
Goochland County DSS
Gordonsville, Town of
Goshen, Town of
Grayson County DSS
Greater Roanoke Transit Company d/b/a Valley Metro
Greensville & Emporia DSS
Gretna, Town Of
Grottoes, Town of
Grundy IDA
Grundy, Town of
Halifax County IDA
Halifax County Service Authority
Halifax County Tourism Board
Halifax, Town of
Hallwood, Town of
Hamilton, Town of
Hampton City Schools
Hampton Redevelopment & Housing Authority
Hampton Roads Criminal Justice Training Academy
Hampton Roads PDC
Hampton Roads Regional Jail Authority
Hampton Roads Transportation Accountability Commission
Hampton Roads Workforce Council
Handley Regional Library
Hanover County
Hanover County DSS
Hanover County EDA
Hanover County Schools
Harrisonburg Electric Commission
Harrisonburg Redevelopment & Housing Authority
Harrisonburg Rockingham ECC
Harrisonburg Rockingham Regional Sewer Authority
Harrisonburg Rockingham Social Services
Harrisonburg, City of
Haymarket, Town of
Haysi, Town of
Henry County PSA
Henry/Martinsville Social Services
Herndon, Town of
Highland County DSS
Hillsboro, Town of
Hillsville, Town of
Hopewell Redevelopment & Housing Authority
Hopewell, City of
Hurt, Town of
Independence, Town of
Iron Gate, Town of
Irvington, Town of
Ivor, Town of
James River ASAP
Jarratt, Town of
Jefferson- Madison Regional Library
John Tyler ASAP
Joint IDA of Wythe Co, Wytheville & Rural Retreat
Joint PSA of Wythe & Bland Counties
Keller, Town of
Kenbridge, Town of
Keysville, Town of
Kilmarnock, Town of
King & Queen County DSS
King William County
King William County Public Schools
Lake Barcroft Watershed Improvement District
Lancaster County DSS
Lawrenceville, Town of
Lebanon, Town of
Lee County DSS
Lee County Redevelopment & Housing Authority
Lewistown Commerce Center CDA
Lexington & Rockbridge Area Tourism
Lexington, City of
Lonesome Pine Regional Library
Loudoun County Sanitation Authority
Louisa County Water Authority
Louisa, Town of
Lovettsville, Town of
Luray, Town of
Luray-Page County Airport Authority
Lynchburg Redevelopment & Housing Authority
Lynchburg, City of
Madison County DSS
Madison, Town of
Manassas Park, City of and Manassas Park City Schools
Manassas, City of
Martinsville City Schools
Mathews County
Mathews County DSS
Maury Service Authority
McKenney, Town of
Middle Peninsula Juvenile Detention Commission
Middle Peninsula Regional Airport Authority
Middleburg, Town of
Middlesex County EDA
Middlesex Water Authority
Middletown, Town of
Mineral, Town of
Monterey, Town of
Montgomery County EDA
Montgomery Regional Solid Waste Authority
Montross, Town of
Mount Crawford, Town of
Mount Jackson, Town of
Mount Rogers PDC
Narrows, Town of
Nassawadox, Town of
Nelson County Service Authority
New Castle, Town of
New Horizons Regional Education Centers
New Kent County
New Market, Town of

2023 - 2024 VRSA MEMBERSHIP, CONTINUED

New River Criminal Justice Training Academy
New River Resource Authority
New River Valley Emergency Communications Auth.
New River Valley Juvenile Detention Center
New River Valley Regional Commission
New River-Mt. Rogers Workforce Investment
Newport News City Schools
Newport News IDA/EDA
Newsoms, Town of
Nickelsville, Town of
Norfolk Redevelopment & Housing Authority
Northampton County Schools
Northern Neck Chesapeake Bay Public Access Authority
Northern Neck PDC
Northern Shenandoah Valley Regional Commission
Northern VA Criminal Justice Training Academy
Northern Virginia Cigarette Tax Board
Juvenile Detention Commission for Northern Virginia
Northern Virginia Regional Commission
Northern Virginia Regional Park Authority
Northern Virginia Transportation Authority
Northern Virginia Transportation Commission
Northumberland County DSS
Northwestern Regional Juvenile Detention Center
Norton, City of
NRV Regional Water Authority
Occoquan, Town of
Old Dominion Transit Mgmt Co DBA GRTC Transit System
Onancock, Town Of
Onley, Town of
Orange, Town of
Painter, Town of
Pamplin, Town of
Pamunkey Regional Library
Parksley, Town of
PAVAN
Pearisburg, Town of
Pembroke, Town of
Peninsula ASAP
Peninsula Town Center CDA
Pepper's Ferry Wastewater Authority
Petersburg Redevelopment & Housing Authority
Peumansend Creek Regional Jail Authority
Phenix, Town of
Piedmont ASAP
Piedmont CSB
Piedmont Regional Criminal Justice Training Academy
Pocahontas, Town of
Poquoson City Schools
Poquoson, City of
Port Royal, Town of
Portsmouth Redevelopment & Housing Authority
Potomac & Rappahannock Transportation Commission
Pound, Town of
Powhatan County DSS
Prince William County IDA
Prince William County Schools
Prince William County Service Authority
Purcellville, Town of
Quantico, Town of
Radford City DSS
Radford City EDA
Radford, City of
Rapidan Service Authority
Rappahannock Area CSB
Rappahannock County Water & Sewer Authority
Rappahannock Juvenile Center
Rappahannock Regional Criminal Justice Academy
Rappahannock-Rapidan Regional Commission
Remington, Town of
Rich Creek, Town of
Richlands, Town of
Richmond Ambulance Authority
Richmond Behavioral Health Authority
Richmond Metropolitan Transportation Authority
Richmond Redevelopment & Housing Authority
PlanRVA
Ridgeway, Town of
Rivanna Solid Waste Authority
Rivanna Water & Sewer Authority
Roanoke Redevelopment and Housing Authority
Roanoke River Service Authority
Roanoke Valley Broadband Authority
Roanoke Valley Resource Authority
Roanoke Valley-Alleghany Regional Commission
Roanoke, City of
Rockbridge Area DSS
Rockbridge Area Network Authority
Rockbridge Area Recreation Organization
Rockbridge Regional Library
Rockbridge Regional Public Safety Communications Center
Rocky Mount, Town of
Round Hill, Town of
Rowanty Vocational Technical Center
Rural Retreat, Town of
Russell County DSS
Salem, City of
Saltville, Town of
Saxis, Town of
Scottsburg, Town of
Sheltercare of Northern Virginia
Shenandoah County DSS
Shenandoah Valley Animal Services Center
Shenandoah Valley Juvenile Center Commission
Shenandoah, Town of
Skyline Regional Criminal Justice Academy
Smithfield, Town of
South Boston, Town of
South Central Wastewater Authority
South Hill, Town of
Southampton County
Southampton County Public Schools
Southeastern PSA
Southeastern Virginia ASAP
Southside PDC
Southside Regional Juvenile Group Home
Southside Virginia ASAP
Southwest Virginia Criminal Justice Training Acad
Southwest Virginia Regional Recreation Authority
Southwestern VA Transit Management Company
St. Paul IDA
St. Paul, Town of
Stanardsville, Town of
Stanley, Town of
Staunton City Schools
Staunton, City of
Stephens City, Town of
Stony Creek, Town of
Strasburg, Town of
Stuart, Town of

2023 - 2024 VRSA MEMBERSHIP, CONTINUED

Suffolk Redevelopment & Housing Authority
Suffolk, City of
Sussex Service Authority
Tangier, Town Of
Tazewell County Airport Authority
Tazewell County DSS
Tazewell, Town Of
The Governor's School at Innovation Park
The Governor's School of Southside Virginia
The Plains, Town of
Thomas Jefferson PDC
Tidewater Youth Services Commission
Timberville, Town Of
Toms Brook, Town of
Transportation District Comm of Hampton Roads
Tri River ASAP
Troutville, Town of
Twin County E911 Regional Commission
Upper Occoquan Service Authority
Urbanna, Town of
Vaco VML Pooled OPEB Trust
Valley CSB
Victoria, Town of
Vienna, Town of
Vinton, Town of
Virgilina, Town of
Virginia Energy Purchasing Governmental Assoc
Virginia Highlands Airport Authority
Virginia Investment Pool Trust Fund
Virginia Municipal Electric Association
Virginia Peninsulas PSA
Virginia Tech-Montgomery Exec Airport Authority
Wachapreague, Town of
Warren County
Warrenton, Town of
Warsaw, Town of
Washington County DSS
Washington County Service Authority
Washington, Town of
Waverly, Town of
Waynesboro Public Schools
Waynesboro, City of

West Point, Town of
Western Tidewater CSB
Western Tidewater Regional Jail Authority
Western Tidewater Water Authority
Western Virginia Regional IFA
Western Virginia Water Authority
Westmoreland County
White Stone, Town of
Williamsburg EDA
Williamsburg Redevelopment & Housing Authority
Williamsburg Regional Library
Williamsburg, City of
Winchester, City of
Windsor, Town of
Wired Road Authority
Wise, Town of
Woodstock, Town of
Wytheville, Town of
York County
York County Schools
York-Poquoson Social Services
Timberlake WID
Economic Development Authority of the City of Hampton Virginia
Alleghany Highlands Regional Library
Central Virginia Transportation Authority
New River Regional Water Authority
Breaks Regional Airport Authority
Waynesboro RDHA
Blue Ridge Cigarette Tax Board
Hampton Roads Workforce Foundation
Warren County Volunteer Fire/EMS
Covington Redevelopment & Housing Authority
Blue Ridge Court Services
Blue Ridge Criminal Justice Board
Floyd-Floyd County Tourism Development Council
Tazewell Today, Inc.
Southampton County Volunteer Fire/EMS
Staunton Redevelopment & Housing Authority
Historic Triangle Recreational Facilities Authority
Virginia Career Works Piedmont
Waynesboro EDA
Friends of the Staunton Library

**Virginia Risk Sharing Association
Staff Listing
July 1, 2023 – June 30, 2024**

Administration

Marcus Hensel Managing Director

Communications

Hollie Cammarasana Director of Communications

Finance

Jeff Nickey Deputy Managing Director

HR

Tina Stevens Director of Human Resources

Information Services

Kari Soniat Director of Information Services
Cody Childress Application Support Analyst
Judy Huang Senior Software Engineer
Jen Lee Business Data Analyst

Member Services

Harry McMillen Member Services Specialist
Nora Pierre Senior Account Executive
Lisa Schenk Senior Account Executive
Peter Stephenson Local Government Specialist
Karen Wall Administrative Specialist

Operations

Lisa Hart Operations Manager
Jackie Stauffer Administrative Specialist
Lisa Welch Accounting Assistant

Risk Services

Thomas Bullock Director of Education & Training
Fonda Craig Senior Safety Consultant
Gary Dillon Public Safety Specialist
Christine Gillison Safety Consultant
Eddie Shelton Safety Specialist

Underwriting

Cathie Moreland-Hasty Director of Underwriting
Ann Chandler Senior Underwriter
Crystal Griffin Senior Underwriter
Karen Nuckols Underwriting Specialist

Property & Liability Claims

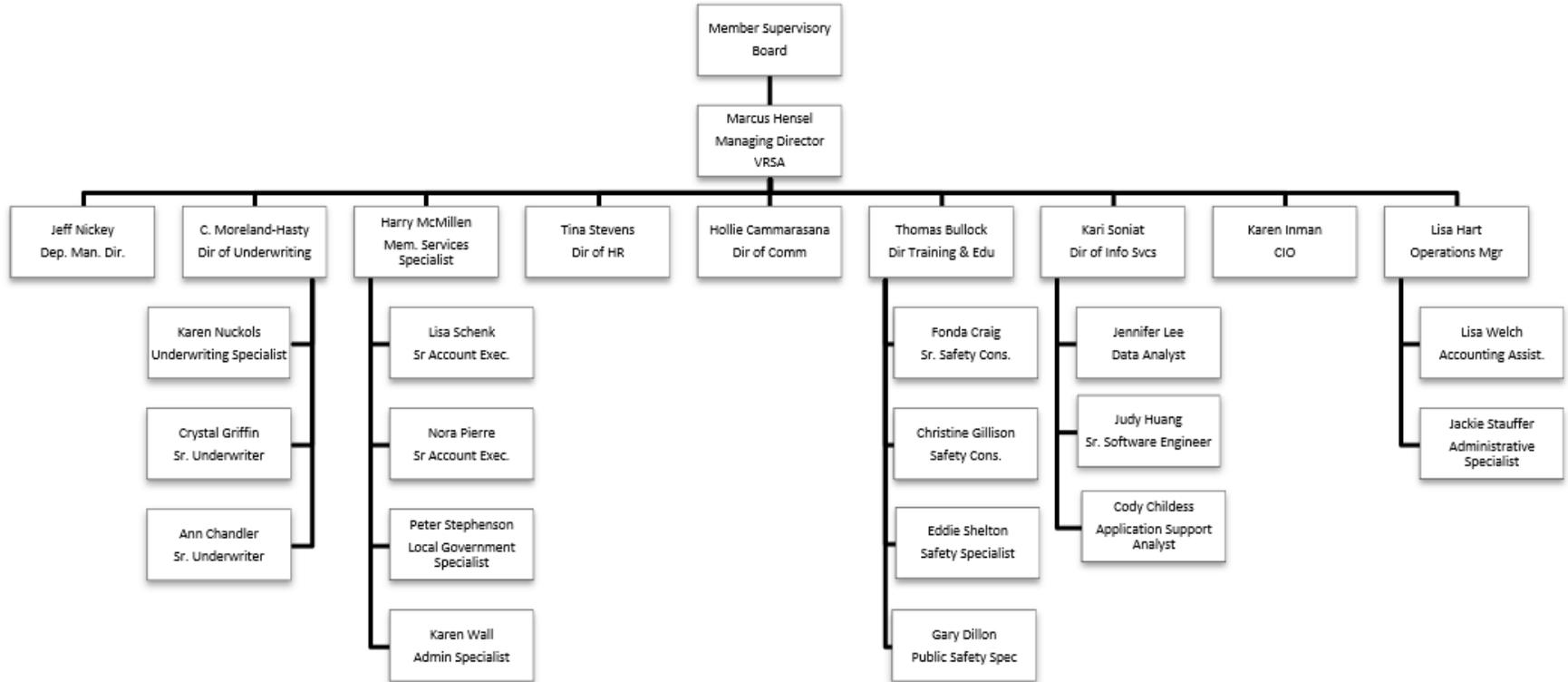
Tracey Dunlap Director of P & L Claims
Pari Ashkani Claims Representative
Alyssa Barkins Fast Track Representative
Gloria Bell Claims Representative
Ryan Berberich Claims Supervisor
Qiana Brandon Claims Representative
Melissa Cook Claims Representative
Joseph Cujas Senior Claims Representative
James Hembrey, II Fast Track Representative
Pamela Jones Senior Claims Representative
Sally Nutsford Senior Claims Representative
Pam Pitts Recovery Specialist
Kai Smith Fast Track Representative

Worker's Compensation Claims

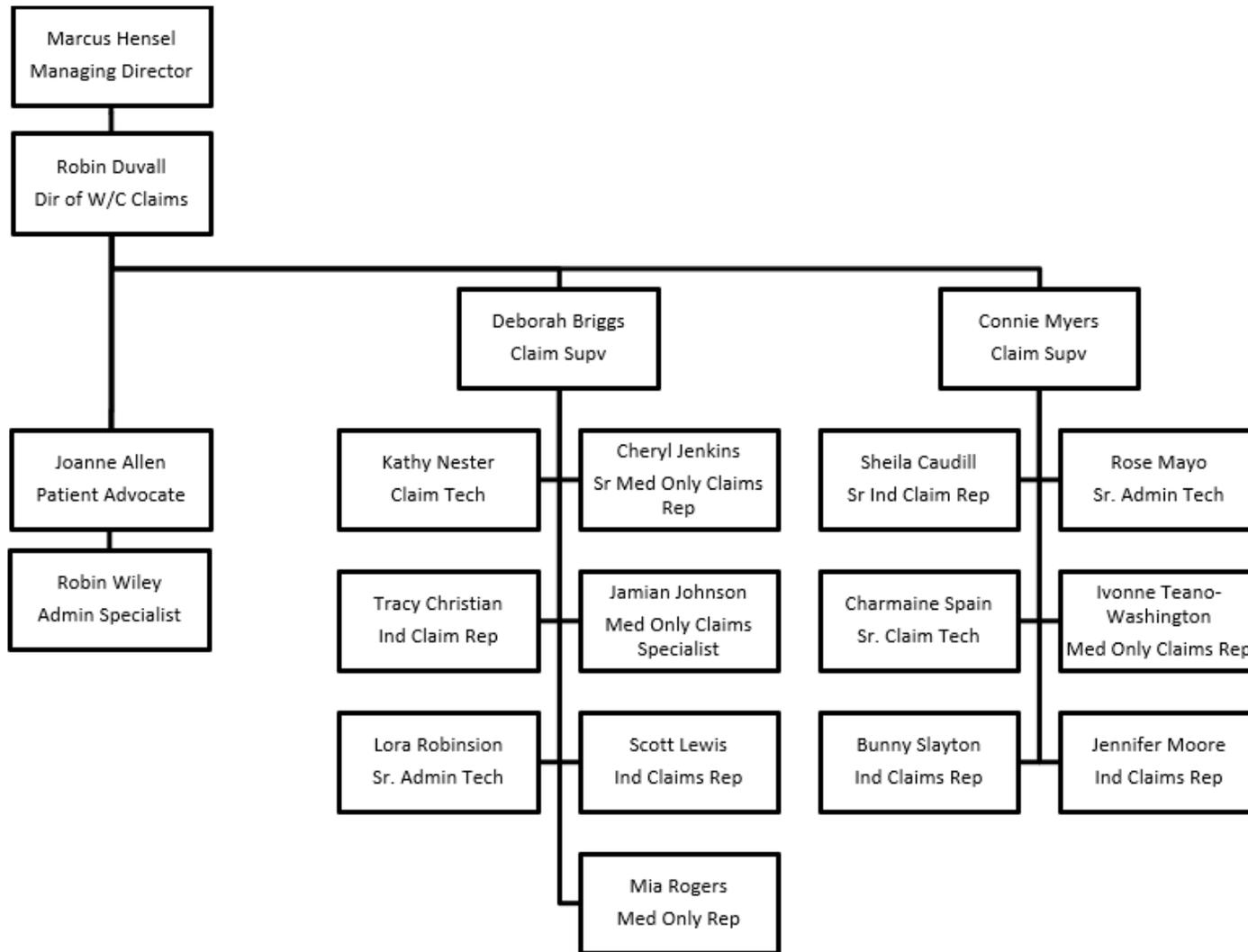
Robin Duvall Director of WC Claims
Joanne Allen Patient Advocate
Deborah Briggs Claims Supervisor
Sheila Caudill Senior Indemnity Claims Rep
Tracy Christian Indemnity Claims Rep

Cheryl Jenkins Senior Medical Only Claims Rep
Scott Lewis Indemnity Claims Rep
Rose Mayo Senior Administrative Technician
Jennifer Moore Indemnity Claims Rep
Connie Myers Claims Supervisor
Kathy Nester Claims Technician
Lora Robinson Senior Administrative Technician
Mia Rogers Medical Only Claims Rep
Bunny Slayton Indemnity Claims Rep
Charmaine Spain Senior Claims Technician
Robin Wiley Administrative Specialist

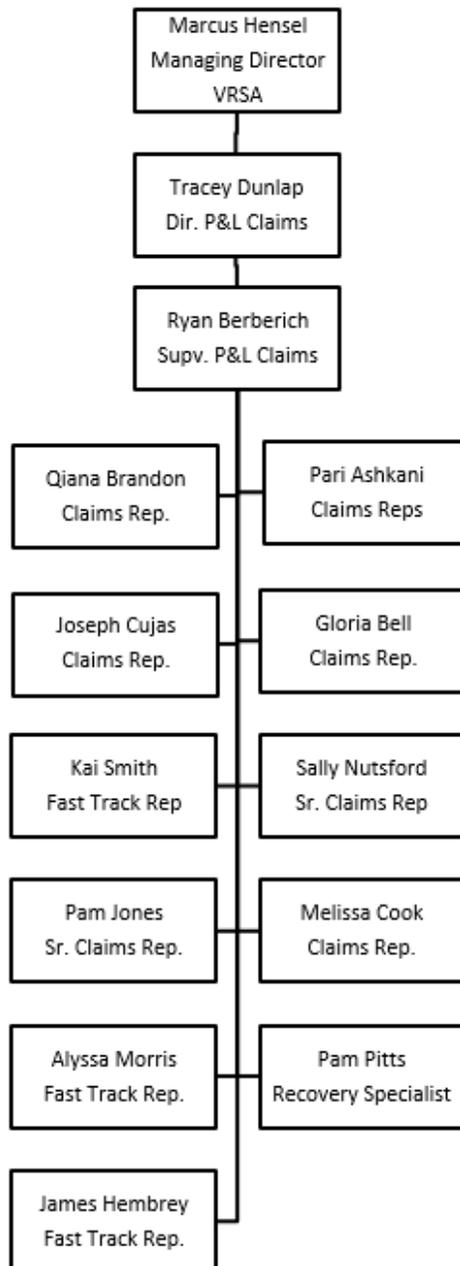
**Virginia Risk Sharing Association
Staff Organization Charts
July 1, 2023 – June 30, 2024**



**Virginia Risk Sharing Association
Staff Organization Charts, Continued
July 1, 2023 – June 30, 2024**



Virginia Risk Sharing Association
Staff Organization Charts, Continued
July 1, 2023 – June 30, 2024



Virginia Risk Sharing Association and Subsidiaries



FINANCIAL SECTION

For the Period July 1, 2023 – June 30, 2024

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- Other Supplementary Information
 - Consolidated Schedule of Revenues and Expenses by Line of Coverage

INDEPENDENT AUDITOR'S REPORT

The Members' Supervisory Board
Virginia Risk Sharing Association

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Virginia Risk Sharing Association and Subsidiaries ("the Pool"), which comprise the consolidated statements of net position as of June 30, 2024 and 2023, and the related consolidated statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Virginia Risk Sharing Association and Subsidiaries as of June 30, 2024 and 2023, and the changes in their net position and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Virginia Risk Sharing Association and Subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Virginia Risk Sharing Association and Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States will always detect a material misstatement.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements, Continued

when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Virginia Risk Sharing Association and Subsidiaries' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Virginia Risk Sharing Association and Subsidiaries' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis, on pages 22 through 28, the liability for unpaid losses, net, by type of contract, and the ten-year claims development information on pages 46 through 49 be presented to supplement the basic consolidated financial statements. Such information is the responsibility of management and although not a part of the basic consolidated financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic consolidated financial statements, and other knowledge we obtained during our audits of the basic consolidated financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements that collectively comprise the Pool's basic consolidated financial statements as a whole. The introductory sections, supplementary consolidated schedule of revenues and expenses by line of coverage, and statistical section are presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements.

The supplementary consolidated schedule of revenues and expenses by line of coverage on page 51 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic consolidated financial statements or to the basic consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the supplementary consolidated schedule of revenues and expenses by line of coverage is fairly stated, in all material respects, in relation to the basic consolidated financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic consolidated information and our auditor's report thereon. Our opinions on the basic consolidated financial statements do not cover the other information, and we do not express an opinion or any form of assurance on them.

In connection with our audit of the basic consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2024, on our consideration of the Pool's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Pool's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Pool's internal control over financial reporting and compliance.



December 31, 2024
Glen Allen, Virginia

VIRGINIA RISK SHARING ASSOCIATION AND SUBSIDIARIES

Pursuant to Section 14VA5-360-60 of the Virginia Administrative Code, we hereby submit the accompanying financial statements and supplemental data of the Virginia Risk Sharing Association and subsidiaries.



Chair, Board of Directors



Administrator

Virginia Risk Sharing Association and Subsidiaries

Management's Discussion and Analysis

June 30, 2024 and 2023

ANNUAL COMPREHENSIVE FINANCIAL REPORT

This section of the Virginia Risk Sharing Association and its subsidiaries', Virginia Local Government Risk Agency, LLC and Virginia Interlocal Risk Sharing Association RE, LLC, (the Pool) annual comprehensive financial report presents a discussion and analysis of the Pool's financial performance during the fiscal years ended June 30, 2024 and 2023. Please read it in conjunction with your review of the Pool's consolidated financial statements.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2024

- For the year ended June 30, 2024 the change in net position was \$17,339,698 as compared to changes in net position of \$20,492,112 in 2023 and (\$37,769,882) in 2022. This brings total net position as of June 30, 2024 to \$142,306,626, which represents a 13.9% increase as compared to June 30, 2023. The increase in net position from June 30, 2022 to June 30, 2023 was 19.6%.
- Operating revenues increased 2.7% or \$1,869,392 in 2024 following an increase of 8.2% or \$5,152,605 in 2023. Operating revenues are derived primarily from member contributions for insurance coverage, which are dependent on many factors including changes in the Pool's members, members' exposures, member loss experience, as well as underwriting rates. The Pool uses various member exposures to determine member contributions based on the type of member and the line of coverage. These exposures may include any of the following factors individually or in combination: net operating expenses, payrolls, payroll classifications, building values, number and type of automobiles, and school enrollment. The increase in 2024 and 2023 are attributable to changes in these factors.
- Operating expenses increased 32.3% or \$16,526,183 in 2024 following a decrease of 29.5% or \$21,406,694 in 2023. Operating expenses consists of provision for losses, reinsurance, program administration fees and other expenses. Provision for losses represents 54.9% of the Pool's operating expenses for 2024 and 46.1% of operating expenses for 2023. The provision for losses increased \$13,627,428 in 2024 from 2023. Both 2024 and 2023 experienced favorable loss development in prior years of \$22,419,901 and \$41,300,119, respectively. The lower development in 2024 resulted in a higher provision for loss. Such favorable development should decrease over time as reserves are lowered. See Note F. The increase was distributed across multiple lines of coverage and various fund years.
- Non-operating income increased by \$11,504,377 during 2024, following an increase of \$31,702,695 in 2023. Non-operating income consists of investment income, net increase or decrease in fair value of investments and non-operating expenses. Investment income increased \$1,912,538 or 21.1% in 2024 and increased \$1,398,069 or 18.3% in 2023. The fair value of investments increased \$4,752,734 which represents an improvement of \$9,601,527 from the prior year loss. The net increase or decrease in the fair value of investments is dependent on many factors including the type of security, the maturity date, the credit worthiness of the issuer as well as changes in the general economy. The changes in fair value of investments in both years were attributable to changes in these factors. Generally, when interest rates rise the value of securities held in the portfolio drop.

Virginia Risk Sharing Association and Subsidiaries
Management's Discussion and Analysis, Continued

June 30, 2024 and 2023

OVERVIEW OF THE CONSOLIDATED FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis* (this section), the *audited consolidated financial statements* consisting of consolidated statements of net position; consolidated statements of revenues, expenses, and changes in net position; consolidated statements of cash flows; and related footnotes, the *required supplementary information, and other supplementary information*.

Consolidated Statements of Net Position provide an indication of the Pool's financial health by reporting the difference between total assets and total liabilities and how they have changed from the prior year. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Pool is improving or deteriorating.

Consolidated Statements of Revenues, Expenses and Changes in Net Position report all of the revenues and expenses during the time periods indicated as well as the change in net position during the year. The Pool reports information using the full accrual basis of accounting similar to that used by private-sector companies. This means all revenues and expenses, including estimated items, are recognized regardless of whether cash has been received or paid.

Consolidated Statements of Cash Flows report the cash provided and used by operating activities as well as other cash sources such as investment income. A major source of operating cash inflow was member contributions, while claims and claim adjustment expenses represented the main operating cash outflow.

Notes to Consolidated Financial Statements provide additional information and schedules that are essential to a complete understanding of the data provided in the consolidated financial statements.

Required supplementary information consists of the *Liability for Unpaid Losses, Net, by Type of Contract*, and the *Ten-Year Claims Development Information*, and other supplementary information consists of the *Supplementary Consolidated Schedule of Revenues and Expenses by Line of Coverage*. This information further explains and supports the information in the audited basic consolidated financial statements.

Virginia Risk Sharing Association and Subsidiaries
Management's Discussion and Analysis, Continued

June 30, 2024 and 2023

FINANCIAL ANALYSIS OF THE POOL

	June 30, 2024	June 30, 2023	2024-2023 Percentage change	June 30, 2022	2023-2022 Percentage change
Current assets	\$ 69,501,585	\$ 80,804,972	-14.0%	\$ 74,676,849	8.2%
Capital assets	3,794,533	3,917,320	(3.1)	3,944,551	(0.7)
Noncurrent assets	<u>290,741,209</u>	<u>265,757,868</u>	9.4	<u>270,546,248</u>	(1.8)
Total assets	<u>364,037,327</u>	<u>350,480,160</u>	3.9	<u>349,167,648</u>	0.4
Current liabilities	32,074,733	26,349,955	21.7	35,144,610	(25.0)
Noncurrent liabilities	<u>189,655,968</u>	<u>199,163,277</u>	(4.8)	<u>209,548,222</u>	(5.0)
Total liabilities	<u>221,730,701</u>	<u>225,513,232</u>	(1.7)	<u>244,692,832</u>	(7.8)
Net Position:					
Net investment in					
capital assets	3,794,533	3,917,320	(3.1)	3,944,551	(0.7)
Unrestricted	116,429,180	99,664,499	16.8	79,817,169	24.9
Restricted by regulation	<u>22,082,913</u>	<u>21,385,109</u>	3.3	<u>20,713,096</u>	3.2
Total net position	<u>\$142,306,626</u>	<u>\$124,966,928</u>	13.9	<u>\$104,474,816</u>	19.6

- Total assets increased 3.9% or \$13,557,167 and increased 0.4% or \$1,312,512 at June 30, 2024 and June 30, 2023 as compared to prior years, respectively. The changes in investments accounts for most of the changes in total assets in both 2024 and 2023, respectively. The Pool historically reinvests interest payments in new securities as they are received during the year as well as periodically allocating new funds to investments when able. Fair value adjustments positively and negatively impacted investment balances in 2024 and 2023, respectively.
- Total capital assets decreased 3.1% or \$122,787 and 0.7% or \$27,231 at June 30, 2024 and June 30, 2023 as compared to prior years, respectively. The decrease in capital assets in both years primarily related to net changes in asset additions and disposals and depreciation. See Note G.
- Total liabilities decreased 1.7% or \$3,782,531 and decreased 7.8% or \$19,179,600 at June 30, 2024 and June 30, 2023 as compared to the prior years, respectively. The majority of the changes in both years results from changes in loss reserves which are based on actuarial analyses that reflect recent settlements, claim frequency, and other economic and social factors.

Virginia Risk Sharing Association and Subsidiaries

Management's Discussion and Analysis, Continued

June 30, 2024 and 2023

- Total net position increased 13.9% or \$17,339,698 and increased 19.6% or \$20,492,112 at June 30, 2024 and at June 30, 2023 as compared to prior years, respectively. Net position consists of: amounts invested in capital assets, net of related debt; amount unrestricted for the Pool's general operations; and amount restricted for regulatory requirements. The establishment of the restricted amount is required by the State Corporation Commission Bureau of Insurance of the Commonwealth of Virginia (the Commission) regulations. Net position classified as restricted may only be used with the Commission's approval. See Note E. Restricted net position increased \$697,804 and \$672,013 for the years ended June 30, 2024 and 2023, respectively, in accordance with the Commission's regulations.

Virginia Risk Sharing Association and Subsidiaries
Management's Discussion and Analysis, Continued

June 30, 2024 and 2023

SUMMARY OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION OF THE POOL

	2024	2023	2024-2023 Percentage change	2022	2023-2022 Percentage change
Operating revenues:					
Member contributions	\$ 69,963,887	\$ 68,113,443	2.7%	\$ 62,803,699	8.5%
Miscellaneous income, net	163,440	144,492	13.1	301,631	(52.1)
Total operating revenues	<u>70,127,327</u>	<u>68,257,935</u>	2.7	<u>63,105,330</u>	8.2
Operating expenses:					
Provision for losses and loss adjustment expense	37,211,046	23,583,618	57.8	47,797,515	(50.7)
Program administration costs	13,106,564	13,028,976	0.6	12,463,344	4.5
Reinsurance premiums	17,417,026	14,595,859	19.3	12,354,288	18.1
Total operating expenses	<u>67,734,636</u>	<u>51,208,453</u>	32.3	<u>72,615,147</u>	(29.5)
Operating income (loss)	<u>2,392,691</u>	<u>17,049,482</u>	(86.0)	<u>(9,509,817)</u>	(279.3)
Non-operating revenues and losses:					
Investment income	10,955,614	9,043,076	21.1	7,645,007	18.3
Net decrease in fair value of investments	4,752,734	(4,848,793)	(198.0)	(35,212,149)	(86.2)
Net nonoperating revenues and losses	<u>15,708,348</u>	<u>4,194,283</u>	274.5	<u>(27,567,142)</u>	(115.2)
Non-operating expenses:					
Other nonoperating expenses	761,341	751,653	1.3	692,923	8.5
Non-operating income (loss)	<u>14,947,007</u>	<u>3,442,630</u>	334.2	<u>(28,260,065)</u>	(112.2)
Change in net position	17,339,698	20,492,112	(15.4)	(37,769,882)	(154.3)
Net position:					
Beginning of year	<u>124,966,928</u>	<u>104,474,816</u>	19.6	<u>142,244,698</u>	(26.6)
End of year	<u>\$ 142,306,626</u>	<u>\$ 124,966,928</u>	13.9	<u>\$ 104,474,816</u>	19.6

Comments

- Member contributions increased 2.7% or \$1,850,444 during the year ended June 30, 2024 and 8.5% or \$5,309,744 during the year ended June 30, 2023. Member contributions are dependent on numerous factors including member payrolls; payroll classifications; lines of coverage; quantity and value of owned property; member loss experience, as well as underwriting rates. The increases in 2024 and 2023 are attributable to changes in these factors.
- Miscellaneous income increased 13.1% or \$18,948 in 2024 and decreased 52.1% or \$157,139 in 2023. Miscellaneous income includes compensation for placing certain coverages with other insurance providers that cannot be written within the Pool, as well as other services provided by the Pool for a fee. The changes in 2024 and 2023 were primarily due to changes in compensation for placing coverages outside of the Pool.

Virginia Risk Sharing Association and Subsidiaries

Management's Discussion and Analysis, Continued

June 30, 2024 and 2023

- Provision for losses increased by 57.8% or \$13,627,428 for the year ended June 30, 2024 and decreased by 50.7% or \$24,213,897 for the year ended June 30, 2023. Losses are determined by actuarial analysis and include many factors, such as historical patterns, anticipated inflation and current retention levels. The provision for losses and loss adjustment expenses in 2024 was \$37,211,046. This represented a loss ratio (losses and loss adjustment expenses incurred divided by net member contributions) of 53.2% for 2024. The provision for losses and loss adjustment expenses in 2023 was \$23,583,618. This represented a loss ratio of 34.6% for 2023. At each year end, a liability is recorded representing the estimated reserve for losses and loss adjustment expenses. As more information subsequently becomes available, changes in the estimated liability are reflected in current operations. Such changes in the estimated reserve for losses and loss adjustment expenses are referred to as development. Favorable (downward) development in the reserves of \$22,419,901 for accident years 2023 and prior emerged in 2024 and \$41,300,116 of favorable development in the reserves for accident years 2022 and prior emerged in 2023. Accordingly, losses and loss adjustment expenses reported in the respective years were adjusted by such development. No one claim attributed significantly to this development.
- Included in the provision for losses is unallocated loss adjustment expense (ULAE). The provision for ULAE decreased 190.4 % to (\$1,760,439) for the year ended June 30, 2024 and increased 3.6% to \$1,946,766 for the year ended June 30, 2023. ULAE represents the estimated costs to administer claims which remained open as of year-end and for which the Pool has an obligation to handle to closure. Unallocated loss adjustment expenses are determined by actuarial analysis and include many factors, such as historical patterns, anticipated inflation and current retention levels. The changes in both years are reflective of these factors.
- Program administration costs increased 0.6% or \$77,588 and 4.5% or \$565,632 for the years ended June 30, 2024 and 2023, respectively. Program administration costs consists of all costs necessary to operate the Pool including: salaries and benefits; information technology; travel; postage and supplies; taxes and insurance, as well as program promotion. The increases in 2024 and 2023 are attributable to changes in these costs.
- Reinsurance premiums increased 19.3% or \$2,821,167 for the year ended June 30, 2024 and 18.1% or \$2,241,571 for the year ended June 30, 2023. Reinsurance expense is dependent on many factors including the reinsurers' policy limits, the Pool's retention amounts, the Pool's members' exposures as well as the reinsurers' underwriting rates. The change in reinsurance expense in both 2024 and 2023 was a result of changes in these factors. Generally reinsurance costs move inversely to the amount of the claim retention. Each year the Pool reviews its reinsurance needs and makes decisions based on the affordability and availability of coverage as well as the Pool's ability to absorb potentially higher claim costs resulting from higher retention levels.
- Investment income increased 21.1% or \$1,912,538 for the year ended June 30, 2024 and increased 18.3% or \$1,398,069 for the year ended June 30, 2023. Investment income is dependent on many factors including the type and maturity of the investment, the number of securities in the portfolio, the rate at which the investment was originally purchased and the credit worthiness of the issuer. The changes in 2024 and 2023 are attributable to changes in these factors.

Virginia Risk Sharing Association and Subsidiaries

Management's Discussion and Analysis, Continued

June 30, 2024 and 2023

- The fair value of investments increased \$4,752,734 in 2024 and decreased \$4,848,793 in 2023. The net increase or decrease in the fair value of investments is dependent on many factors including the type of security, the maturity date, the credit worthiness of the issuer as well as changes in the general economy. The changes in fair value of investments in both years were attributable to changes in these factors. The fair value of investments generally moves inversely with changes in interest rates.
- Non-operating expenses increased 1.3% or \$9,688 in 2024 and increased 8.5% or \$58,730 in 2023. Nonoperating expenses consists of investment fees and grants. Investment fees are based on the fair value of investments as well as the rates charged by the investment manager. The grant program is approved each year by the Board with the overall amount based on available Pool resources. Grants are awarded to members to assist with their individual loss control efforts.

CONTACTING THE POOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide members and creditors with a general overview of the Pool's finances and to demonstrate the Pool's accountability for the money it receives. Persons with questions concerning this report or requests for additional financial information should direct them to Jeffrey Nickey, Deputy Managing Director, P.O. Box 3239, Glen Allen, Virginia 23058, or visit the Pool's website at www.vrsa.us.

Virginia Risk Sharing Association and Subsidiaries

Consolidated Statements of Net Position

	As of June 30,	
Assets	<u>2024</u>	<u>2023</u>
Current assets:		
Cash and cash equivalents	\$ 18,517,595	\$ 22,401,258
Investments	44,171,817	50,054,626
Accounts and contributions receivable	1,304,690	2,223,829
Accrued interest receivable	2,289,085	1,833,095
Reinsurance receivable	3,076,394	3,033,275
Prepaid expenses	142,004	1,258,889
Total current assets	<u>69,501,585</u>	<u>80,804,972</u>
Noncurrent assets:		
Capital Assets		
Building and improvements	5,407,417	5,183,684
Furniture and equipment	2,416,694	2,310,372
Less accumulated depreciation	(4,029,578)	(3,576,736)
	<u>3,794,533</u>	<u>3,917,320</u>
Investments	290,581,209	265,597,868
Restricted deposit	160,000	160,000
Total non-current assets	<u>294,535,742</u>	<u>269,675,188</u>
Total assets	<u>\$ 364,037,327</u>	<u>\$ 350,480,160</u>
Liabilities and Net Position		
Current liabilities:		
Liability for unpaid losses, net	\$ 27,465,018	\$ 22,129,254
Contributions collected in advance	2,559,635	2,509,378
Reinsurance payable	119,949	83,988
Other liabilities	1,930,131	1,627,335
Total current liabilities	<u>32,074,733</u>	<u>26,349,955</u>
Noncurrent liabilities:		
Liability for unpaid losses, net	189,655,968	199,163,277
Total liabilities	<u>221,730,701</u>	<u>225,513,232</u>
Net position:		
Net investment in capital assets	3,794,533	3,917,320
Unrestricted	116,429,180	99,664,499
Restricted by regulation - contingency reserve (see Note E)	22,082,913	21,385,109
Total net position	<u>142,306,626</u>	<u>124,966,928</u>
Total liabilities and net position	<u>\$ 364,037,327</u>	<u>\$ 350,480,160</u>

See accompanying notes to the consolidated financial statements.

Virginia Risk Sharing Association and Subsidiaries

Consolidated Statements of Revenues, Expenses, and Changes in Net Position

	Years Ended June 30,	
	<u>2024</u>	<u>2023</u>
Operating revenues:		
Member contributions	\$ 69,963,887	\$ 68,113,443
Miscellaneous income, net	<u>163,440</u>	<u>144,492</u>
Total operating revenues	70,127,327	68,257,935
Operating expenses:		
Provision for losses and loss adjustment expenses	37,211,046	23,583,618
Program administration costs	13,106,564	13,028,976
Reinsurance premiums	<u>17,417,026</u>	<u>14,595,859</u>
Total operating expenses	<u>67,734,636</u>	<u>51,208,453</u>
Operating income	2,392,691	17,049,482
Non-operating revenues and losses:		
Investment income	10,955,614	9,043,076
Net increase (decrease) in fair value of investments	<u>4,752,734</u>	<u>(4,848,793)</u>
Total nonoperating revenues, net	15,708,348	4,194,283
Non-operating expenses	<u>761,341</u>	<u>751,653</u>
Non-operating income, net	<u>14,947,007</u>	<u>3,442,630</u>
Change in net position	17,339,698	20,492,112
Net position at beginning of year	<u>124,966,928</u>	<u>104,474,816</u>
Net position at end of year	<u>\$ 142,306,626</u>	<u>\$ 124,966,928</u>

See accompanying notes to the consolidated financial statements.

Virginia Risk Sharing Association and Subsidiaries

Consolidated Statements of Cash Flows

	Years Ended June 30,	
	2024	2023
Cash flows from operating activities:		
Receipts from members	\$ 70,933,283	\$ 65,555,796
Payments for reinsurance premiums	(17,381,065)	(14,524,317)
Receipts from reinsured claims	(77,391,347)	8,678,639
Payments for claims and claims adjustment expenses	35,965,637	(47,893,415)
Receipts from miscellaneous income, net	163,440	144,492
Payments for administrative and general expenses	(11,234,041)	(13,242,179)
Net cash provided by (used in) operating activities	<u>1,055,907</u>	<u>(1,280,984)</u>
Cash flows from noncapital financing activities:		
Risk management grants	(354,099)	(341,324)
Net cash used for noncapital financing activities	<u>(354,099)</u>	<u>(341,324)</u>
Cash flows from capital and related financing activities:		
Purchase of property and equipment	(330,055)	(376,505)
Net cash used for capital and related financing activities	<u>(330,055)</u>	<u>(376,505)</u>
Cash flows from investing activities:		
Proceeds from calls and maturities of investments	67,398,511	52,043,485
Purchases of investments	(81,746,309)	(60,028,290)
Investment income	10,092,382	8,147,601
Net cash (used in) provided by investing activities	<u>(4,255,416)</u>	<u>162,796</u>
Net change in cash and cash equivalents	(3,883,663)	(1,836,017)
Cash and cash equivalents:		
Beginning of year	22,401,258	24,237,275
End of year	<u>\$ 18,517,595</u>	<u>\$ 22,401,258</u>
Reconciliation of operating income to net cash from operating activities:		
Operating income	\$ 2,392,691	\$ 17,049,482
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation expense	452,842	403,736
Provision for losses	(4,171,545)	(18,205,494)
Changes in assets and liabilities:		
Accounts and contributions receivable	919,139	(1,696,150)
Reinsurance receivable	(43,119)	2,574,336
Other prepaids	1,116,885	(432,788)
Contributions collected in advance	50,257	(861,497)
Reinsurance payable	35,961	71,542
Other liabilities	302,796	(184,151)
Net cash provided by (used in) operating activities	<u>\$ 1,055,907</u>	<u>\$ (1,280,984)</u>
Noncash investing activities:		
Increase (decrease) in fair value of investments	<u>\$ 4,752,734</u>	<u>\$ (4,848,793)</u>

See accompanying notes to the consolidated financial statements.

Virginia Risk Sharing Association and Subsidiaries

Notes to Consolidated Financial Statements

Note A – Organization and Nature of Operations

The Pool is an unincorporated association formed for the purpose of establishing risk management programs in accordance with the laws of the Commonwealth of Virginia. The Pool commenced operations on July 1, 1986 as the Virginia Municipal Liability Pool (VMLP) and assumed the name VML Insurance Programs effective July 1, 2010 while simultaneously merging with the Virginia Municipal Group Self Insurance Association (VMGSIA).

On March 14, 2019, The Pool's Board voted to change the name of the Pool from VML Insurance Programs to Virginia Risk Sharing Association effective July 1, 2019. The new name better reflects the Pool's breadth of membership and emphasizes the collaborative nature of public entity risk pooling. For all practical purposes the Pool began using the new name upon passage of the resolution.

The Pool provides commercial general liability, automobile physical damage, automobile liability, property, boiler and machinery, fidelity and crime, law enforcement, public officials', workers compensation, cyber, and Line of Duty Act coverage for political subdivisions of the Commonwealth of Virginia. The Pool also provides excess liability coverage to its members, which is to a large extent reinsured, as approved by the State Corporation Commission, Bureau of Insurance of the Commonwealth of Virginia ("the Commission").

Members may withdraw from the Pool upon thirty (30) days advance written notice to the Board. After a Member has been in the Pool for three (3) consecutive years, the Member may withdraw upon thirty (30) days written notice to the Board and shall be entitled to share in any surplus assets of the fund; upon such termination however, the Member will not receive any refunds of paid contributions, assessments or investment income.

As required by Commission regulations, members of group self-insurance pools may be subject to an assessment for any fund years in which they participated in such pool. Members purchasing workers' compensation coverage are jointly and severally liable to the other members purchasing workers' compensation coverage pursuant to Va. Code § 15.2-2703(C), and membership in the Pool shall not relieve the Member's obligations imposed by Title 65.2 of the Virginia Code as an employer to its employees.

Members of the Pool are not jointly and severally liable for losses which do not arise out of the workers' compensation line of coverage. In addition, a member of the Pool which does not purchase workers' compensation coverage shall not be jointly and severally liable for workers' compensation losses. In the event of the Pool's deficit as to all lines other than workers' compensation coverage, the Pool may require an assessment of all members purchasing coverages other than workers' compensation coverage in the proportion which the contribution of each member bears to the total contributions of all members in the year in which such deficit occurs; provided, however, in no event shall such assessment exceed two (2) times the member's annual contribution.

No such assessments have ever been required during the Pool's existence. Pool members as of June 30, 2024 included 476 cities, towns, counties, and other political subdivisions. Pool membership as of June 30, 2023 included 484 cities, towns, counties, and other political subdivisions.

Effective September 1, 2013, VRSA formed the Virginia Local Government Risk Agency, LLC (VLGRA). VLGRA is a wholly owned subsidiary of VMLIP, created as a disregarded entity for tax purposes to place certain types of insurance coverage that cannot be written within the Pool. VLGRA is an insurance agency and will be primarily used for flood insurance and short-term disability.

Virginia Risk Sharing Association and Subsidiaries

Notes to Consolidated Financial Statements, Continued

Note A – Organization and Nature of Operations, Continued

On July 1, 2018 the Pool created Virginia Interlocal Risk Sharing Association RE, LLC (VIRSA RE), a captive reinsurance company. VIRSA RE is a single member LLC for tax purposes utilizing the core/cell captive structure. The benefits of creating a captive include: establishing a formal mechanism to set aside funds to manage losses in certain layers of risk; retaining a portion of risk in a historically profitable layer; and addressing unique coverage needs not readily available in the commercial markets.

Currently the Pool utilizes the captive for a portion of the workers compensation and liability lines of coverage. The Pool may expand both the amounts of reinsurance and lines of coverage placed through the captive in the future.

As wholly owned subsidiaries of the Pool, the financial results of VIRSA RE and VLGRA are included in the Pool's ACFR.

Note B – Summary of Significant Accounting Policies

Basis of Accounting

The accounting policies of the Pool follow generally accepted accounting principles ("GAAP") applicable to public entity risk pools, as prescribed by Governmental Accounting Standards Board ("GASB"). The Pool uses the economic resources measurement focus and the accrual basis of accounting and is accounted for as a proprietary fund.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and the accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed therein. Significant estimates included in these consolidated financial statements primarily relate to the assumptions and methods used to estimate the liability for unpaid losses as described below.

The industry in which the Pool operates is affected by numerous factors and circumstances, some of which cannot be predicted or controlled. Among them are (1) an insurers' ability to enter into suitable future reinsurance agreements is subject to prevailing conditions in the reinsurance markets which may change risk-retention levels; (2) fluctuations in interest rates affect the value and income yield of an insurer's investment portfolio in the short-term, and often affect default and prepayment rates over time; (3) future inflation may result in ultimate loss settlements different from the amounts originally anticipated; (4) catastrophic or unusual losses, such as the effects of the terrorist attacks of September 11, 2001 and COVID-19 pandemic of 2020, may distort historical experience; and (5) losses may not fully emerge for several years following the year in which the insured event occurred. Should any of these or similar events occur, the Pool's operating results and financial condition may be affected.

Investments

The Pool accounts for its investments in accordance with GASB guidance for accounting and financial reporting for certain investments and for external investment pools. The standard establishes fair value standards on accounting for all investments held by governmental external investment pools and governmental entities. All investment income, including changes in the fair value of investments, is recognized in the consolidated statements of revenues, expenses, and changes in net position.

Virginia Risk Sharing Association and Subsidiaries

Notes to Consolidated Financial Statements, Continued

Note B – Summary of Significant Accounting Policies, Continued

Investments, Continued

Investments are stated at fair value based on quoted market prices or a recognized pricing service. Interest income is reported at the stated interest rate and any premium or discounts on debt securities are not amortized.

In accordance with GASB guidance, certain disclosures regarding deposit and investment risks have been provided in Note D.

Fair Value Measurements

GASB has issued guidance for measurement and disclosure of fair value and establishes a hierarchy that prioritizes the inputs to valuation techniques giving the highest priority to readily available unadjusted quoted prices in active markets for identical assets (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements) when market prices are not readily available or reliable. The three levels of the hierarchy are described below:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and market-corroborated inputs.

Level 3: Prices determined using significant unobservable inputs, in situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. These reflect the Pool's own assumptions about the factors market participants would use in pricing an investment, and would be based on the best information available.

From time to time, changes in market conditions may result in reclassification of an investment's assigned level within the hierarchy.

Cash and Cash Equivalents

The Pool defines cash and cash equivalents as investments in the Local Government Investment Pool ("LGIP") and all cash and highly liquid investments with original maturities of three months or less.

As of June 30, 2024 and 2023, \$266,812 and \$252,621, respectively, of cash and cash equivalents was invested in the LGIP. The fair value of the Pool's position in the LGIP pool is the same as the value of the Pool's shares. The Department of Treasury of the Commonwealth of Virginia manages the LGIP, a fund similar to a money market fund, which invests in bankers' acceptances, certificates of deposit, commercial paper, repurchase agreements, and U.S. Treasury notes. All LGIP investments may be converted into cash within 90 days. As of June 30, 2024 and 2023, the Pool's investment in the LGIP was rated AAAM by Standards & Poor.

Virginia Risk Sharing Association and Subsidiaries

Notes to Consolidated Financial Statements, Continued

Note B – Summary of Significant Accounting Policies, Continued

Cash and Cash Equivalents, Continued

The Pool maintains its cash balances at several financial institutions. The Federal Depository Insurance Corporation ("FDIC") secures accounts up to \$250,000 at these institutions. The bank balances exceeding those covered by FDIC are protected under the provisions of the Virginia Security for Public Deposits Act ("the Deposits Act"). Under the Deposits Act, banks holding public deposits in excess of the amounts insured by FDIC must pledge collateral in the amount of 50% of excess deposits to a collateral pool ("the Collateral Pool") in the name of the State Treasury Board.

The State Treasury is responsible for monitoring compliance with the collateralization and reporting requirements of the Deposits Act and for notifying local governments of compliance by banks. If any member financial institution fails, the entire collateral becomes available to satisfy claims of the Collateral Pool. If the value of the Collateral Pool's collateral is inadequate to cover a loss, additional amounts would be assessed on a pro rata basis to the members (banks) of the Collateral Pool. Therefore, these deposits are considered collateralized and as a result, are considered insured.

Capital Assets

The building, furniture, equipment and software are stated at cost as of the date of utilization less accumulated depreciation and amortization. The Pool capitalizes property and equipment greater than \$1,000. Depreciation and amortization is recorded using the straight-line method over the estimated useful lives of the assets. The Pool estimates the useful life of the building to be 40 years, and 3-7 years for furniture, equipment and software.

Classification of Revenues and Expenses

The Pool has classified its revenues and expenses as either operating or non-operating. Operating revenues and expenses relate to insurance premiums and include billing for insurance premiums and payment of claims and excess insurance premiums and program administrative fees. All other revenues and expenses are classified as non-operating and include investment income, the change in fair value of investments, safety grants and other miscellaneous expenses.

Compensated Absences

Employees can carry over a maximum of 60 days and directors can carry over a maximum of 90 days of accumulated leave at year end. Compensated absences balances increased \$20,485 during 2024 and decreased \$19,495 during 2023.

Liability for Unpaid Losses

The reserve for losses and loss adjustment expenses ("LAE") is based on the estimated ultimate cost of settling claims, including the effects of inflation and other societal and economic factors. The length of time for which such costs must be estimated varies depending on the coverage involved. In estimating the reserve for losses and LAE, management uses the findings of a consulting actuary. Such reserves are presented net of reinsurance recoverable on unpaid losses and LAE. Reinsurance recoverables are not collected until after such losses are paid by the Pool. Estimated amounts of salvage and subrogation are deducted from the liability for unpaid losses. Management believes the reserve for losses and LAE represents its best estimate of the ultimate cost of settling claims. However, because of future events beyond the control of management, such as changes in approved benefit rates, changes in law, judicial interpretations of law or inflation, actual loss experience may not conform to the assumptions used in determining the estimated amounts for such liability. Accordingly, the ultimate liability could be significantly in excess of or less than the amount indicated in the consolidated financial statements. As adjustments to these estimates become necessary, such adjustments are reflected in current operations.

Virginia Risk Sharing Association and Subsidiaries

Notes to Consolidated Financial Statements, Continued

Note B – Summary of Significant Accounting Policies, Continued

Reinsurance

The Pool maintains reinsurance agreements with various reinsurance carriers, including but not limited to VIRSA RE a wholly owned subsidiary, to reduce its exposure to large losses on insured events. Reinsurance provides for recovery of losses in excess of the specified retention limit up to the reinsurance policy limits, although it does not discharge the primary liability of the Pool with respect to the covered risks.

The Pool evaluates the financial condition of its reinsurers and monitors concentrations of credit risk to minimize exposure to losses from reinsurer insolvencies. In preparing consolidated financial statements, management makes estimates of amounts recoverable from reinsurers, which include consideration of amounts, if any, estimated to be uncollectible by management. Management evaluated the creditworthiness of its reinsurers and determined that no valuation allowance was required as of June 30, 2024 and 2023. In the event that any or all of the reinsuring companies are unable to meet their obligations under existing agreements, the Pool would be liable for such defaulted amounts.

Amounts recoverable from reinsurers for unpaid losses and LAE are estimated in a manner consistent with the reserve for losses and LAE associated with the reinsured policies. Reinsurance recoverables on paid losses and LAE are presented as an asset in the accompanying consolidated statements of net position. Reinsurance recoverable from unpaid losses was \$27,172,035 and \$17,431,902 as of June 30, 2024 and 2023, respectively, and is netted against the liability for unpaid losses on the consolidated statements of net position. The increase of 55.6% in 2024 is primarily related to workers compensation claims that reflect higher anticipated medical costs in the future. As of June 30, 2024 and 2023, the total reinsurance recoverable on paid losses was \$3,076,394 and \$3,033,275, respectively.

Reinsurance Retention Limits

For workers compensation, the Pool maintained aggregate reinsurance, which limited its aggregate losses for fund years ended June 30, 1981 to 1987 to a specified annual retention level. For all fund years, the Pool has maintained excess of loss coverage per occurrence up to the statutory limit applicable for that fund year. The Pool is fully responsible for the base retention level and the quota share of any amounts above that retention level up to the upper limit. The Pool is reinsured for losses greater than \$750,000 in 2024, 2023 and 2022.

For liability lines, the Pool maintains an occurrence basis reinsurance agreement related to each particular line of coverage to reduce its exposure to large losses. The property reinsurance includes catastrophe coverage to limit the Pool to damages resulting from a single event.

The Pool's reinsurance provides for recovery of all or a portion of the losses in excess of the retention limits up to the reinsurance policy limits, although it does not discharge the primary liability of the Pool with respect to covered risks. For the year ended June 30, 2024, the Pool's retention limits per loss occurrence ranged from \$100,000 to \$1,000,000, depending on the line of coverage. Each year the Pool reviews its reinsurance needs and makes decisions based on the affordability and availability of coverage as well as the Pool's ability to absorb potentially higher claim costs resulting from higher retention levels.

Virginia Risk Sharing Association and Subsidiaries

Notes to Consolidated Financial Statements, Continued

Note B – Summary of Significant Accounting Policies, Continued

Reinsurance Retention Limits, Continued

Effective July 1, 2018, the Pool purchased reinsurance from VIRSA RE a wholly owned subsidiary of the Pool. VIRSA RE provides workers compensation and liability reinsurance on a per occurrence basis up to a specified aggregate retention based on the line of coverage being reinsured. For workers compensation, VIRSA RE provides per occurrence coverage up to \$1,000,000 for claims in excess of \$750,000 up to an aggregate limit of \$2,000,000. For liability, VIRSA RE provides up to \$1,000,000 of per occurrence coverage for claims in excess of \$1,000,000 up to an aggregate limit of \$1,000,000. For Cyber, VIRSA RE provides up to \$750,000 per occurrence coverage subject to a \$2,000,000 aggregate limit.

Members' Contributions, Contributions Receivable and Contributions Collected in Advance

Contributions are assessed on an individual member basis in advance of each fund year and are considered to be earned in the fund year to which they apply. Members' contributions for workers compensation are calculated based on rate tables established by the National Council on Workers' Compensation Insurance and loss cost ratings approved by the Commission. Members' contributions for liability lines are calculated based on rates provided by actuaries and reinsurers. All contributions are adjusted, where applicable, for individual member experience. Contributions received prior to the fund year to which they apply are classified as contributions collected in advance on the consolidated statements of net position. Premiums ceded to other companies pursuant to reinsurance agreements have been reported as reinsurance expense.

Accounts and contributions receivable consist primarily of billed premiums not yet collected. Management anticipates no uncollectible accounts, and therefore, has not established an allowance for doubtful accounts.

When the anticipated future losses and loss adjustment expenses exceed the related unearned premium reserve, a premium deficiency reserve is recognized by recording an additional liability for the deficiency. The Pool anticipates investment income as a factor in the premium deficiency reserve calculation. No premium deficiency reserve has been recorded as of June 30, 2024 and 2023.

Income Taxes

The Pool has received a ruling from the Internal Revenue Service that the income of the Pool is excludable from gross income under Section 115 of the Internal Revenue Code. Accordingly, the accompanying consolidated financial statements do not include a provision for federal and state income taxes. Management has concluded that the Pool has properly maintained its exempt status, and there are no uncertain tax positions as of June 30, 2024 and 2023. The Pool is not currently under audit by any tax jurisdiction.

Subsequent Events

The Pool has evaluated subsequent events for disclosure and recognition through December 31, 2024, the date on which these consolidated financial statements were available to be issued, and has determined there are no subsequent events to be reported in the accompanying consolidated financial statements.

Virginia Risk Sharing Association and Subsidiaries

Notes to Consolidated Financial Statements, Continued

Note C – Affiliated Organizations and Related-Party Transactions

VRSA serves as administrator for the Virginia Local Government Insurance Association – Joint Powers Agreement (VLGIA). The VLGIA is an association of local governments formed for the purpose of cooperatively procuring group life insurance, accident and health insurance and other employee benefits. VLGIA’s governance board is composed of all members of the Members’ Supervisory Board of Virginia Risk Sharing Association. VRSA receives a fee for its services rendered as administrator.

The Pool owns and operates VIRSA RE as a captive reinsurer. VIRSA RE is governed by a Board of Directors appointed by the Pool’s Board. VIRSA RE is domiciled in North Carolina and utilizes a captive manager for services related to its formation, administration and operation. Claims are administered by Pool staff and VIRSA RE pays the Pool a fee for claims and loss control services. VIRSA RE maintains its own general ledger and bank accounts.

Note D – Deposits and Investments

The Pool’s investment policy contains certain provisions and limitations intended to mitigate the Pool’s exposure to various investment risks, such as credit risk (including custodial risk and concentration risk) and interest rate risk. The investment policy provides for limitations on the duration of the Pool’s portfolio, and mandates that all investments comply with relevant state and federal statutes and regulations. The policy also limits investment in certain types of securities.

To minimize credit risk the Pool limits how much of the portfolio can be invested in one issuer. In some cases the Pool further limits how much of the portfolio can be invested in specific issues of any issuer.

Investments at fair value consist of the following at June 30:

	Fair Value	
	<u>2024</u>	<u>2023</u>
Mutual Funds:		
Large Cap Value	\$ 26,189,065	\$ 22,785,033
Bond Funds	16,247,619	14,705,063
Subtotal	<u>42,436,684</u>	<u>37,490,096</u>
Debt Securities:		
US Treasuries	74,573,378	72,492,867
Corporates	116,607,443	105,159,095
Municipals	15,043,984	13,517,006
US Agency MBS	57,007,386	54,790,221
Asset Backed	19,310,227	24,249,030
CMO	456,484	572,786
CMBS	9,477,441	7,541,394
Subtotal	<u>292,476,343</u>	<u>278,322,399</u>
	<u>\$ 334,913,026</u>	<u>\$ 315,812,494</u>

Virginia Risk Sharing Association and Subsidiaries

Notes to Consolidated Financial Statements, Continued

Note D – Deposits and Investments, Continued

Restricted deposits in the amount of \$160,000 (see Note I) for the years ended June 30, 2024 and 2023, respectively, are included in the fair value of investments noted above.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt instruments will adversely affect the fair value of an investment. To minimize this risk the Pool maintains a target duration identical to its custom benchmark with a duration range of plus or minus one year of that target.

As of June 30, 2024 and 2023, investments are measured at fair value according to the GASB guidance definitions noted in Note B. The Pool's fixed income investment portfolio is valued based on quoted prices for similar instruments in active markets and is classified as Level 2. Mutual funds are valued at the daily closing price as reported by the fund for the shares held at year end and are classified as Level 1 since the funds are quoted on active markets. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities.

The fair values of debt securities at June 30, 2024 and 2023, by weighted average life are shown below. Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations prior to maturity with or without call or prepayment penalties.

	2024				
	Due in one year or less	Due after one year through five years	Due after five		Total
			years through ten years	Due after ten years	
US Treasuries	\$ 666,576	\$ 12,171,630	\$ 58,364,346	\$ 3,370,826	\$ 74,573,378
Corporates	140,094	49,880,023	62,378,181	4,209,145	116,607,443
Municipals	928,463.00	11,154,265	2,936,398	24,858	15,043,984
US Agency MBS	-	20,536	937,224	56,049,626	57,007,386
Asset Backed	-	3,123,278	4,368,069	11,818,880	19,310,227
CMO	-	-	-	456,484	456,484
CMBS	-	1,234,561	-	8,242,880	9,477,441
	<u>\$ 1,735,133</u>	<u>\$ 77,584,293</u>	<u>\$ 128,984,218</u>	<u>\$ 84,172,699</u>	<u>\$ 292,476,343</u>

	2023				
	Due in one year or less	Due after one year through five years	Due after five		Total
			years through ten years	Due after ten years	
US Treasuries	\$ 10,404,595	\$ 1,250,228	\$ 57,203,167	\$ 3,634,877	\$ 72,492,867
Corporates	2,159,935	50,713,552	51,432,366	853,242	105,159,095
Municipals	-	10,920,531	2,596,475	-	13,517,006
US Agency MBS	-	43,730	1,220,413	53,526,078	54,790,221
Asset Backed	-	8,820,182	1,406,848	14,022,000	24,249,030
CMO	-	-	-	572,786	572,786
CMBS	-	-	1,227,339	6,314,055	7,541,394
	<u>\$ 12,564,530</u>	<u>\$ 71,748,223</u>	<u>\$ 115,086,608</u>	<u>\$ 78,923,038</u>	<u>\$ 278,322,399</u>

Virginia Risk Sharing Association and Subsidiaries

Notes to Consolidated Financial Statements, Continued

Note D – Deposits and Investments, Continued

Included in investments due after one year is an amount restricted for a specific purpose that is equal to the Pool's restricted by regulation net position shown on the consolidated statements of net position. The weighted average life for securities with call options is based on the market price. If the market price is below par, the weighted average life is the maturity date. If the market price is above par, the weighted average life is the call date. For mortgage and asset backed securities with prepayment options, the Pool utilizes projected prepayment speeds based on third party and proprietary models for forecast weighted average life.

Credit Risk

Credit risk is the risk that an issuer or other counterparts to an investment will not fulfill its obligations. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Pool will not be able to recover the value of its investments that are in the possession of an outside party.

The following schedule details the credit risk for investments held by the Pool as of June 30:

	Rating	As of June 30, 2024		As of June 30, 2023	
		Amount	Percentage of Portfolio	Amount	Percentage of Portfolio
U.S. Treasuries	AAA	\$ 74,573,378	25.50%	\$ 72,492,867	26.05%
Corporates	AA	12,166,679	4.15%	12,639,052	4.53%
Corporates	A	76,332,512	26.10%	68,479,973	24.60%
Corporates	BBB	28,108,252	9.61%	24,040,070	8.64%
Municipals	AAA	190,430	0.07%	184,594	0.07%
Municipals	AA	12,540,452	4.29%	11,117,618	3.99%
Municipals	A	2,313,102	0.79%	2,214,794	0.80%
U.S. Agency MBS	AA	57,007,386	19.49%	54,790,221	19.69%
Asset Backed	AAA	19,310,227	6.60%	24,249,030	8.71%
CMO	AAA	456,484	0.16%	572,786	0.21%
CMBS	AAA	8,242,880	2.82%	7,541,394	2.71%
CMBS	AA	1,234,561	0.42%	-	0.00%
		<u>\$ 292,476,343</u>	<u>100.00%</u>	<u>\$ 278,322,399</u>	<u>100.00%</u>

There are no investments in any one issuer that represent 5% or more of total investments excluding investments issued or explicitly guaranteed by the U. S. government.

Concentration of Credit Risk

Concentration risk is the risk of loss attributable to the magnitude of an investment in a single issuer.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Pool's deposits may not be returned. The Pool's deposits are either fully insured by the Federal Deposit Insurance Corporation or protected under the provisions of the Virginia Security for Public Deposits Act, see Note B.

Virginia Risk Sharing Association and Subsidiaries

Notes to Consolidated Financial Statements, Continued

Note D – Deposits and Investments, Continued

Custodial Credit Risk - Investments

For an investment this is the risk that, in the event of the failure by the counterparty, the Pool will not be able to recover the value of its investments that are in the possession of an outside party. The Pool's investment custodian maintains adequate insurance coverage to mitigate custodial credit risk. The investment in mutual funds is not maintained by the Pool's custodian.

The effective duration is used to assess interest rate risk by estimating the sensitivity of fixed income securities to interest rate changes. The effective duration estimates the percentage change in the fair value of an investment (or an investment portfolio) for a one percent change in interest rates. It makes assumptions regarding the most likely timing and amounts of variable cash flows for investments that are highly sensitive to interest rate changes, such as mortgage-backed securities ("MBS"), callable bonds, and variable-rate debt.

The following were the effective durations of investments held by the Pool as of June 30:

	2024		2023	
	Fair Value	Effective Duration	Fair Value	Effective Duration
U.S. Treasuries	\$ 74,573,378	6.28	\$ 72,492,867	6.12
Corporates	116,607,443	4.74	105,159,095	4.57
Municipals	15,043,984	3.03	13,517,006	3.63
U.S. Agency MBS	57,007,386	6.25	54,790,221	6.13
Asset Backed	19,310,227	0.57	24,249,030	0.21
CMO	456,484	5.47	572,786	4.95
CMBS	9,477,441	3.10	7,541,394	3.31
Total Investments	\$ 292,476,343		\$ 278,322,399	

The effective duration of the custom benchmark at June 30, 2024 and 2023 was 4.87 and 4.92, respectively.

Note E – Net Position

In accordance with regulations of the Commission, at June 30, 2024 and 2023, all net position is to be used for claims, operating expenses, claims costs, establishment of a contingency reserve (restricted by regulation net position), and declaration of dividends. The establishment of a contingency reserve is required by the Commission's regulations. Dividends may be declared and paid at the discretion of the Board subject to approval by the Commission. Net position classified as restricted satisfies the Commission's requirement that 1% or more of the Pool's contributions each year be allocated as a contingency reserve. The Board designated \$697,804 and \$672,013 as additional contingency reserve in 2024 and 2023, respectively. The contingency reserve can be used at the discretion of the Board, including, but not limited to, payment of losses and defense costs, subject to prior approval of the Commission.

Virginia Risk Sharing Association and Subsidiaries

Notes to Consolidated Financial Statements, Continued

Note F – Liability for Unpaid Losses, Net

As discussed in Note B, the Pool establishes an estimated liability for unpaid losses for both reported and unreported insured events occurring as of the consolidated statements of financial position date, which include estimates of both future payments of losses and related claim adjustment expenses. This liability for unpaid losses is estimated by an independent actuary based on claims information as of June 30. The liability for unreported claims is referred to as bulk reserves. As of June 30, 2024 and 2023, bulk reserves totaled \$120,128,680 and \$121,447,477, respectively.

The following represents changes in the liability for unpaid losses, net of the effects of reinsurance, during the years ended June 30:

	2024	2023
Liability for unpaid losses, net at beginning of year	\$ 221,292,531	\$ 239,498,025
Provisions for losses:		
Provision for insured events of the current year	57,031,789	64,883,737
Reduction in provision for insured events of prior years	(22,419,901)	(41,300,119)
Total provision for losses	34,611,888	23,583,618
Payments:		
Claims and claims adjustment expenses attributable to insured events of the current year	15,837,839	16,671,365
Claims and claims adjustment expenses attributable to insured events of the prior years	22,945,594	25,117,747
Total payments	38,783,433	41,789,112
Liability for unpaid losses, net, at end of year	\$ 217,120,986	\$ 221,292,531

As a result of changes in estimates related to insured events in prior years, the applicable provisions for claims and claims adjustment expenses were adjusted as indicated in the table above. No individual significant event was responsible for a large portion of the adjustments. In general, during the year ended June 30, 2024, fund years 2007-2008 through 2022-2023 experienced favorable development of \$17,042,308 with funds years 2017-2018 through 2022-2023 accounting for more than half that total. Generally, more recent years tend to have a greater development, both favorable and unfavorable, than older years. Such changes result from re-estimation of claims and claims adjustment expenses as the result of claim settlements during the current year and as additional information is received regarding specific claims and loss development trends.

As of June 30, 2024 and 2023, the Pool had purchased a total of \$2,731,297 in annuity contracts from third parties in the name of claimants. No new purchases were made in 2024 or 2023. Purchase of annuity contracts removes the associated liabilities from the liability for unpaid losses.

Virginia Risk Sharing Association and Subsidiaries
Notes to Consolidated Financial Statements, Continued

Note G – Capital Assets

Capital asset activity for the years ended June 30, 2024 and 2023 was as follows:

Capital assets as of June 30, 2024

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Building and improvements	\$ 5,183,684	\$ 223,733	\$ -	\$ 5,407,417
Furniture and equipment	2,310,372	106,322	-	2,416,694
Total capital assets, being depreciated	<u>7,494,056</u>	<u>330,055</u>	-	<u>7,824,111</u>
Less accumulated depreciation for:				
Building and improvements	(1,748,495)	(216,426)	-	(1,964,921)
Furniture and equipment	(1,828,241)	(236,416)	-	(2,064,657)
Total accumulated depreciation	<u>(3,576,736)</u>	<u>(452,842)</u>	-	<u>(4,029,578)</u>
Total capital assets, being depreciated, net	<u>\$ 3,917,320</u>	<u>\$ (122,787)</u>	<u>\$ -</u>	<u>\$ 3,794,533</u>

Capital assets as of June 30, 2023

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Building and improvements	\$ 4,808,593	\$ 375,091	\$ -	\$ 5,183,684
Furniture and equipment	2,308,958	1,414	-	2,310,372
Total capital assets, being depreciated	<u>7,117,551</u>	<u>376,505</u>	-	<u>7,494,056</u>
Less accumulated depreciation for:				
Building and improvements	(1,571,959)	(176,536)	-	(1,748,495)
Furniture and equipment	(1,601,041)	(227,200)	-	(1,828,241)
Total accumulated depreciation	<u>(3,173,000)</u>	<u>(403,736)</u>	-	<u>(3,576,736)</u>
Total capital assets, being depreciated, net	<u>\$ 3,944,551</u>	<u>\$ (27,231)</u>	<u>\$ -</u>	<u>\$ 3,917,320</u>

Note H - Contributions Receivable

All estimated contributions must be collected in accordance with the membership agreement and regulations of the Commission. Contributions receivables arise from contribution adjustments as a result of payroll audits conducted after the fiscal year. As of June 30, 2024 and 2023, no allowance for doubtful collection was recorded by the Pool based on management's analysis of contributions receivable.

Virginia Risk Sharing Association and Subsidiaries
Notes to Consolidated Financial Statements, Continued

Note I – Restricted Deposit

In accordance with the Commission’s regulations, as of June 30, 2024 and 2023, the Pool maintained with the State Treasurer of the Commonwealth of Virginia a restricted security deposit in the amount of \$160,000.

Note J – Commitments and Contingencies

The Pool is involved in various claims and legal actions arising in the ordinary course of business, which are considered in the estimate of the liability for losses and LAE.

Required Supplementary Information

Virginia Risk Sharing Association and Subsidiaries

Required Supplementary Information Liability for Unpaid Losses, Net, by Type of Contract Years Ended June 30, 2024 and 2023

2024	General liability	Public officials liability	Law enforcement	Automobile	Property	Boiler and machinery	Fidelity & crime	Excess	Cyber	LODA	Workers Compensation	Total Pool
Liability for unpaid losses, net at beginning of year	\$ 11,461,909	\$ 13,446,597	\$ 3,269,585	\$ 23,923,870	\$ 6,570,547	\$ 575,971	\$ 283,874	\$ (1,332,242)	\$ 1,473,065	\$ 29,848,984	\$ 131,770,371	\$ 221,292,531
Provisions for losses:												
Provision for insured events of the current year	9,199,150	3,797,205	1,409,352	13,066,768	5,491,334	803,894	281,328	-	1,339,151	(177,564)	21,821,171	57,031,789
Increase (reduction) in provision for insured events of prior years	7,605,535	(1,746,388)	(1,468,816)	(2,901,859)	(4,574,937)	(4,181)	(215,018)	-	(283,591)	(5,299,563)	(13,531,083)	(22,419,901)
Total provision for losses	16,804,685	2,050,817	(59,464)	10,164,909	916,397	799,713	66,310	-	1,055,560	(5,477,127)	8,290,088	34,611,888
Payments:												
Claims and claims adjustment expenses attributable to insured events of the current year	1,754,080	178,972	24,992	6,031,514	1,949,475	611,420	224,211	-	211,840	83,725	4,767,610	15,837,839
Claims and claims adjustment expenses attributable to insured events of the prior years	3,981,855	2,363,018	967,137	5,968,564	(85,083)	570,147	(18,430)	(500,000)	608,905	1,137,164	7,952,317	22,945,594
Total payments	5,735,935	2,541,990	992,129	12,000,078	1,864,392	1,181,567	205,781	(500,000)	820,745	1,220,889	12,719,927	38,783,433
Liability for unpaid losses, net at end of year	\$ 22,530,659	\$ 12,955,424	\$ 2,217,992	\$ 22,088,701	\$ 5,622,552	\$ 194,117	\$ 144,403	\$ (832,242)	\$ 1,707,880	\$ 23,150,968	\$ 127,340,532	\$ 217,120,986

Virginia Risk Sharing Association and Subsidiaries

Required Supplementary Information Liability for Unpaid Losses, Net, by Type of Contract, Continued Years Ended June 30, 2024 and 2023

2023	General liability	Public officials liability	Law enforcement liability	Automobile	Property	Boiler and machinery	Fidelity & crime	Excess	Cyber	LODA	Workers Compensation	Total Pool
Liability for unpaid losses, net at beginning of year	\$ 10,178,386	\$ 17,166,768	\$ 4,233,953	\$ 22,728,478	\$ 6,776,978	\$ 130,342	\$ 213,113	\$ (553,578)	\$ 805,513	\$ 28,123,561	\$ 149,694,511	\$ 239,498,025
Provisions for losses:												
Provision for insured events of the current year	4,757,176	4,047,696	1,821,504	13,092,107	8,491,801	879,130	204,464	-	1,505,693	2,220,892	27,863,274	64,883,737
Increase (reduction) in provision for insured events of prior years	(5,928)	(3,579,284)	(1,498,543)	(1,831,104)	(1,738,281)	36,622	(125,981)	-	(325,458)	888,521	(33,120,683)	(41,300,119)
Total provision for losses	4,751,248	468,412	322,961	11,261,003	6,753,520	915,752	78,483	-	1,180,235	3,109,413	(5,257,409)	23,583,618
Payments:												
Claims and claims adjustment expenses attributable to insured events of the current year	1,578,940	164,792	125,591.00	4,701,641	5,040,091	264,503	17,587	-	244,696	175,382	4,358,142	16,671,365
Claims and claims adjustment expenses attributable to insured events of the prior years	1,888,785	4,023,791	1,161,738	5,363,970	1,919,860	205,620	(9,865)	778,664	267,987	1,208,608	8,308,589	25,117,747
Total payments	3,467,725	4,188,583	1,287,329	10,065,611	6,959,951	470,123	7,722	778,664.00	512,683	1,383,990	12,666,731	41,789,112
Liability for unpaid losses, net at end of year	\$ 11,461,909	\$ 13,446,597	\$ 3,269,585	\$ 23,923,870	\$ 6,570,547	\$ 575,971	\$ 283,874	\$ (1,332,242)	\$ 1,473,065	\$ 29,848,984	\$ 131,770,371	\$ 221,292,531

Virginia Risk Sharing Association and Subsidiaries

Required Supplementary Information Ten-Year Claims Development Information

The following table illustrates how the Pool's earned revenue (net of reinsurance) and investment income compare to the related provision for losses (net of loss assumed by reinsurers) and other expenses assumed by the Pool as of the end of each of the last ten years. The columns of the table show data for successive fund years. The numbered lines in the first column of the table describe the following:

1. This section shows the total of each fiscal year's gross earned contribution revenue and investment revenue, contribution revenue ceded to reinsurers, net earned contribution revenue and reported investment revenue. Investment revenues include net change in fair value of investments recognized in accordance with Government Accounting Standards Board (GASB) Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.
2. This line shows each fiscal year's other operating costs including overhead and claims expense not allocable to individual claims.
3. This section shows gross incurred claims and allocated claim adjustment expenses, losses ceded to reinsurers, and net incurred losses and loss adjustment expenses (both paid and accrued) as originally reported at the end of the year in which the event that triggered coverage under the contract occurred (called fund year).
4. This section shows the cumulative net amounts paid as of the end of successive years for each fund year.
5. This line shows the latest re-estimated amount of losses ceded to reinsurers for each fund year.
6. This section shows how each policy year's net incurred claims increased or decreased as of the end of successive years. This annual re-estimation results from new information received on known claims, including estimated excess liability insurance receivable, and revaluation of existing information on known claims, as well as emergence of new claims not previously known.
7. This line compares the latest re-estimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally estimated. As data for individual policy years mature, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years.

Virginia Risk Sharing Association and Subsidiaries

Required Supplementary Information Ten-Year Claims Development Information Fiscal and Policy Years Ended June 30,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Contribution and investment revenue:										
Earned	\$ 85,835,674	\$ 72,452,216	\$ 35,538,188	\$ 68,111,049	\$ 79,809,185	\$ 78,673,166	\$ 56,097,872	\$ 56,582,646	\$ 65,402,240	\$ 59,354,649
Ceded	17,417,026	14,595,859	12,354,288	10,030,250	10,195,156	9,747,562	9,533,805	10,011,251	10,356,696	10,562,088
Net earned	68,418,648	57,856,357	23,183,900	58,080,799	69,614,029	68,925,604	46,564,067	46,571,395	55,045,544	48,792,561
2. Unallocated expenses	\$ 12,107,464	\$ 15,702,391	\$ 15,034,758	\$ 13,643,129	\$ 13,027,183	\$ 12,352,291	\$ 12,282,399	\$ 22,697,264	\$ 21,245,023	\$ 12,015,708
3. Estimated provisions for losses, end of policy year:										
Incurred	\$ 65,723,406	\$ 63,809,428	\$ 58,096,971	\$ 55,685,133	\$ 59,292,481	\$ 71,686,309	\$ 65,415,776	\$ 54,705,678	\$ 45,019,287	\$ 44,885,495
Ceded	4,245,276	771,808	667,543	1,021,840	9,774,716	3,131,342	2,564,733	967,328	266,239	2,120,574
Net incurred	\$ 61,478,130	\$ 63,037,620	\$ 57,429,428	\$ 54,663,293	\$ 49,517,765	\$ 68,554,967	\$ 62,851,043	\$ 53,738,350	\$ 44,753,048	\$ 42,764,921
4. Paid (cumulative) at end of:										
Policy year	\$ 15,909,565	\$ 16,765,874	\$ 11,769,965	\$ 11,646,215	\$ 12,247,158	\$ 14,653,614	\$ 13,551,566	\$ 11,770,759	\$ 9,983,946	\$ 10,961,357
One year later		27,985,042	21,804,481	21,607,807	20,691,604	23,123,301	22,280,385	20,272,518	16,945,629	19,281,435
Two years later			23,645,555	24,518,292	24,065,006	26,169,679	25,981,423	24,313,831	20,725,450	23,889,817
Three years later				29,267,799	27,698,710	27,633,908	29,629,322	26,053,924	23,205,857	24,717,188
Four years later					29,354,059	28,601,700	31,174,326	27,410,255	24,329,532	25,753,567
Five years later						29,322,128	33,749,556	28,365,943	24,424,814	28,348,469
Six years later							35,804,321	30,723,236	24,774,445	26,628,043
Seven years later								31,429,960	24,927,799	27,624,279
Eight years later									25,114,760	27,712,471
Nine years later										27,802,600
5. Reestimated ceded losses and expenses	\$ 4,245,276	\$ 771,808	\$ 5,004,491	\$ 3,432,438	\$ 13,068,655	\$ 4,904,054	\$ 7,012,135	\$ 978,517	\$ 1,050,297	\$ 1,128,318
6. Reestimated provision for losses at end of:										
Policy year	\$ 61,478,130	\$ 63,037,620	\$ 61,116,076	\$ 54,663,293	\$ 49,517,765	\$ 68,554,967	\$ 62,851,043	\$ 53,738,350	\$ 44,753,048	\$ 42,764,921
One year later		59,861,283	53,514,763	51,894,918	47,875,691	50,560,946	48,685,182	48,519,272	41,199,067	41,320,788
Two years later			50,578,718	46,473,491	46,990,203	47,635,005	46,706,989	44,927,773	38,318,801	40,296,443
Three years later				43,349,802	41,775,174	44,265,369	46,316,934	41,952,147	36,030,304	38,875,204
Four years later					38,979,718	38,535,971	45,399,649	33,565,829	34,609,790	36,399,974
Five years later						38,201,621	44,188,398	42,576,331	34,872,308	35,834,615
Six years later							42,479,085	39,833,183	32,606,066	33,160,583
Seven years later								39,516,763	29,406,416	34,024,332
Eight years later									29,565,112	31,316,912
Nine years later										31,621,296
7. Increase (decrease) in provision for losses from end of policy year		(\$3,176,337)	(\$10,537,358)	(\$11,313,491)	(\$10,981,794)	(\$30,353,346)	(\$20,371,958)	(\$14,221,587)	(\$15,187,936)	(\$11,143,625)

See accompanying independent auditor's report.

Other Supplementary Information

Virginia Risk Sharing Association and Subsidiaries

Other Supplementary Information Consolidated Schedule of Revenue and Expenses by Line of Coverage Year Ended June 30, 2024

Year Ended June 30, 2024

	General liability	Public officials liability	Law enforcement liability	Automobile	Property	Boiler and machinery	Fidelity and crime	Excess liability	Cyber	LODA	Workers compensation	Total
Revenue:												
Member contributions	\$ 3,762,632	2,948,348	1,340,683	\$ 9,859,420	\$ 18,705,572	\$ 1,069,354	\$ 254,432	\$ 3,560,997	\$ 1,269,136	\$ 4,060,757	\$ 23,132,556	\$ 69,963,887
Miscellaneous income, net	11,510	9,170	4,170	30,666	18,111	1,514	791	3,067	2,993	12,630	68,818	163,440
Investment income	771,520	614,708	279,522	2,055,613	1,213,974	101,513	53,047	205,573	200,634	846,636	4,612,874	10,955,614
Unrealized loss on investments	334,699	266,671	121,261	891,760	526,643	44,038	23,013	89,181	87,039	367,285	2,001,144	4,752,734
Total revenue	4,880,361	3,838,897	1,745,636	12,837,459	20,464,300	1,216,419	331,283	3,858,818	1,559,802	5,287,308	29,815,392	85,835,675
Expenses:												
Provision (recovery) for losses	16,804,691	2,050,817	(59,465)	10,164,909	3,515,556	799,713	66,310	-	1,055,560	(5,477,127)	8,290,082	37,211,046
Program administration fees	1,436,302	701,174	319,200	2,556,754	1,841,563	134,588	65,704	235,930	229,310	(399,582)	5,985,621	13,106,564
Excess premiums	62,158	-	-	-	12,882,939	582,462.00	-	2,575,000	306,825	-	1,007,642	17,417,026
Nonoperating expenses	54,450	43,383	19,727	145,075	85,676	7,164	3,744	14,508	14,160	59,751	313,703	761,341
Total expenses (recovery)	18,357,601	2,795,374	279,462	12,866,738	18,325,734	1,523,927	135,758	2,825,438	1,605,855	(5,816,958)	15,597,048	68,495,977
Excess (deficiency) of revenue over expenses	\$(13,477,240)	\$ 1,043,523	\$ 1,466,174	\$ (29,279)	\$ 2,138,566	\$ (307,508)	\$ 195,525	\$ 1,033,380	\$ (46,053)	\$11,104,266	\$14,218,344	\$ 17,339,698

See accompanying independent auditor's report.

Virginia Risk Sharing Association and Subsidiaries



STATISTICAL SECTION

For the Period July 1, 2023 – June 30, 2024

- Overview of Statistical Section
- Change in Net Position
- Net Position by Classification
- Schedule of Revenues and Expenses by Line of Coverage
- Insurance Industry Ratios
- Total Incurred Losses by Line of Coverage
- Claims Development by Line of Coverage
- Reported Claims Analysis by Line of Coverage
- Total Ceded Loss Analysis
- Reinsurance History
- Composition of Membership

OVERVIEW OF THE STATISTICAL SECTION

This statistical section component of the Pool's Annual Comprehensive Financial Report presents detailed information as context for understanding what the information in the basic financial statements, note disclosures, and required supplementary information indicate about the Pool's economic condition and financial health.

As required by GASB Statement 44, a description of the required contents, if applicable, of this statistical section include:

Financial Trends Data - These schedules contain trend information to help the reader understand how the Pool's financial performance and well-being have changed over time.

Revenue Capacity Data - These schedules contain information to help the reader assess the Pool's most significant revenue sources, membership contributions.

Debt Capacity Data - These schedules present information which help the reader assess the Pool's debt burden. This section is not applicable for the Pool, as the Pool currently has no debt.

Demographic and Economic Information Data - These schedules offer demographic and economic indicators to help the reader understand the environment within which the Pool's financial activities take place.

Operating Information Data - These schedules contain service and infrastructure data to help the reader understand how the information in the Pool's financial report relates to the services the Pool provides and the activities it performs.

Virginia Risk Sharing Association and Subsidiaries

Change in Net Position

All Lines of Coverage Combined

Fiscal Year Ending June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Operating revenues	\$ 54,747,549	\$ 53,458,868	\$ 54,282,483	\$ 54,810,081	\$ 56,189,266	\$ 58,758,979	\$ 59,748,995	\$ 63,105,330	\$ 68,257,935	\$ 70,127,327
Operating expenses	<u>56,354,536</u>	<u>58,998,937</u>	<u>54,757,777</u>	<u>60,849,411</u>	<u>59,017,712</u>	<u>60,555,317</u>	<u>64,965,217</u>	<u>72,615,147</u>	<u>51,208,453</u>	<u>67,734,636</u>
Operating income (loss)	(1,606,987)	(5,540,069)	(475,294)	(6,039,330)	(2,828,446)	(1,796,338)	(5,216,222)	(9,509,817)	17,049,482	2,392,691
Total non-operating revenue and expenses	<u>3,900,735</u>	<u>11,119,535</u>	<u>1,544,328</u>	<u>591,558</u>	<u>21,783,819</u>	<u>20,340,448</u>	<u>7,542,750</u>	<u>(28,260,065)</u>	<u>3,442,630</u>	<u>14,947,007</u>
Change in net position	<u>\$ 2,293,748</u>	<u>\$ 5,579,466</u>	<u>\$ 1,069,034</u>	<u>\$ (5,447,772)</u>	<u>\$ 18,955,373</u>	<u>\$ 18,544,110</u>	<u>\$ 2,326,528</u>	<u>\$ (37,769,882)</u>	<u>\$ 20,492,112</u>	<u>\$ 17,339,698</u>

Operating Revenue

Fiscal Year Ending June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contributions	\$ 54,526,441	\$ 53,295,482	\$ 54,143,947	\$ 54,718,384	\$ 55,984,027	\$ 58,509,432	\$ 59,511,531	\$ 62,803,699	\$ 68,113,443	\$ 69,963,887
Miscellaneous income, net	<u>221,108</u>	<u>163,386</u>	<u>138,536</u>	<u>91,697</u>	<u>205,239</u>	<u>249,547</u>	<u>237,464</u>	<u>301,631</u>	<u>144,492</u>	<u>163,440</u>
	<u>\$ 54,747,549</u>	<u>\$ 53,458,868</u>	<u>\$ 54,282,483</u>	<u>\$ 54,810,081</u>	<u>\$ 56,189,266</u>	<u>\$ 58,758,979</u>	<u>\$ 59,748,995</u>	<u>\$ 63,105,330</u>	<u>\$ 68,257,935</u>	<u>\$ 70,127,327</u>

Operating Expenses

Fiscal Year Ending June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Ceded reinsurance	\$ 10,562,088	\$ 10,356,696	\$ 10,011,251	\$ 9,533,805	\$ 9,747,562	\$ 10,195,156	\$ 10,030,250	\$ 12,354,288	\$ 14,595,859	\$ 17,417,026
Program administrative costs	10,321,741	10,261,619	10,752,889	11,071,931	11,270,664	11,439,710	11,550,679	12,463,344	13,028,976	13,106,564
Provision for losses & LAE	<u>35,470,707</u>	<u>38,380,622</u>	<u>33,993,637</u>	<u>40,243,675</u>	<u>37,999,486</u>	<u>38,920,451</u>	<u>43,384,288</u>	<u>47,797,515</u>	<u>23,583,618</u>	<u>37,211,046</u>
	<u>\$ 56,354,536</u>	<u>\$ 58,998,937</u>	<u>\$ 54,757,777</u>	<u>\$ 60,849,411</u>	<u>\$ 59,017,712</u>	<u>\$ 60,555,317</u>	<u>\$ 64,965,217</u>	<u>\$ 72,615,147</u>	<u>\$ 51,208,453</u>	<u>\$ 67,734,636</u>

Non-Operating Revenue and Expenses

Fiscal Year Ending June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Investment income	\$ 7,175,278	\$ 7,838,810	\$ 7,980,980	\$ 8,305,543	\$ 8,945,197	\$ 9,256,650	\$ 8,211,741	\$ 7,645,007	\$ 9,043,076	\$ 10,955,614
Unrealized gains (losses)	(2,568,178)	4,104,563	(5,680,816)	(7,017,753)	13,538,703	11,793,556	150,313	(35,212,149)	(4,848,793)	4,752,734
Other expenses	<u>706,365</u>	<u>823,838</u>	<u>755,836</u>	<u>696,232</u>	<u>700,081</u>	<u>709,758</u>	<u>819,304</u>	<u>692,923</u>	<u>751,653</u>	<u>761,341</u>
	<u>\$ 3,900,735</u>	<u>\$ 11,119,535</u>	<u>\$ 1,544,328</u>	<u>\$ 591,558</u>	<u>\$ 21,783,819</u>	<u>\$ 20,340,448</u>	<u>\$ 7,542,750</u>	<u>\$ (28,260,065)</u>	<u>\$ 3,442,630</u>	<u>\$ 14,947,007</u>

Virginia Risk Sharing Association and Subsidiaries Net Position by Classification

Fiscal Year Ending June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net investment in capital assets	\$ 4,525,562	\$ 4,378,285	\$ 4,890,570	\$ 4,717,005	\$ 4,749,907	\$ 4,803,237	\$ 4,485,237	\$ 3,944,551	\$ 3,917,320	\$ 3,794,533
Unrestricted	78,086,291	85,160,694	85,176,003	79,354,613	97,717,244	115,622,967	117,674,649	79,817,169	99,664,499	116,429,180
Restricted by regulation	<u>18,606,106</u>	<u>17,258,446</u>	<u>17,799,886</u>	<u>18,347,069</u>	<u>18,906,909</u>	<u>19,491,966</u>	<u>20,085,036</u>	<u>20,713,096</u>	<u>21,385,109</u>	<u>22,082,913</u>
Change in net position	<u>\$ 101,217,959</u>	<u>\$ 106,797,425</u>	<u>\$ 107,866,459</u>	<u>\$ 102,418,687</u>	<u>\$ 121,374,060</u>	<u>\$ 139,918,170</u>	<u>\$ 142,244,922</u>	<u>\$ 104,474,816</u>	<u>\$ 124,966,928</u>	<u>\$ 142,306,626</u>



Virginia Risk Sharing Association and Subsidiaries
Schedule of Revenues and Expenses by Line of Coverage

All Lines of Coverage Combined

Fiscal Year ending June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Written premiums	\$ 54,526,441	\$ 53,295,482	\$ 54,143,947	\$ 54,718,384	\$ 55,984,027	\$ 58,509,432	\$ 59,511,531	\$ 62,803,699	\$ 68,113,443	\$ 69,963,887
Ceded reinsurance	10,562,088	10,356,696	10,011,251	9,533,805	9,747,562	10,195,156	10,030,251	12,354,288	14,595,859	17,417,026
Net premiums	43,964,353	42,938,786	44,132,696	45,184,579	46,236,465	48,314,276	49,481,280	50,449,411	53,517,584	52,546,861
Miscellaneous Income, net	221,108	163,386	138,536	91,697	205,239	249,547	237,464	301,631	144,492	163,440
Program administrative costs	10,321,741	10,261,619	10,752,889	11,071,931	11,270,664	11,439,710	11,550,679	12,463,344	13,028,976	13,106,564
Provision for loss & LAE	35,470,707	38,380,622	33,993,637	40,243,675	37,999,486	38,920,451	43,384,289	47,797,515	23,583,618	37,211,046
Operating revenue/(loss)	(1,606,987)	(5,540,069)	(475,294)	(6,039,330)	(2,828,446)	(1,796,338)	(5,216,224)	(9,509,817)	17,049,482	2,392,691
Investment income	7,175,278	7,838,810	7,980,980	8,305,543	8,945,197	9,256,650	8,211,740	7,645,007	9,043,076	10,955,614
Unrealized gain/(loss)	(2,568,178)	4,104,563	(5,680,816)	(7,017,753)	13,538,703	11,793,556	150,313	(35,212,149)	(4,848,793)	4,752,734
Non-operating income	4,607,100	11,943,373	2,300,163	1,287,791	22,483,900	21,050,206	8,362,053	(27,567,142)	4,194,283	15,708,348
Other expenses	706,365	823,838	755,835	696,232	700,081	709,758	819,302	692,923	751,653	761,341
Non-operating revenue/(loss)	3,900,735	11,119,535	1,544,328	591,558	21,783,819	20,340,448	7,542,751	(28,260,065)	3,442,630	14,947,007
Change in net position	2,293,748	5,579,466	1,069,034	(5,447,772)	18,955,373	18,544,110	2,326,527	(37,769,882)	20,492,112	17,339,698
Beginning net position balance	98,924,212	101,217,960	106,797,426	107,866,460	102,418,688	121,374,061	139,918,171	142,244,698	104,474,816	124,966,928
Ending net position balance	\$ 101,217,960	\$ 106,797,426	\$ 107,866,460	\$ 102,418,688	\$ 121,374,061	\$ 139,918,171	\$ 142,244,698	\$ 104,474,816	\$ 124,966,928	\$ 142,306,626

Workers Compensation

Fiscal Year ending June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Written premiums	\$ 20,351,394	\$ 20,083,515	\$ 20,054,717	\$ 20,845,868	\$ 21,035,289	\$ 22,331,107	\$ 21,534,044	\$ 22,133,406	\$ 23,768,895	\$ 23,132,556
Ceded reinsurance	1,610,256	1,327,043	1,021,186	846,297	1,067,384	1,022,538	1,018,829	1,080,664	1,008,661	1,007,642
Net premiums	18,741,138	18,756,472	19,033,531	19,999,571	19,967,905	21,308,569	20,515,215	21,052,742	22,760,234	22,124,914
Miscellaneous Income, net	207,168	155,436	72,500	41,924	110,569	142,821	116,993	125,872	61,450	68,818
Program administrative costs	4,828,797	4,801,354	4,963,117	4,842,347	5,080,541	5,384,356	5,486,611	5,709,184	6,524,965	5,985,621
Provision for loss & LAE	20,721,770	23,195,073	10,371,614	11,811,592	21,667,221	11,996,940	15,742,199	12,108,022	(5,257,407)	8,290,082
Operating revenue/(loss)	(6,602,260)	(9,084,519)	3,771,300	3,387,556	(6,669,288)	4,070,094	(596,602)	3,361,408	21,554,126	7,918,029
Investment income	3,058,680	3,424,140	3,442,034	3,676,195	3,863,117	4,082,561	3,404,633	3,190,293	3,845,886	4,612,874
Unrealized gain/(loss)	(1,094,764)	1,792,950	(2,450,020)	(3,106,193)	5,846,890	5,201,441	62,321	(14,694,172)	(2,062,119)	2,001,144
Non-operating income	1,963,916	5,217,091	992,014	570,001	9,710,007	9,284,002	3,466,954	(11,503,879)	1,783,767	6,614,018
Other expenses	301,109	359,868	325,976	308,166	302,341	313,032	339,687	289,161	319,667	313,703
Non-operating revenue/(loss)	1,662,807	4,857,223	666,037	261,835	9,407,666	8,970,970	3,127,267	(11,793,040)	1,464,100	6,300,315
Change in net position	\$ (4,939,453)	\$ (4,227,297)	\$ 4,437,337	\$ 3,649,391	\$ 2,738,378	\$ 13,041,064	\$ 2,530,665	\$ (8,431,632)	\$ 23,018,226	\$ 14,218,344

Virginia Risk Sharing Association and Subsidiaries
Schedule of Revenue and Expenses by Line of Coverage, Continued

LODA

Fiscal Year ending June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Written premiums	\$ 1,805,629	\$ 2,003,715	\$ 2,417,481	\$ 2,349,383	\$ 2,737,991	\$ 3,562,172	\$ 3,661,828	\$ 4,027,886	\$ 4,180,556	\$ 4,060,757
Ceded reinsurance	-	-	-	-	-	-	-	-	-	-
Net premiums	1,805,629	2,003,715	2,417,481	2,349,383	2,737,991	3,562,172	3,661,828	4,027,886	4,180,556	4,060,757
Miscellaneous Income, net	998	1,083	9,529	1,904	9,868	14,078	15,230	24,082	11,287	12,630
Program administrative costs	344,564	397,405	951,094	921,546	397,587	792,492	860,675	1,030,787	840,495	(399,582)
Provision for loss & LAE	1,223,449	927,454	7,156,141	10,076,981	(3,499,944)	2,747,909	4,694,954	7,323,038	3,109,413	(5,477,127)
Operating revenue/(loss)	238,614	679,938	(5,680,224)	(8,647,240)	5,850,215	35,849	(1,878,571)	(4,301,857)	241,935	9,950,096
Investment income	294,691	365,794	437,179	431,849	529,709	682,485	607,704	610,378	706,405	846,636
Unrealized gain/(loss)	(105,476)	191,537	(311,181)	(364,890)	801,723	869,529	11,124	(2,811,341)	(378,766)	367,285
Non-operating income	189,215	557,331	125,997	66,959	1,331,432	1,552,014	618,828	(2,200,963)	327,639	1,213,921
Other expenses	29,011	38,444	41,403	36,201	41,457	52,330	60,632	55,323	58,716	59,751
Non-operating revenue/(loss)	160,204	518,887	84,595	30,758	1,289,975	1,499,684	558,196	(2,256,286)	268,923	1,154,170
Change in net position	\$ 398,819	\$ 1,198,825	\$ (5,595,630)	\$ (8,616,482)	\$ 7,140,191	\$ 1,535,533	\$ (1,320,375)	\$ (6,558,143)	\$ 510,858	\$ 11,104,266

Property & Liability, Overall

Fiscal Year ending June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Written premiums	\$ 32,369,418	\$ 31,208,252	\$ 31,671,749	\$ 31,523,133	\$ 32,210,747	\$ 32,616,153	\$ 34,315,659	\$ 36,642,407	\$ 40,163,992	\$ 42,770,574
Ceded reinsurance	8,951,832	9,029,653	8,990,065	8,687,508	8,680,178	9,172,618	9,011,422	11,273,624	13,587,198	16,409,384
Net premiums	23,417,586	22,178,599	22,681,684	22,835,625	23,530,569	23,443,535	25,304,237	25,368,783	26,576,794	26,361,190
Miscellaneous Income, net	12,942	6,867	56,506	47,869	84,802	92,648	105,241	151,677	71,755	81,992
Program administrative costs	5,148,381	5,062,860	4,838,679	5,308,039	5,792,536	5,262,862	5,203,393	5,723,373	5,663,516	7,520,525
Provision for loss & LAE	13,525,488	14,258,095	16,465,882	18,355,102	19,832,209	24,175,602	22,947,136	28,366,455	25,731,612	34,398,091
Operating revenue/(loss)	4,756,658	2,864,512	1,433,630	(779,646)	(2,009,374)	(5,902,281)	(2,741,051)	(8,569,368)	(4,746,579)	(15,475,434)
Investment income	3,821,908	4,048,876	4,101,768	4,197,500	4,552,372	4,491,604	4,199,403	3,844,336	4,490,785	5,496,104
Unrealized gain/(loss)	(1,367,939)	2,120,075	(2,919,615)	(3,546,670)	6,890,090	5,722,586	76,868	(17,706,636)	(2,407,908)	2,384,305
Non-operating income	2,453,969	6,168,951	1,182,153	650,831	11,442,461	10,214,190	4,276,271	(13,862,300)	2,082,877	7,880,409
Other expenses	376,245	425,526	388,456	351,866	356,284	344,396	418,983	348,439	373,270	387,887
Non-operating revenue/(loss)	2,077,724	5,743,425	793,696	298,965	11,086,177	9,869,794	3,857,288	(14,210,739)	1,709,607	7,492,522
Change in net position	\$ 6,834,382	\$ 8,607,937	\$ 2,227,326	\$ (480,681)	\$ 9,076,804	\$ 3,967,513	\$ 1,116,237	\$ (22,780,107)	\$ (3,036,972)	\$ (7,982,912)

Virginia Risk Sharing Association and Subsidiaries
Schedule of Revenue and Expenses by Line of Coverage, Continued

General Liability

Fiscal Year ending June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Written premiums	\$ 3,519,738	\$ 3,077,724	\$ 2,994,970	\$ 2,970,925	\$ 2,908,569	\$ 2,738,630	\$ 3,197,859	\$ 3,480,056	\$ 3,571,403	\$ 3,762,632
Ceded reinsurance	-	-	-	-	-	-	81,070	83,613	62,158	62,158
Net premiums	3,519,738	3,077,724	2,994,970	2,970,925	2,908,569	2,738,630	3,116,789	3,396,443	3,509,245	3,700,474
Miscellaneous Income, net	1,945	953	7,461	6,228	10,482	10,823	12,963	20,307	9,475	11,510
Program administrative costs	931,240	899,561	882,226	891,370	828,012	708,503	751,112	770,766	760,673	1,436,302
Provision for loss & LAE	2,224,737	2,002,958	3,521,446	2,656,110	1,512,726	2,320,825	4,164,163	1,769,430	4,751,247	16,804,691
Operating revenue/(loss)	365,706	176,158	(1,401,240)	(570,327)	578,313	(279,875)	(1,785,523)	876,554	(1,993,200)	(14,529,009)
Investment income	574,445	561,862	541,612	546,097	562,710	524,701	517,252	514,690	592,971	771,520
Unrealized gain/(loss)	(205,606)	294,203	(385,516)	(461,423)	851,671	668,502	9,468	(2,370,614)	(317,944)	334,699
Non-operating income	368,839	856,065	156,096	84,673	1,414,381	1,193,203	526,720	(1,855,924)	275,027	1,106,219
Other expenses	56,551	59,050	51,293	45,778	44,040	40,232	51,607	46,650	49,287	54,450
Non-operating revenue/(loss)	312,289	797,015	104,802	38,895	1,370,341	1,152,971	475,113	(1,902,574)	225,740	1,051,769
Change in net position	\$ 677,994	\$ 973,173	\$ (1,296,438)	\$ (531,432)	\$ 1,948,655	\$ 873,096	\$ (1,310,410)	\$ (1,026,020)	\$ (1,767,460)	\$ (13,477,240)

Public Officials Liability

Fiscal Year ending June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Written premiums	\$ 2,453,796	\$ 2,144,570	\$ 2,041,290	\$ 2,028,047	\$ 2,032,304	\$ 2,171,271	\$ 2,346,729	\$ 2,321,309	\$ 2,422,884	\$ 2,948,348
Ceded reinsurance	-	-	-	-	-	-	-	-	-	-
Net premiums	2,453,796	2,144,570	2,041,290	2,028,047	2,032,304	2,171,271	2,346,729	2,321,309	2,422,884	2,948,348
Miscellaneous Income, net	1,356	664	5,085	4,251	7,324	8,581	9,760	13,879	6,542	9,170
Program administrative costs	457,397	421,824	359,276	395,480	418,939	421,072	415,923	474,851	450,439	701,174
Provision for loss & LAE	1,378,254	2,961,460	(555,876)	3,333,169	4,026,687	6,313,794	3,715,464	4,755,517	468,412	2,050,817
Operating revenue/(loss)	619,501	(1,238,050)	2,242,974	(1,696,351)	(2,405,998)	(4,555,014)	(1,774,898)	(2,895,180)	1,510,575	205,527
Investment income	400,476	391,508	369,148	372,783	393,182	415,999	389,455	351,767	409,404	614,708
Unrealized gain/(loss)	(143,339)	205,002	(262,757)	(314,982)	595,088	530,009	7,129	(1,620,203)	(219,518)	266,671
Non-operating income	257,137	596,510	106,391	57,801	988,270	946,008	396,584	(1,268,436)	189,886	881,379
Other expenses	39,425	41,146	34,960	31,249	30,772	31,897	38,857	31,883	34,029	43,383
Non-operating revenue/(loss)	217,713	555,363	71,431	26,551	957,498	914,111	357,727	(1,300,319)	155,857	837,996
Change in net position	\$ 837,214	\$ (682,687)	\$ 2,314,405	\$ (1,669,799)	\$ (1,448,500)	\$ (3,640,903)	\$ (1,417,171)	\$ (4,195,499)	\$ 1,666,432	\$ 1,043,523

Virginia Risk Sharing Association and Subsidiaries
Schedule of Revenue and Expenses by Line of Coverage, Continued

Law Enforcement Liability

Fiscal Year ending June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Written premiums	\$ 1,322,877	\$ 1,152,922	\$ 1,091,175	\$ 1,044,900	\$ 1,072,880	\$ 1,103,057	\$ 1,159,702	\$ 1,255,836	\$ 1,271,773	\$ 1,340,683
Ceded reinsurance	-	-	-	-	-	-	-	-	-	-
Net premiums	1,322,877	1,152,922	1,091,175	1,044,900	1,072,880	1,103,057	1,159,702	1,255,836	1,271,773	1,340,683
Miscellaneous Income, net	731	357	2,718	2,190	3,867	4,359	4,823	7,508	3,434	4,170
Program administrative costs	223,831	203,550	185,026	202,017	218,431	205,635	205,611	248,828	233,697	319,200
Provision for loss & LAE	611,223	(604,092)	3,769,145	805,427	230,013	1,930,682	3,244,020	2,205,114	322,961	(59,465)
Operating revenue/(loss)	488,554	1,553,822	(2,860,278)	39,647	628,303	(1,028,901)	(2,285,106)	(1,190,598)	718,549	1,085,118
Investment income	215,902	210,475	197,329	192,067	207,566	211,337	192,460	190,307	214,896	279,522
Unrealized gain/(loss)	(77,276)	110,209	(140,457)	(162,287)	314,155	269,257	3,523	(876,535)	(115,225)	121,261
Non-operating income	138,627	320,684	56,871	29,780	521,721	480,594	195,983	(686,228)	99,671	400,783
Other expenses	21,254	22,120	18,688	16,100	16,245	16,204	19,202	17,249	17,862	19,727
Non-operating revenue/(loss)	117,372	298,564	38,183	13,680	505,476	464,390	176,781	(703,477)	81,809	381,056
Change in net position	\$ 605,926	\$ 1,852,385	\$ (2,822,095)	\$ 53,327	\$ 1,133,779	\$ (564,511)	\$ (2,108,325)	\$ (1,894,075)	\$ 800,358	\$ 1,466,174

Automobile

Fiscal Year ending June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Written premiums	\$ 8,953,955	\$ 8,181,996	\$ 8,092,621	\$ 8,326,381	\$ 8,867,732	\$ 7,834,492	\$ 9,088,534	\$ 9,291,759	\$ 9,840,381	\$ 9,859,420
Ceded reinsurance	-	-	-	-	-	-	-	-	-	-
Net premiums	8,953,955	8,181,996	8,092,621	8,326,381	8,867,732	7,834,492	9,088,534	9,291,759	9,840,381	9,859,420
Miscellaneous Income, net	4,948	2,533	20,161	17,454	31,959	30,962	37,800	55,554	26,568	30,666
Program administrative costs	1,824,453	1,729,176	1,551,114	1,792,581	2,040,724	1,677,059	1,780,185	1,979,112	1,983,415	2,556,754
Provision for loss & LAE	5,267,814	6,175,320	4,868,939	6,524,559	8,267,343	8,017,175	7,003,073	10,502,165	11,261,003	10,164,909
Operating revenue/(loss)	1,866,636	280,033	1,692,729	26,696	(1,408,376)	(1,828,780)	343,076	(3,133,964)	(3,377,469)	(2,831,577)
Investment income	1,461,346	1,493,687	1,463,474	1,530,503	1,715,607	1,501,029	1,508,301	1,408,055	1,662,768	2,055,613
Unrealized gain/(loss)	(523,045)	782,125	(1,041,692)	(1,293,195)	2,596,600	1,912,406	27,609	(6,485,364)	(891,557)	891,760
Non-operating income	938,300	2,275,813	421,781	237,307	4,312,207	3,413,435	1,535,910	(5,077,309)	771,211	2,947,373
Other expenses	143,861	156,982	138,598	128,298	134,269	115,092	150,487	127,622	138,208	145,075
Non-operating revenue/(loss)	794,439	2,118,830	283,184	109,009	4,177,938	3,298,343	1,385,423	(5,204,931)	633,003	2,802,298
Change in net position	\$ 2,661,075	\$ 2,398,863	\$ 1,975,912	\$ 135,705	\$ 2,769,562	\$ 1,469,563	\$ 1,728,499	\$ (8,338,895)	\$ (2,744,466)	\$ (29,279)

Virginia Risk Sharing Association and Subsidiaries
Schedule of Revenue and Expenses by Line of Coverage, Continued

Property

Fiscal Year ending June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Written premiums	\$ 11,288,076	\$ 12,190,146	\$ 13,110,014	\$ 12,682,673	\$ 13,123,542	\$ 14,597,598	\$ 14,056,549	\$ 15,281,045	\$ 17,374,653	\$ 18,705,572
Ceded reinsurance	5,175,746	5,658,780	6,025,635	5,817,904	6,302,542	6,885,035	6,962,214	9,173,071	10,198,136	12,882,939
Net premiums	6,112,330	6,531,366	7,084,379	6,864,769	6,821,000	7,712,563	7,094,335	6,107,974	7,176,517	5,822,633
Miscellaneous Income, net	3,378	2,022	17,649	14,390	24,582	30,480	29,506	36,519	19,376	18,111
Program administrative costs	1,511,441	1,590,781	1,604,842	1,700,291	1,823,129	1,840,365	1,559,395	1,656,636	1,755,472	1,841,563
Provision for loss & LAE	3,711,916	3,489,904	4,570,346	4,366,024	5,096,418	5,033,564	5,066,413	8,003,662	6,753,520	3,515,556
Operating revenue/(loss)	892,350	1,452,704	926,841	812,844	(73,965)	869,114	498,033	(3,515,805)	(1,313,099)	483,625
Investment income	997,573	1,192,352	1,281,143	1,261,838	1,319,633	1,477,669	1,177,351	925,591	1,212,644	1,213,974
Unrealized gain/(loss)	(357,052)	624,340	(911,910)	(1,066,188)	1,997,287	1,882,643	21,551	(4,263,180)	(650,206)	526,643
Non-operating income	640,522	1,816,692	369,233	195,650	3,316,920	3,360,312	1,198,902	(3,337,589)	562,438	1,740,617
Other expenses	98,205	125,313	121,330	105,777	103,279	113,301	117,467	83,893	100,794	85,676
Non-operating revenue/(loss)	542,316	1,691,379	247,903	89,874	3,213,641	3,247,011	1,081,435	(3,421,482)	461,644	1,654,941
Change in net position	\$ 1,434,667	\$ 3,144,083	\$ 1,174,743	\$ 902,718	\$ 3,139,677	\$ 4,116,125	\$ 1,579,468	\$ (6,937,287)	\$ (851,455)	\$ 2,138,566

Boiler & Machinery

Fiscal Year ending June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Written premiums	\$ 811,366	\$ 867,745	\$ 913,712	\$ 884,471	\$ 911,528	\$ 998,235	\$ 966,857	\$ 1,040,050	\$ 1,122,730	\$ 1,069,354
Ceded reinsurance	260,629	356,676	385,867	350,559	381,030	424,681	-	-	580,801	582,462
Net premiums	550,737	511,069	527,845	533,912	530,498	573,554	966,857	1,040,050	541,929	486,892
Miscellaneous Income, net	304	158	1,315	1,119	1,912	2,267	4,021	6,218	1,463	1,514
Program administrative costs	111,118	109,127	107,794	120,348	129,043	124,458	185,520	200,699	118,028	134,588
Provision for loss & LAE	253,245	239,653	90,880	406,806	357,748	277,220	203,586	237,975	915,752	799,713
Operating revenue/(loss)	186,678	162,447	330,487	7,877	45,618	174,143	581,772	607,594	(490,388)	(445,895)
Investment income	89,884	93,300	95,456	98,140	102,633	109,889	160,456	157,607	91,572	101,513
Unrealized gain/(loss)	(32,171)	48,854	(67,945)	(82,923)	155,337	140,005	2,937	(725,923)	(49,100)	44,038
Non-operating income	57,713	142,153	27,511	15,217	257,971	249,894	163,393	(568,316)	42,472	145,551
Other expenses	8,849	9,806	9,040	8,227	8,032	8,426	16,009	14,285	7,611	7,164
Non-operating revenue/(loss)	48,864	132,348	18,471	6,990	249,938	241,468	147,384	(582,601)	34,861	138,387
Change in net position	\$ 235,542	\$ 294,795	\$ 348,957	\$ 14,867	\$ 295,557	\$ 415,611	\$ 729,156	\$ 24,993	\$ (455,527)	\$ (307,508)

Virginia Risk Sharing Association and Subsidiaries
Schedule of Revenue and Expenses by Line of Coverage, Continued

Fidelity & Crime

Fiscal Year ending June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Written premiums	\$ 299,304	\$ 300,405	\$ 297,756	\$ 276,779	\$ 279,315	\$ 295,818	\$ 290,763	\$ 287,953	\$ 274,884	\$ 254,432
Ceded reinsurance	-	-	-	-	-	-	-	-	-	-
Net premiums	299,304	300,405	297,756	276,779	279,315	295,818	290,763	287,953	274,884	254,432
Miscellaneous Income, net	165	93	742	580	1,007	1,169	1,209	1,722	742	791
Program administrative costs	56,332	60,274	56,302	57,273	62,944	59,819	55,821	57,260	53,839	65,704
Provision for loss & LAE	78,298	(7,109)	201,002	112,023	(10,095)	5,322	(99,583)	(8,660)	78,482	66,310
Operating revenue/(loss)	164,839	247,333	41,194	108,064	227,472	231,846	335,734	241,075	143,305	123,209
Investment income	48,848	54,841	53,846	50,876	54,038	56,676	48,254	43,636	46,448	53,047
Unrealized gain/(loss)	(17,484)	28,716	(38,328)	(42,987)	81,787	72,209	883	(200,982)	(24,905)	23,013
Non-operating income	31,365	83,557	15,519	7,888	135,825	128,885	49,137	(157,346)	21,543	76,060
Other expenses	4,809	5,764	5,099	4,265	4,229	4,346	4,814	3,955	3,861	3,744
Non-operating revenue/(loss)	26,556	77,794	10,419	3,624	131,596	124,539	44,323	(161,301)	17,682	72,316
Change in net position	\$ 191,395	\$ 325,127	\$ 51,613	\$ 111,687	\$ 359,068	\$ 356,385	\$ 380,057	\$ 79,774	\$ 160,987	\$ 195,525

Excess Liability

Fiscal Year ending June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Written premiums	\$ 3,720,306	\$ 3,292,744	\$ 3,130,211	\$ 2,990,185	\$ 2,645,317	\$ 2,440,877	\$ 2,552,869	\$ 3,015,604	\$ 3,223,894	\$ 3,560,997
Ceded reinsurance	3,515,457	3,014,197	2,578,563	2,450,333	1,911,469	1,777,036	1,847,624	1,998,907	2,439,278	2,575,000
Net premiums	204,849	278,547	551,648	539,852	733,848	663,841	705,245	1,016,697	784,616	985,997
Miscellaneous Income, net	113	86	1,374	1,132	2,645	2,623	2,933	6,079	2,118	3,067
Program administrative costs	32,568	48,569	92,098	98,440	147,262	119,935	121,845	174,204	134,023	235,930
Provision for loss & LAE	-	-	-	-	150,791	-	-	-	-	-
Operating revenue/(loss)	172,394	230,065	460,924	442,544	438,440	546,529	586,333	848,572	652,711	753,134
Investment income	33,433	50,851	99,760	99,232	141,975	127,187	117,040	154,068	132,580	205,573
Unrealized gain/(loss)	(11,966)	26,627	(71,009)	(83,846)	214,881	162,044	2,142	(709,623)	(71,088)	89,181
Non-operating income	21,466	77,478	28,751	15,386	356,856	289,231	119,182	(555,555)	61,492	294,754
Other expenses	3,291	5,344	9,448	8,318	11,111	9,752	11,677	13,964	11,020	14,508
Non-operating revenue/(loss)	18,175	72,133	19,304	7,068	345,745	279,479	107,505	(569,519)	50,472	280,246
Change in net position	\$ 190,570	\$ 302,198	\$ 480,228	\$ 449,612	\$ 784,184	\$ 826,008	\$ 693,838	\$ 279,053	\$ 703,183	\$ 1,033,380

Virginia Risk Sharing Association and Subsidiaries
Schedule of Revenue and Expenses by Line of Coverage, Continued

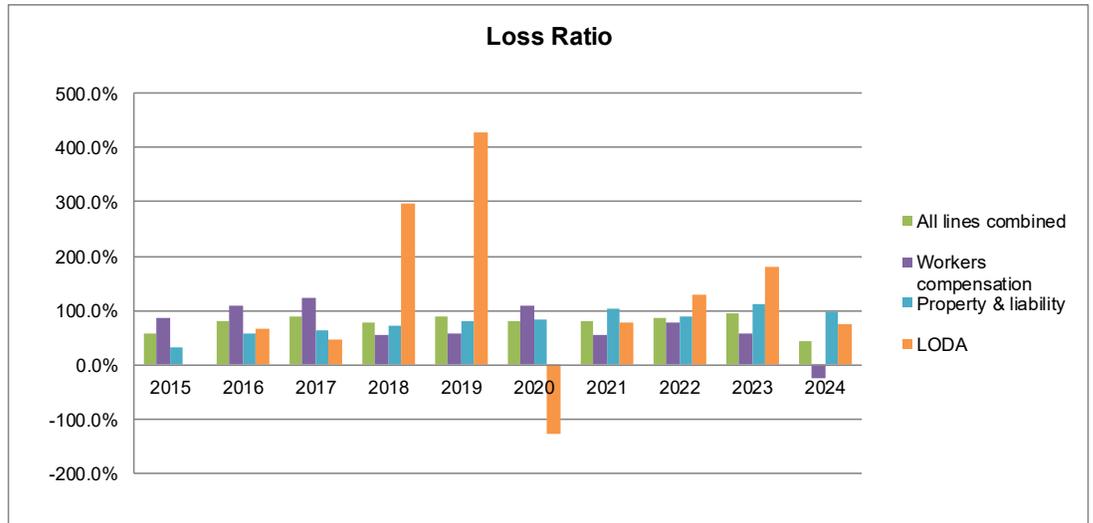
Cyber

Fiscal Year ending June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Written premiums	\$ -	\$ -	\$ -	\$ 318,772	\$ 369,560	\$ 436,175	\$ 655,797	\$ 668,795	\$ 1,061,390	\$ 1,269,136
Ceded reinsurance	-	-	-	68,712	85,136	85,866	120,514	18,033	306,825	306,825
Net premiums	-	-	-	250,060	284,424	350,309	535,283	650,762	754,565	962,311
Miscellaneous Income, net	-	-	-	524	1,025	1,384	2,226	3,891	2,037	2,993
Program administrative costs	-	-	-	50,240	124,052	106,016	127,981	161,017	173,930	229,310
Provision for loss & LAE	-	-	-	150,985	200,577	277,020	(350,000)	901,252	1,180,235	1,055,560
Operating revenue/(loss)	-	-	-	49,360	(39,181)	(31,343)	759,528	(407,616)	(597,563)	(319,566)
Investment income	-	-	-	45,964	55,026	67,117	88,834	98,615	127,502	200,634
Unrealized gain/(loss)	-	-	-	(38,838)	83,283	85,511	1,626	(454,212)	(68,365)	87,039
Non-operating income	-	-	-	7,127	138,310	152,628	90,460	(355,597)	59,137	287,673
Other expenses	-	-	-	3,853	4,307	5,146	8,863	8,938	10,598	14,160
Non-operating revenue/(loss)	-	-	-	3,274	134,003	147,482	81,597	(364,535)	48,539	273,513
Change in net position	\$ -	\$ -	\$ -	\$ 52,634	\$ 94,823	\$ 116,139	\$ 841,125	\$ (772,151)	\$ (549,024)	\$ (46,053)

Virginia Risk Sharing Association and Subsidiaries
Insurance Industry Ratios
All Lines of Coverage Combined

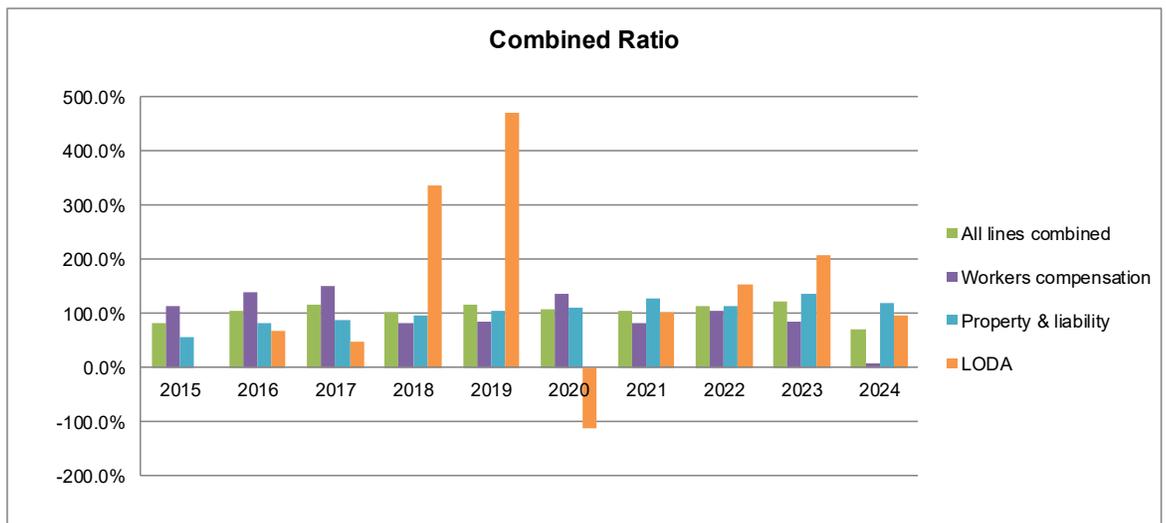
Loss Ratio

Fiscal Year ending June 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
All lines combined	57.14%	80.68%	89.38%	77.03%	89.07%	82.19%	80.56%	87.68%	94.74%	44.07%	70.81%
Workers compensation	86.92%	110.57%	123.66%	54.49%	59.06%	108.51%	56.30%	76.73%	57.51%	-23.10%	37.47%
Property & liability	32.90%	57.76%	64.29%	72.60%	80.38%	84.28%	103.12%	90.68%	111.82%	96.82%	130.49%
LODA		67.76%	46.29%	296.02%	428.92%	-127.83%	77.14%	128.21%	181.81%	74.38%	-134.88%



Combined Ratio

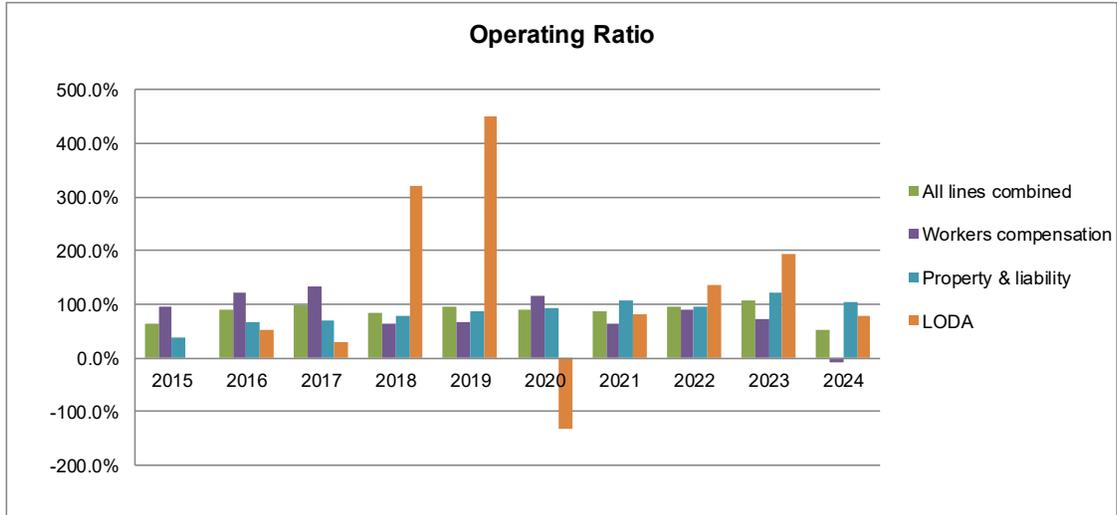
Fiscal Year ending June 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
All lines combined	80.54%	105.76%	115.20%	103.10%	115.11%	108.08%	105.70%	112.68%	120.82%	69.82%	70.81%
Workers compensation	112.03%	137.94%	151.18%	82.28%	84.81%	135.47%	83.04%	105.13%	86.00%	6.97%	37.47%
Property & liability	55.11%	81.35%	89.03%	95.64%	105.16%	110.41%	127.04%	112.90%	135.75%	119.53%	130.49%
LODA		67.76%	46.29%	337.07%	469.69%	-111.79%	100.86%	153.37%	208.77%	95.89%	-134.88%



Virginia Risk Sharing Association and Subsidiaries
Insurance Industry Ratios
All Lines of Coverage Combined, Continued

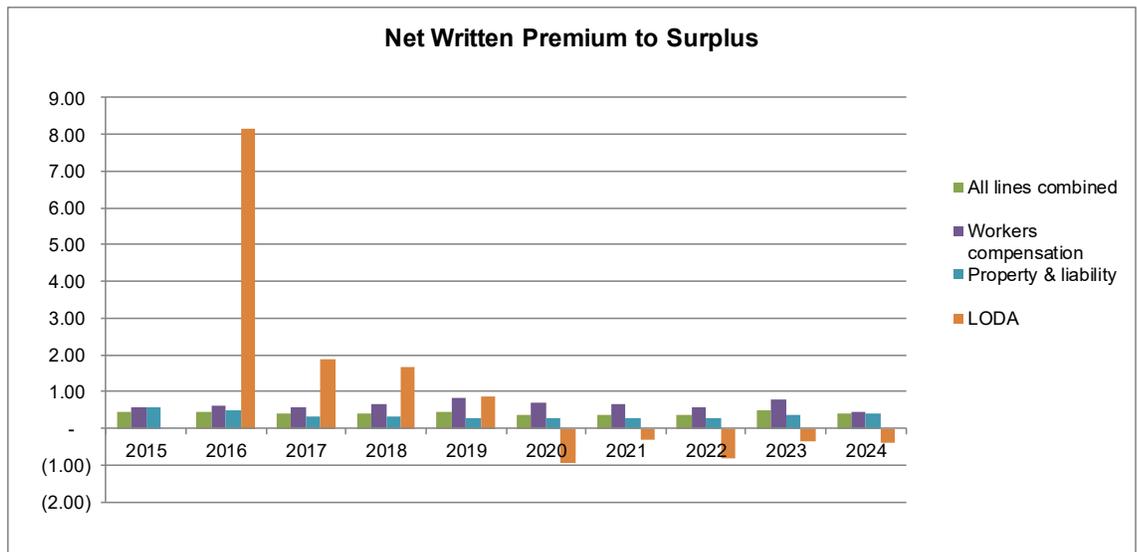
Operating Ratio

Fiscal Year ending June 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
All lines combined	64.24%	89.44%	96.95%	85.02%	96.73%	88.73%	86.54%	96.08%	105.67%	52.92%	49.97%
Workers compensation	95.72%	121.62%	132.93%	64.20%	66.43%	116.12%	63.88%	88.54%	70.85%	-9.92%	16.62%
Property & liability	38.81%	65.03%	70.78%	77.56%	86.78%	91.07%	107.88%	96.31%	120.60%	102.64%	109.64%
LODA		51.44%	28.03%	318.99%	451.30%	-131.14%	81.70%	136.78%	193.62%	78.99%	-155.73%



Net written premium to surplus Calculation: Net Premiums / Ending Net Position

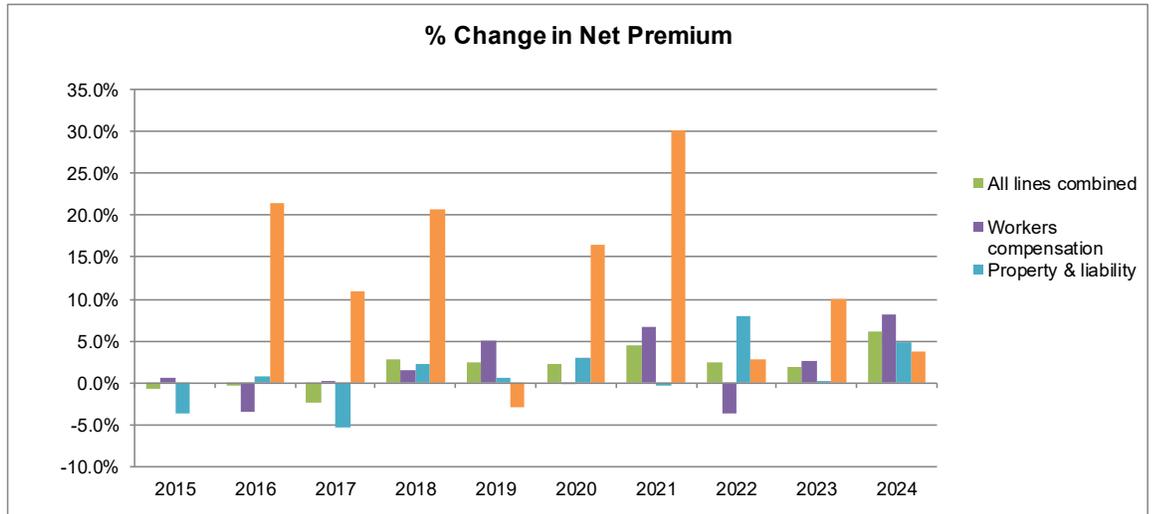
Fiscal Year ending June 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
All lines combined	0.45	0.43	0.40	0.41	0.44	0.38	0.35	0.35	0.48	0.43	0.37
Workers compensation	0.56	0.60	0.56	0.67	0.83	0.70	0.66	0.59	0.79	0.46	0.35
Property & liability	0.57	0.48	0.34	0.32	0.29	0.29	0.29	0.28	0.37	0.41	0.46
LODA		8.14	1.90	1.66	0.89	(0.93)	(0.31)	(0.83)	(0.37)	(0.40)	6.35



Virginia Risk Sharing Association and Subsidiaries
Insurance Industry Ratios
All Lines of Coverage Combined, Continued

Change in net written premium Calculation: $-1 + (\text{Current Year Premiums} / \text{Prior Year Premiums})$

Fiscal Year ending June 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
All lines combined	-0.72%	-0.39%	-2.33%	2.78%	2.38%	2.33%	4.49%	2.42%	1.96%	6.08%	-1.81%
Workers compensation	0.59%	-3.40%	0.08%	1.48%	5.08%	-0.16%	6.71%	-3.72%	2.62%	8.11%	-2.79%
Property & liability	-3.69%	0.73%	-5.29%	2.27%	0.68%	3.04%	-0.37%	7.94%	0.26%	4.76%	-0.81%
LODA		21.52%	10.97%	20.65%	-2.82%	16.54%	30.10%	2.80%	10.00%	3.79%	-2.87%



Virginia Risk Sharing Association and Subsidiaries

Total Incurred Losses by Line of Coverage

	Auto Liability	Auto Physical	Boiler & Machinery	Fidelity & Crime	General Liability	Property/Inland Marine	Public Officials / Law Enforcement	CYBER	LODA	Workers Compensation	Total All Lines
Total Incurred Losses as of June 30,											
2024	129,890,092	48,476,043	6,075,241	1,556,810	81,089,754	89,092,697	84,491,371	2,557,421	29,994,369	553,439,572	1,026,663,370
2023	126,674,069	44,426,337	5,274,619	1,486,068	64,255,477	85,568,523	82,493,474	2,351,546	34,052,842	552,952,973	999,535,928
2022	116,599,743	41,015,264	4,401,036	1,409,433	59,501,949	78,865,738	81,805,218	971,971	31,025,592	555,853,194	971,449,138
2021	111,511,131	38,118,366	4,161,333	1,398,736	57,839,469	71,189,150	74,930,205	275,000	23,998,954	548,684,159	932,106,503
2020	106,665,692	35,891,163	3,953,113	1,520,779	53,789,467	66,076,535	67,844,093	625,000	19,486,656	533,972,234	889,824,732
2019	101,686,887	33,235,168	3,607,151	1,516,323	51,712,198	60,964,420	59,559,405	350,000	16,829,255	522,613,690	852,074,497
2018	95,538,771	30,966,261	3,250,847	1,526,851	50,210,961	55,884,551	55,316,041	150,000	20,138,283	501,456,084	814,438,650
2017	90,751,937	29,358,313	2,846,667	1,415,813	47,560,961	51,554,093	51,212,081	-	10,513,350	489,536,347	774,749,562
2016	87,760,469	27,397,505	2,756,024	1,215,001	44,023,002	47,002,421	48,011,002	-	3,863,004	479,611,795	741,640,223
2015	83,930,769	25,496,345	2,518,261	1,223,370	42,073,002	43,553,479	45,682,539	-	2,942,519	456,725,483	704,145,767
2014	80,281,514	23,735,976	2,271,941	1,147,380	39,973,002	39,956,985	43,807,539	-	1,744,807	436,489,579	669,408,723

% Change from Prior Year by Line

2024	2.54%	9.12%	15.18%	4.76%	26.20%	4.12%	2.42%	8.75%	-11.92%	0.09%	2.71%
2023	8.64%	8.32%	19.85%	5.44%	7.99%	8.50%	0.84%	141.94%	9.76%	-0.52%	2.89%
2022	4.56%	7.60%	5.76%	0.76%	2.87%	10.78%	9.18%	253.44%	29.28%	1.31%	4.22%
2021	4.54%	6.21%	5.27%	-8.03%	7.53%	7.74%	10.44%	-56.00%	23.16%	2.76%	4.75%
2020	4.90%	7.99%	9.59%	0.29%	4.02%	8.39%	13.91%	78.57%	15.79%	2.17%	4.43%
2019	6.44%	7.33%	10.96%	-0.69%	2.99%	9.09%	7.67%	133.33%	-16.43%	4.22%	4.62%
2018	5.27%	5.48%	14.20%	7.84%	5.57%	8.40%	8.01%	-	91.55%	2.43%	5.12%
2017	3.41%	7.16%	3.29%	16.53%	8.04%	9.68%	6.67%	-	172.15%	2.07%	4.46%
2016	4.56%	7.46%	9.44%	-0.68%	4.63%	7.92%	5.10%	-	31.28%	5.01%	5.32%
2015	4.55%	7.42%	10.84%	6.62%	5.25%	9.00%	4.28%	-	68.64%	4.64%	5.19%

Total Net Paid Losses as of June 30,

2024	114,972,402	47,578,276	5,881,855	1,441,058	59,661,545	82,299,756	67,888,883	1,726,725	6,900,671	443,863,949	832,215,120
2023	108,403,166	43,704,295	4,700,288	1,239,391	53,912,456	80,716,432	64,344,353	905,616	5,679,782	432,941,575	796,547,354
2022	98,546,741	40,370,389	4,230,166	1,231,670	50,438,175	73,487,739	58,846,923	184,052	4,295,793	416,642,178	748,273,826
2021	96,882,645	37,373,563	4,031,809	1,223,731	48,044,000	68,679,152	53,651,453	169,541	3,200,876	410,971,657	724,228,427
2020	91,149,055	35,167,339	3,648,738	1,246,332	44,891,780	63,415,312	49,593,291	220,160	2,337,939	401,787,343	693,457,289
2019	87,014,316	32,656,513	3,315,537	1,264,510	42,635,441	58,629,303	44,322,025	59,631	1,684,364	391,434,010	663,015,650
2018	82,015,943	30,542,180	3,027,146	1,206,037	39,989,824	53,129,812	40,617,580	1,971	981,417	378,195,546	629,707,456
2017	78,086,105	28,880,271	2,723,563	1,092,373	37,523,395	47,350,135	37,576,040	-	397,453	364,903,021	598,532,356
2016	74,064,556	26,742,745	2,621,002	921,158	35,000,472	44,871,552	33,812,457	-	304,776	352,289,114	570,627,832
2015	71,319,610	25,205,715	2,401,242	834,135	33,183,639	39,398,685	31,421,471	-	174,177	337,778,903	541,717,577
2014	65,775,331	23,101,284	2,135,121	749,643	31,221,064	36,733,563	28,859,624	-	61,352	323,980,663	512,617,645

% Change from Prior Year by Line

2024	6.06%	8.86%	25.14%	16.27%	10.66%	1.96%	5.51%	90.67%	21.50%	2.52%	4.48%
2023	10.00%	8.26%	11.11%	0.63%	6.89%	9.84%	9.34%	392.04%	32.22%	3.91%	6.45%
2022	1.72%	8.02%	4.92%	0.65%	4.98%	7.00%	9.68%	8.56%	34.21%	1.38%	3.32%
2021	6.29%	6.27%	10.50%	-1.81%	7.02%	8.30%	8.18%	-22.99%	36.91%	2.29%	4.44%
2020	4.75%	7.69%	10.05%	-1.44%	5.29%	8.16%	11.89%	269.20%	38.80%	2.64%	4.59%
2019	6.09%	6.92%	9.53%	4.85%	6.62%	10.35%	9.12%	2925.42%	71.63%	3.50%	5.29%
2018	5.03%	5.75%	11.15%	10.41%	6.57%	12.21%	8.09%	-	146.93%	3.64%	5.21%
2017	5.43%	7.99%	3.91%	18.59%	7.21%	5.52%	11.13%	-	30.41%	3.58%	4.89%
2016	3.85%	6.10%	9.15%	10.43%	5.48%	13.89%	7.61%	-	74.98%	4.30%	5.34%
2015	8.43%	9.11%	12.46%	11.27%	6.29%	7.26%	8.88%	-	183.90%	4.26%	5.68%

Total Outstanding Losses as of June 30,

2024	14,917,690	897,767	193,386	115,752	21,428,209	6,792,941	16,602,488	830,696	23,093,698	109,575,623	194,448,250
2023	18,270,903	722,042	574,331	246,677	10,343,021	4,852,091	18,149,121	1,445,930	28,373,060	120,011,398	202,988,574
2022	18,053,002	644,875	170,870	177,763	9,063,774	5,377,999	22,958,295	787,919	26,729,799	139,211,016	223,175,312
2021	14,628,486	744,803	129,524	175,005	9,795,469	2,509,998	21,278,752	105,459	20,798,078	137,712,502	207,878,076
2020	15,516,637	723,824	304,375	274,447	8,897,687	2,661,223	18,250,802	404,840	17,148,717	132,184,891	196,367,443
2019	14,672,571	578,655	291,614	251,813	9,076,757	2,335,117	15,237,380	290,369	15,144,891	131,179,680	189,058,847
2018	13,522,828	424,081	223,701	320,814	10,221,137	2,754,739	14,698,461	148,029	19,156,866	123,260,538	184,731,194
2017	12,665,832	478,042	123,104	323,440	10,037,566	4,203,958	13,636,041	-	10,115,897	124,633,326	176,217,206
2016	13,695,913	654,760	135,022	293,843	9,022,530	2,130,869	14,198,545	-	3,558,228	127,322,681	171,012,391
2015	12,611,159	290,630	117,019	389,235	8,889,363	4,154,794	14,261,068	-	2,768,342	118,946,580	162,428,190
2014	14,506,183	634,692	136,820	397,737	8,751,938	3,223,422	14,947,915	-	1,683,455	112,508,916	156,791,078

% Change from Prior Year by Line

2024	-18.35%	24.34%	-66.33%	-53.08%	107.18%	40.00%	-8.52%	-42.55%	-18.61%	-8.70%	-4.21%
2023	1.21%	11.97%	236.12%	38.77%	14.11%	-9.78%	-20.95%	83.51%	6.15%	-13.79%	-9.05%
2022	23.41%	-13.42%	31.92%	1.58%	-7.47%	114.26%	7.89%	647.13%	28.52%	1.09%	7.36%
2021	-5.72%	2.90%	-57.45%	-36.23%	10.09%	-5.68%	16.59%	-73.95%	21.28%	4.18%	5.86%
2020	5.75%	25.09%	4.38%	8.99%	-1.97%	13.97%	19.78%	39.42%	13.23%	0.77%	3.87%
2019	8.50%	36.45%	30.36%	-21.51%	-11.20%	-15.23%	3.67%	96.16%	-20.94%	6.42%	2.34%
2018	6.77%	-11.29%	81.72%	-0.81%	1.83%	-34.47%	7.79%	-	89.37%	-1.10%	4.83%
2017	-7.52%	-26.99%	-8.83%	10.07%	11.25%	97.29%	-3.96%	-	184.30%	-2.11%	3.04%
2016	8.60%	125.29%	15.38%	-24.51%	1.50%	-48.71%	-0.44%	-	28.53%	7.04%	5.28%
2015	-13.06%	-54.21%	-14.47%	-2.14%	1.57%	28.89%	-4.59%	-	64.44%	5.72%	3.60%

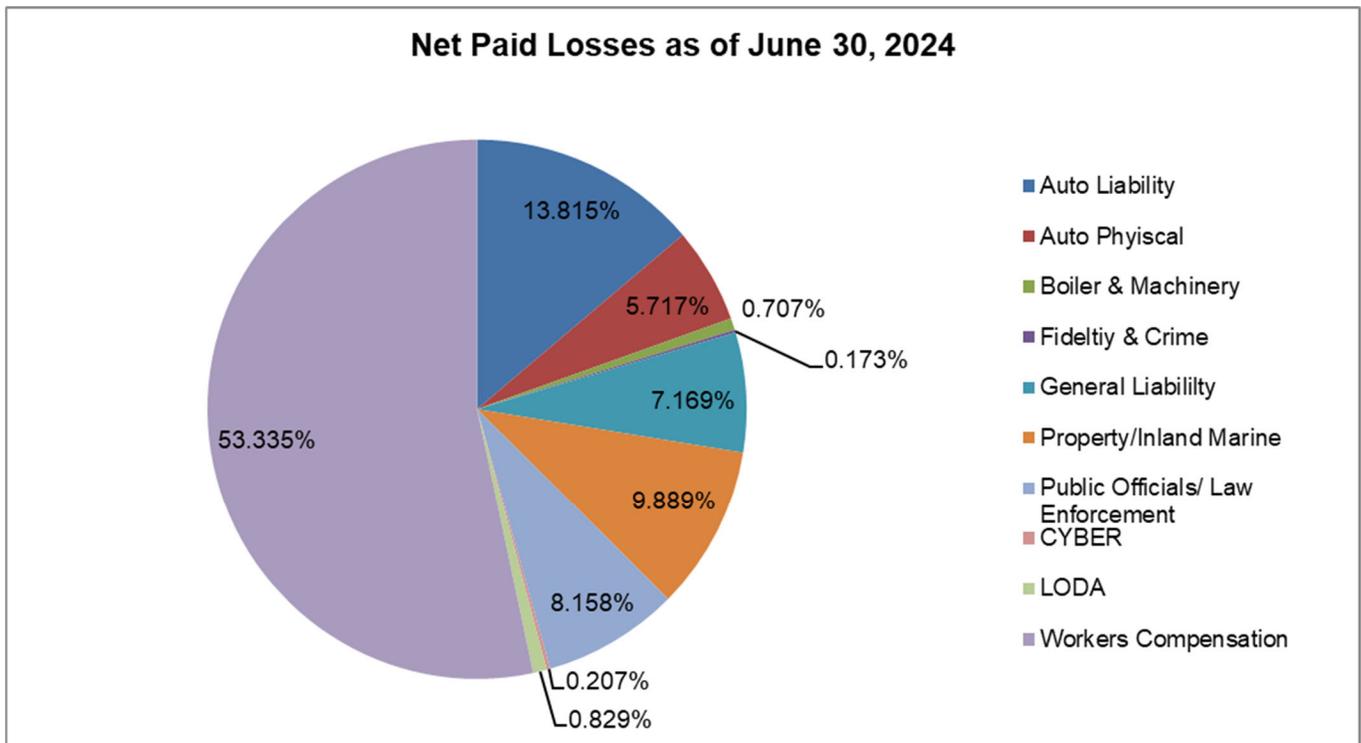
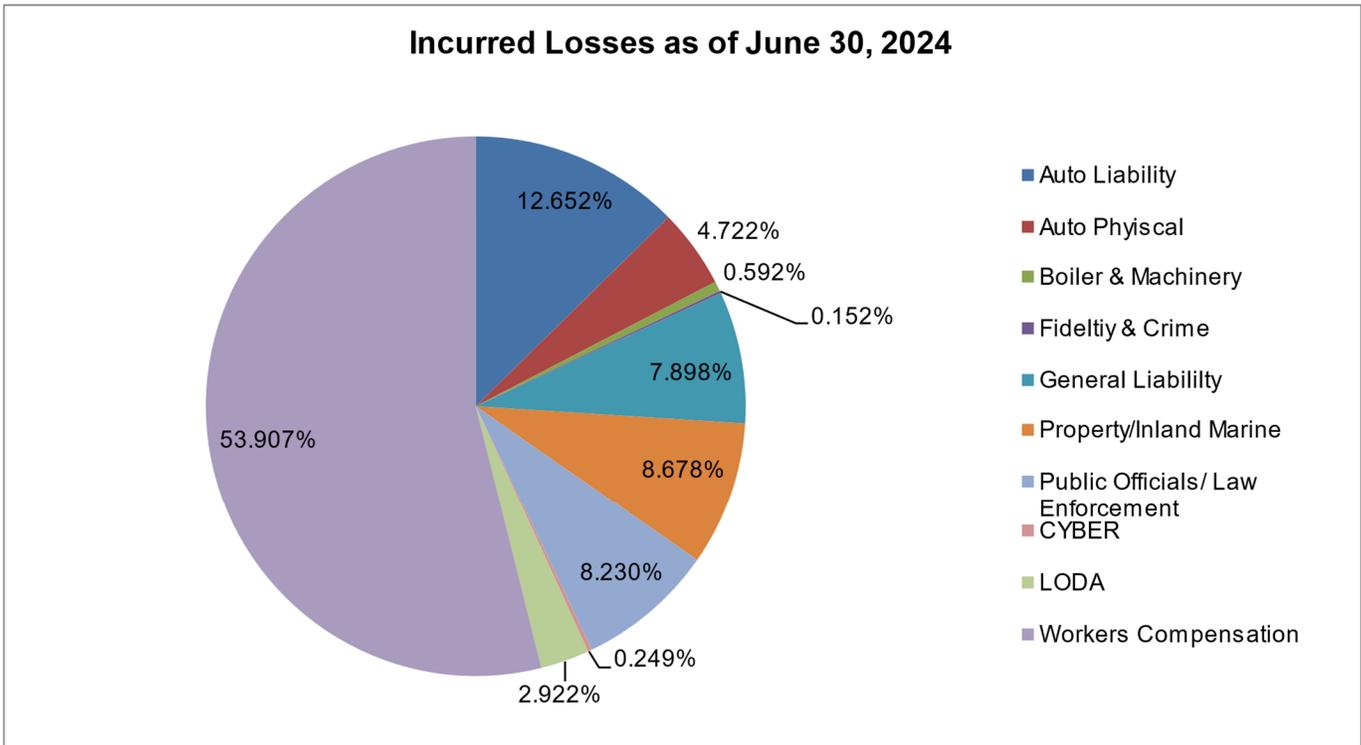
Total incurred losses = Total outstanding losses + Total net paid losses

Total incurred losses = Total estimated cost (paid and unpaid) of all claims as indicated by actuary

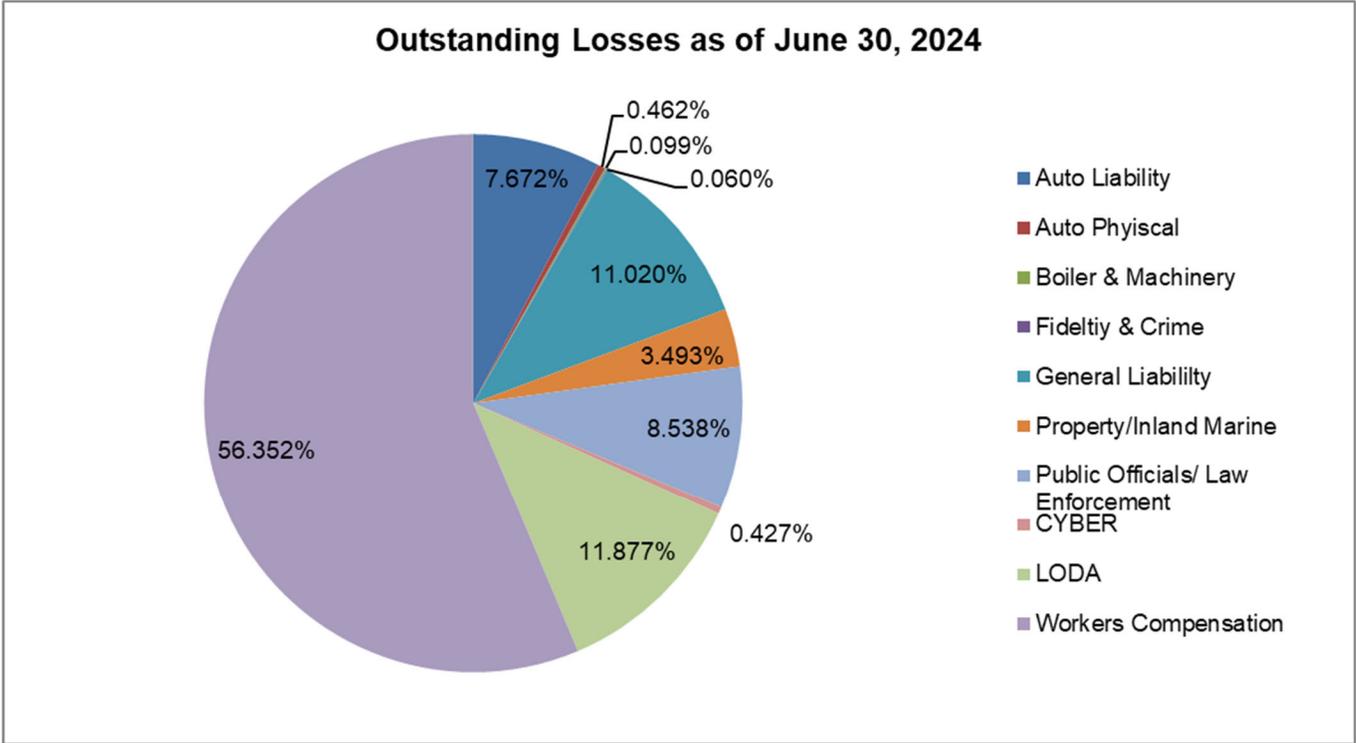
Total outstanding losses = Case reserves on individual claims + incurred but not reported reserves as indicated by actuary

Total net paid losses = Expenses paid on individual claims less recoveries received

Virginia Risk Sharing Association and Subsidiaries
Total Incurred Losses by Line of Coverage, Continued



Virginia Risk Sharing Association and Subsidiaries
Total Incurred Losses by Line of Coverage, Continued



Virginia Risk Sharing Association and Subsidiaries
Claims Development by Line of Coverage
As of Fiscal and Policy Years Ended June 30,

WORKERS COMPENSATION										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Premiums										
Earned	\$ 29,815,390	\$ 25,079,677	\$ 10,755,399	\$ 25,012,691	\$ 22,331,107	\$ 21,035,289	\$ 20,845,868	\$ 20,054,717	\$ 20,083,515	\$ 20,351,394
Ceded	1,007,642	1,008,662	1,080,665	1,018,829	1,022,538	1,067,384	846,297	1,021,186	1,327,043	1,610,256
Net earned	28,807,748	24,071,015	9,674,734	23,993,862	21,308,569	19,967,905	19,999,571	19,033,531	18,756,472	18,741,138
2. Initial estimated total incurred losses										
Incurred	\$ 22,589,414	\$ 26,308,386	\$ 26,530,194	\$ 26,385,040	\$ 21,400,000	\$ 29,128,146	\$ 21,099,392	\$ 20,950,000	\$ 24,678,739	\$ 21,250,000
Ceded	466,905	4,881	667,543	635,040	-	3,078,146	249,392	-	178,739	-
Net incurred	22,122,509	26,303,505	25,862,651	25,750,000	21,400,000	26,050,000	20,850,000	20,950,000	24,500,000	21,250,000
3. Paid losses (cumulative)										
Policy year	\$ 4,767,395	\$ 4,358,142	\$ 3,205,610	\$ 4,508,243	\$ 3,484,002	\$ 5,366,802	\$ 5,065,356	\$ 4,799,580	\$ 4,113,698	\$ 4,271,153
One year later		9,815,185	7,128,568	9,205,135	5,873,828	8,659,469	8,978,307	8,815,542	7,385,864	8,497,761
Two years later			8,252,721	11,781,879	6,731,006	9,308,626	9,681,264	10,194,407	9,288,792	9,791,484
Three years later				12,593,923	7,151,144	10,263,050	10,060,514	10,463,830	10,013,751	10,062,087
Four years later					7,343,671	9,851,076	10,144,742	10,529,531	10,151,866	10,233,482
Five years later						9,991,377	10,153,751	10,552,313	10,138,264	10,284,472
Six years later							10,177,683	10,557,334	10,148,107	10,363,525
Seven years later								10,562,697	10,142,776	10,399,237
Eight years later									10,190,742	10,436,141
Nine years later										10,474,641
4. Re-estimated ceded losses	\$ 466,905	\$ 1,019,084	\$ 785,995	\$ 3,363,247	\$ 367,000	\$ 943,621	\$ -	\$ -	\$ 31,343	\$ -
5. Re-estimated total incurred losses										
Policy year	\$ 22,122,509	\$ 26,303,505	\$ 25,862,651	\$ 25,750,000	\$ 21,400,000	\$ 26,050,000	\$ 20,850,000	\$ 20,950,000	\$ 24,500,000	\$ 21,250,000
One year later		23,752,158	20,398,767	25,800,000	18,750,000	21,325,000	20,350,000	20,650,000	21,250,000	20,350,000
Two years later			20,477,261	21,903,649	17,209,959	18,350,000	18,000,000	19,400,000	19,800,000	18,950,000
Three years later				19,788,119	13,041,968	18,433,752	17,250,000	17,950,000	18,300,000	18,050,000
Four years later					12,495,198	15,455,615	16,250,000	17,450,000	17,475,000	17,300,000
Five years later						15,017,620	14,244,447	16,225,000	16,825,000	17,075,000
Six years later							13,951,214	14,293,004	15,810,000	16,325,000
Seven years later								14,197,608	13,383,552	15,600,000
Eight years later									13,561,665	13,215,549
Nine years later										13,359,834
6. Increase (decrease) in total incurred losses from end of policy year		\$ (2,551,347)	\$ (5,385,390)	\$ (5,961,881)	\$ (8,904,802)	\$ (11,032,380)	\$ (6,898,786)	\$ (6,752,392)	\$ (10,938,335)	\$ (7,890,166)

Virginia Risk Sharing Association and Subsidiaries
Claims Development by Line of Coverage, Continued
As of Fiscal and Policy Years Ended June 30,

LODA										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Premiums										
Earned	\$ 5,287,308	\$ 4,519,482	\$ 1,851,005	\$ 4,295,886	\$ 3,562,172	\$ 2,737,991	\$ 2,349,383	\$ 3,130,211	\$ 2,003,715	\$ 1,805,629
Ceded			-		-	-	-	-	-	-
Net earned	5,287,308	4,519,482	1,851,005	4,295,886	3,562,172	2,737,991	2,349,383	551,648	2,003,715	1,805,629
2. Initial estimated total incurred losses										
Incurred	\$ 1,241,089	\$ 2,138,729	\$ 5,327,765	\$ 3,670,076	\$ 2,487,009	\$ 2,174,078	\$ 6,999,685	\$ 4,591,978	\$ 553,048	\$ 1,114,921
Ceded		-	-	-	-	-	-	-	-	-
Net incurred	1,241,089	2,138,729	5,327,765	3,670,076	2,487,009	2,174,078	6,999,685	4,591,978	553,048	1,114,921
3. Paid losses (cumulative)										
Policy year	\$ 83,725	\$ 175,382	\$ 190,659	\$ 138,739	\$ 54,406	\$ 110,345	\$ 219,524	\$ 23,531	\$ 45,023	\$ 83,348
One year later		270,650	402,251	258,144	170,289	198,021	458,625	185,197	54,490	135,837
Two years later			574,409	411,346	278,683	253,725	654,538	346,940	94,113	168,438
Three years later				552,118	412,927	374,796	862,649	502,641	130,813	223,132
Four years later					535,159	470,304	1,061,995	661,258	151,663	273,097
Five years later						565,812	1,279,093	830,296	187,738	322,686
Six years later							1,477,353	1,010,193	232,351	373,758
Seven years later								1,162,860	279,903	428,292
Eight years later									327,058	484,175
Nine years later										539,284
4. Re-estimated ceded losses				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Re-estimated total incurred losses										
Policy year	\$ 1,241,089	\$ 2,138,729	\$ 5,327,765	\$ 3,670,076	\$ 2,487,009	\$ 2,174,078	\$ 6,999,685	\$ 4,591,978	\$ 553,048	\$ 1,114,921
One year later		1,654,734	6,005,487	3,785,237	2,657,101	2,191,747	4,905,477	6,775,214	1,312,126	1,817,715
Two years later			4,479,974	4,603,875	3,965,819	2,453,258	4,753,146	4,912,842	1,232,883	1,714,104
Three years later				3,370,388	3,978,487	2,610,455	5,094,050	4,648,516	1,077,914	1,736,889
Four years later					2,726,177	2,495,395	5,151,324	5,133,925	1,004,319	1,130,925
Five years later						2,098,282	4,906,125	5,145,849	1,107,955	1,018,304
Six years later							3,759,825	4,999,203	1,075,784	1,139,521
Seven years later								5,155,874	1,138,350	1,209,428
Eight years later									1,246,041	1,121,907
Nine years later										1,386,041
6. Increase (decrease) in total incurred losses from end of policy year		\$ (483,995)	\$ (847,791)	\$ (299,688)	\$ 239,168	\$ (75,796)	\$ (3,239,860)	\$ 563,896	\$ 692,993	\$ 271,120

Virginia Risk Sharing Association and Subsidiaries
Claims Development by Line of Coverage, Continued
As of Fiscal and Policy Years Ended June 30,

COMBINED PROPERTY & LIABILITY										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Premiums										
Earned	\$ 46,874,157	\$ 39,031,120	\$ 20,465,656	\$ 36,022,187	\$ 30,175,276	\$ 29,565,430	\$ 28,532,948	\$ 28,541,538	\$ 27,915,508	\$ 28,649,112
Ceded	13,834,384	11,147,920	9,274,717	7,163,798	7,395,582	6,768,709	6,237,175	6,411,502	6,015,456	5,436,375
Net earned	33,039,773	27,883,200	11,190,939	28,858,389	22,779,694	22,796,721	22,295,773	22,130,036	21,900,052	23,212,737
2. Initial estimated total incurred losses										
Incurred	\$ 41,892,903	\$ 35,312,313	\$ 30,148,559	\$ 23,686,800	\$ 34,891,716	\$ 25,528,908	\$ 27,377,289	\$ 23,842,328	\$ 19,700,000	\$ 22,300,000
Ceded	3,778,371	766,927	222,898	386,800	9,791,716	53,196	2,315,341	967,328	-	1,900,000
Net incurred	38,114,532	34,545,386	29,925,661	23,300,000	25,100,000	25,675,712	25,211,948	22,875,000	19,700,000	20,400,000
3. Paid losses (cumulative)										
Policy year	\$ 11,058,443	\$ 12,232,350	\$ 8,373,696	\$ 6,999,233	\$ 8,708,751	\$ 9,176,467	\$ 8,266,686	\$ 6,947,648	\$ 5,825,224	\$ 6,606,857
One year later		17,899,208	14,273,662	12,144,193	12,843,453	11,271,780	9,505,275	10,647,837	10,413,627	7,670,565
Two years later			14,818,425	13,075,066	13,772,484	11,342,545	13,929,897	12,254,881	9,684,028	9,684,028
Three years later				16,121,758	20,134,640	13,061,293	14,431,969	13,011,272	10,531,373	10,531,373
Four years later					21,475,230	18,280,321	15,246,988	14,746,511	11,299,093	11,299,093
Five years later						18,764,940	22,316,711	15,124,432	11,645,466	11,645,466
Six years later							24,149,285	19,155,712	11,670,378	11,670,378
Seven years later								19,704,403	14,505,121	16,792,288
Eight years later									14,596,960	16,792,157
Nine years later										16,788,675
4. Re-estimated ceded losses	\$ 3,778,371	\$ 2,239,512	\$ 2,300,510	\$ 336,463	\$ 12,595,075	\$ 3,960,357	\$ 10,166,522	\$ 978,517	\$ 1,018,948	\$ 1,790,972
5. Re-estimated total incurred losses										
Policy year	38,114,532	\$ 34,545,386	\$ 29,925,661	\$ 23,300,000	\$ 25,100,000	\$ 25,675,712	\$ 25,211,948	\$ 22,875,000	\$ 19,700,000	\$ 20,400,000
One year later		34,454,392	27,110,509	22,309,681	25,466,481	23,429,705	22,344,459	18,636,941	19,153,073	19,153,073
Two years later			25,801,482	19,965,968	25,814,426	24,487,521	20,614,931	18,032,078	19,632,339	19,632,339
Three years later				20,191,294	24,754,720	23,221,163	23,972,884	16,652,390	17,827,598	17,827,598
Four years later					23,314,596	21,028,708	23,998,324	19,407,389	17,969,049	17,969,049
Five years later						21,085,719	25,037,826	20,665,482	15,632,874	17,741,311
Six years later							24,768,046	20,540,977	15,720,281	17,407,788
Seven years later								20,163,280	14,884,513	17,214,905
Eight years later									14,757,405	16,979,456
Nine years later										16,875,422
6. Increase (decrease) in total incurred losses from end of policy year		\$ (90,994)	\$ (4,124,179)	\$ (3,108,706)	\$ (1,785,404)	\$ (4,589,993)	\$ (443,902)	\$ (2,711,720)	\$ (4,942,595)	\$ (3,524,578)

Virginia Risk Sharing Association and Subsidiaries
Claims Development by Line of Coverage, Continued
As of Fiscal and Policy Years Ended June 30,

GENERAL LIABILITY										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Premiums										
Earned	\$ 4,880,361	\$ 3,855,905	\$ 1,644,439	\$ 3,737,542	\$ 2,738,630	\$ 2,908,569	\$ 2,970,925	\$ 2,994,970	\$ 3,077,724	\$ 3,519,738
Ceded	62,158	62,158	83,613	81,070	-	-	-	-	-	-
Net earned	4,818,203	3,793,747	1,560,826	3,656,472	2,738,630	2,908,569	2,970,925	2,994,970	3,077,724	3,519,738
2. Initial estimated total incurred losses										
Incurred	\$ 9,244,407	\$ 4,728,996	\$ 3,675,183	\$ 3,900,000	\$ 3,400,000	\$ 3,500,000	\$ 4,250,000	\$ 4,250,000	\$ 3,850,000	\$ 3,500,000
Ceded	-	-	-	-	-	-	-	-	-	-
Net incurred	\$ 9,244,407	4,728,996	3,675,183	3,900,000	3,400,000	3,500,000	4,250,000	4,250,000	3,850,000	3,500,000
3. Paid losses (cumulative)										
Policy year	\$ 1,779,074	\$ 1,596,437	\$ 808,967	\$ 1,163,113	\$ 1,021,315	\$ 1,024,550	\$ 903,473	\$ 1,048,763	\$ 1,136,335	\$ 895,614
One year later		3,180,556	1,706,599	1,733,344	1,671,978	1,446,917	1,499,235	1,537,701	1,655,629	1,175,828
Two years later			2,406,798	2,175,456	1,962,354	1,795,785	1,819,099	1,971,281	2,069,185	1,632,747
Three years later				3,265,881	2,155,719	1,880,176	1,997,708	2,071,828	2,277,227	1,818,193
Four years later					2,645,642	2,078,921	2,355,835	2,399,666	2,579,803	1,947,725
Five years later						2,137,122	2,420,715	2,568,941	2,581,668	2,017,293
Six years later							2,420,801	2,603,364	2,581,668	2,169,018
Seven years later								2,604,144	2,587,149	2,319,695
Eight years later									2,633,284	2,319,695
Nine years later										2,319,739
4. Re-estimated ceded losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Re-estimated total incurred losses										
Policy year	\$ 9,244,407	\$ 4,728,996	\$ 3,675,183	\$ 3,900,000	\$ 3,400,000	\$ 3,500,000	\$ 4,250,000	\$ 4,250,000	\$ 3,850,000	\$ 3,500,000
One year later		9,739,583	4,493,826	3,510,434	3,500,000	3,600,000	3,500,000	3,750,000	3,850,000	3,000,000
Two years later			7,637,913	3,618,075	2,966,769	4,000,000	3,200,000	3,500,000	3,500,000	3,100,000
Three years later				3,972,384	3,253,976	3,311,571	3,000,000	3,000,000	3,500,000	2,800,000
Four years later					2,993,225	2,891,193	3,063,075	3,150,000	3,200,000	2,500,000
Five years later						2,696,954	2,671,846	2,922,217	3,000,000	2,500,000
Six years later							2,499,302	2,772,005	2,835,618	2,450,000
Seven years later								2,654,566	2,773,474	2,498,177
Eight years later									2,660,034	2,383,788
Nine years later										2,346,396
6. Increase (decrease) in total incurred losses from end of policy year		\$ 5,010,587	\$ 3,962,730	\$ 72,384	\$ (406,775)	\$ (803,046)	\$ (1,750,698)	\$ (1,595,434)	\$ (1,189,966)	\$ (1,153,604)

Virginia Risk Sharing Association and Subsidiaries
Claims Development by Line of Coverage, Continued
As of Fiscal and Policy Years Ended June 30,

PUBLIC OFFICIALS/LAW ENFORCEMENT										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Premiums										
Earned	\$ 5,584,533	\$ 3,994,190	\$ 1,643,868	\$ 4,113,581	\$ 3,274,328	\$ 3,105,184	\$ 3,072,947	\$ 3,132,465	\$ 3,297,492	\$ 3,776,673
Ceded			-		-	-	-	-	-	-
Net earned	5,584,533	3,994,190	1,643,868	4,113,581	3,274,328	3,105,184	3,072,947	3,132,465	3,297,492	3,776,673
2. Initial estimated total incurred losses										
Incurred	\$ 5,230,168	\$ 5,810,733	\$ 5,758,853	\$ 7,200,000	\$ 6,100,000	\$ 5,000,000	\$ 5,661,948	\$ 4,200,000	\$ 4,000,000	\$ 3,500,000
Ceded		-		-	-	-	-	-	-	-
Net incurred	5,230,168	5,810,733	5,758,853	7,200,000	6,100,000	5,000,000	5,661,948	4,200,000	4,000,000	3,500,000
3. Paid losses (cumulative)										
Policy year	\$ 218,600	\$ 315,419	\$ 65,891	\$ 370,068	\$ 204,471	\$ 191,096	\$ 488,303	\$ 300,619	\$ 212,685	\$ 51,393
One year later		695,219	865,834	1,556,915	1,293,900	1,046,015	1,565,014	996,086	666,589	443,380
Two years later			1,438,832	2,540,450	3,137,921	1,853,592	3,508,560	1,708,917	1,724,554	2,397,590
Three years later				3,327,444	4,150,014	2,093,676	4,377,710	2,324,213	2,679,700	2,565,038
Four years later					4,840,222	2,204,367	4,895,095	2,955,029	3,210,431	3,112,390
Five years later						2,569,220	5,057,929	3,396,543	3,265,165	3,246,168
Six years later							5,497,215	5,399,123	3,400,373	3,465,737
Seven years later								5,428,950	3,506,283	4,226,810
Eight years later									3,551,987	4,228,363
Nine years later										4,228,430
4. Re-estimated ceded losses				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 662,654
5. Re-estimated total incurred losses										
Policy year	\$ 5,230,168	\$ 5,810,733	\$ 5,758,853	\$ 7,200,000	\$ 6,100,000	\$ 5,000,000	\$ 5,661,948	\$ 4,200,000	\$ 4,000,000	\$ 3,500,000
One year later		4,947,324	4,882,627	6,980,917	6,400,000	5,400,000	5,558,460	5,661,948	3,800,000	3,500,000
Two years later			3,757,645	5,720,938	7,114,842	5,200,000	6,700,000	4,488,400	4,411,547	4,600,000
Three years later				4,983,224	6,588,309	4,243,843	6,700,000	4,296,989	3,933,977	3,665,387
Four years later					5,841,318	3,441,443	6,403,995	4,311,985	4,231,631	4,672,985
Five years later						4,009,629	6,010,391	5,743,561	4,072,787	4,701,657
Six years later							5,847,840	5,858,317	4,429,436	4,596,495
Seven years later								5,729,184	3,680,770	4,425,101
Eight years later									3,685,682	4,351,568
Nine years later										4,288,520
6. Increase (decrease) in total incurred losses from end of policy year		\$ (863,409)	\$ (2,001,208)	\$ (2,216,776)	\$ (258,682)	\$ (990,371)	\$ 185,892	\$ 1,529,184	\$ (314,318)	\$ 788,520

Virginia Risk Sharing Association and Subsidiaries
Claims Development by Line of Coverage, Continued
As of Fiscal and Policy Years Ended June 30,

AUTOMOBILE										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Premiums										
Earned	\$ 12,837,459	\$ 10,638,160	\$ 4,270,004	\$ 10,662,244	\$ 7,834,492	\$ 8,867,732	\$ 8,326,381	\$ 8,092,621	\$ 8,181,996	\$ 8,953,955
Ceded					-	-	-	-	-	-
Net earned	12,837,459	10,638,160	4,270,004	10,662,244	7,834,492	8,867,732	8,326,381	8,092,621	8,181,996	8,953,955
2. Initial estimated total incurred losses										
Incurred	\$ 13,243,347	\$ 13,268,192	\$ 11,016,194	\$ 7,886,800	\$ 8,964,716	\$ 10,630,065	\$ 10,709,000	\$ 8,200,000	\$ 8,350,000	\$ 8,000,000
Ceded	141,750	199,970	70,036	386,800	64,716	36,196	1,509,000	-	-	-
Net incurred	13,101,597	13,068,222	10,946,158	7,500,000	8,900,000	10,593,869	9,200,000	8,200,000	8,350,000	8,000,000
3. Paid losses (cumulative)										
Policy year	\$ 6,056,997	\$ 4,742,980	\$ 3,733,280	\$ 2,868,084	\$ 3,612,342	\$ 3,869,183	\$ 3,140,582	\$ 3,058,884	\$ 2,775,793	\$ 3,305,481
One year later		6,334,787	4,717,036	4,726,734	4,819,498	5,523,981	4,708,141	3,737,665	4,389,227	3,815,488
Two years later			5,122,404	4,230,677	4,230,677	8,023,516	5,122,207	4,742,899	4,714,299	4,775,246
Three years later				5,367,984	7,579,414	7,606,114	7,207,175	5,376,142	5,211,329	4,929,925
Four years later					7,876,380	8,596,416	7,597,213	5,547,273	5,342,469	5,066,889
Five years later						8,732,072	7,597,213	5,699,752	5,353,254	5,141,753
Six years later							10,920,510	5,927,804	5,523,221	5,141,170
Seven years later								6,446,076	5,523,221	5,140,374
Eight years later									5,523,221	5,139,353
Nine years later										5,139,353
4. Re-estimated ceded losses	\$ 141,750	\$ 244,830	\$ 114,132	\$ 309,443	\$ 1,535,089	\$ 3,917,430	\$ 9,336,799	\$ -	\$ 106,632	\$ 220,574
5. Re-estimated total incurred losses										
Policy year	\$ 13,101,597	\$ 13,068,222	\$ 10,946,158	\$ 7,500,000	\$ 8,900,000	\$ 10,593,869	\$ 9,200,000	\$ 8,200,000	\$ 8,350,000	\$ 8,000,000
One year later		11,026,328	9,215,349	7,307,987	8,114,045	9,847,483	880,772	7,227,666	7,603,261	7,228,073
Two years later			8,372,855	6,413,745	8,639,673	9,643,218	8,726,221	7,135,212	7,062,516	6,675,377
Three years later				7,063,082	8,647,685	10,160,268	9,106,960	6,722,608	6,314,693	6,155,249
Four years later					8,366,229	9,286,722	9,399,212	6,612,751	5,805,539	5,649,403
Five years later						9,052,610	11,041,790	6,623,123	5,655,549	5,393,525
Six years later							11,110,145	6,620,954	5,566,502	5,244,258
Seven years later								6,554,297	5,541,801	5,181,754
Eight years later									5,523,221	5,139,353
Nine years later										5,139,353
6. Increase (decrease) in total incurred losses from end of policy year		\$ (2,041,894)	\$ (2,573,303)	\$ (436,918)	\$ (533,771)	\$ (1,541,259)	\$ 1,910,145	\$ (1,645,703)	\$ (2,826,779)	\$ (2,860,647)

Virginia Risk Sharing Association and Subsidiaries
Claims Development by Line of Coverage, Continued
As of Fiscal and Policy Years Ended June 30,

PROPERTY										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Premiums										
Earned	\$ 20,464,300	\$ 17,956,467	\$ 11,979,975	\$ 15,284,957	\$ 14,597,598	\$ 13,123,542	\$ 12,682,673	\$ 13,110,014	\$ 12,190,146	\$ 11,288,076
Ceded	12,882,939	10,198,136	9,173,071	6,962,214	6,885,035	6,302,542	5,817,904	6,025,635	5,658,780	5,175,746
Net earned	7,581,361	7,758,331	2,806,904	8,322,743	7,712,563	6,821,000	6,864,769	7,084,379	6,531,366	6,112,330
2. Initial estimated total incurred losses										
Incurred	\$ 11,733,312	\$ 8,444,038	\$ 8,320,894	\$ 4,300,000	\$ 15,460,000	\$ 5,731,843	\$ 6,090,757	\$ 6,967,328	\$ 3,250,000	\$ 6,900,000
Ceded	3,636,621	-	145,463	-	9,710,000	-	690,757	967,328	-	1,900,000
Net incurred	8,096,691	8,444,038	8,175,431	4,300,000	5,750,000	5,731,843	5,400,000	6,000,000	3,250,000	5,000,000
3. Paid losses (cumulative)										
Policy year	\$ 1,949,415	\$ 5,040,091	\$ 3,441,222	\$ 2,427,492	\$ 3,659,094	\$ 3,860,418	\$ 3,556,058	\$ 2,536,821	\$ 1,665,250	\$ 2,160,800
One year later		5,989,146	6,199,474	3,856,724	6,440,007	4,917,287	4,774,833	4,751,780	2,469,904	4,841,981
Two years later			5,065,672	3,858,007	6,480,011	4,975,723	4,877,479	5,097,805	2,510,581	4,753,551
Three years later				3,889,973	5,827,390	4,911,079	4,844,126	5,063,690	2,569,111	4,742,610
Four years later					5,690,883	4,895,601	4,840,006	5,065,918	2,569,374	4,739,694
Five years later						4,821,510	5,032,767	5,066,518	2,574,799	4,739,164
Six years later							5,031,320	4,973,840	2,564,799	4,738,358
Seven years later								4,973,895	2,564,542	4,738,358
Eight years later									2,564,542	4,737,695
Nine years later										4,736,376
4. Re-estimated ceded losses	\$ 3,636,621	\$ 1,656,772	\$ 2,053,928	\$ -	\$ 11,034,986	\$ -	\$ 642,471	\$ 978,517	\$ -	\$ 907,744
5. Re-estimated total incurred losses										
Policy year	\$ 8,096,691	\$ 8,444,038	\$ 8,175,431	\$ 4,300,000	\$ 5,750,000	\$ 5,731,843	\$ 5,400,000	\$ 6,000,000	\$ 3,250,000	\$ 5,000,000
One year later		6,552,052	7,488,426	4,204,209	6,910,381	5,350,000	5,114,167	5,400,000	3,000,000	5,000,000
Two years later			5,136,265	3,931,582	6,651,087	5,104,050	4,996,317	5,211,475	2,700,000	4,850,000
Three years later				3,902,128	5,839,051	4,965,228	4,883,456	5,082,453	2,579,795	4,800,000
Four years later					5,690,893	4,903,686	4,852,603	5,081,072	2,569,375	4,739,699
Five years later						4,821,510	5,034,360	5,125,000	2,580,612	4,739,167
Six years later							5,031,320	5,038,120	2,564,799	4,740,556
Seven years later								4,973,895	2,564,542	4,738,358
Eight years later									2,564,542	4,737,695
Nine years later										4,736,376
6. Increase (decrease) in total incurred losses from end of policy year		\$ (1,891,986)	\$ (3,039,166)	\$ (397,872)	\$ (59,107)	\$ (910,333)	\$ (368,680)	\$ (1,026,105)	\$ (685,458)	\$ (263,624)

Virginia Risk Sharing Association and Subsidiaries
Claims Development by Line of Coverage, Continued
As of Fiscal and Policy Years Ended June 30,

BOILER & MACHINERY										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Premiums										
Earned	\$ 1,216,419	\$ 1,166,665	\$ 477,952	\$ 1,134,271	\$ 998,235	\$ 911,528	\$ 884,471	\$ 913,712	\$ 867,745	\$ 811,366
Ceded	582,462	580,801			424,681	381,030	350,559	385,867	356,676	260,629
Net earned	633,957	585,864	477,952	1,134,271	573,554	530,498	533,912	527,845	511,069	550,737
2. Initial estimated total incurred losses										
Incurred	\$ 804,806	\$ 1,400,948	\$ 258,568	\$ 300,000	\$ 467,000	\$ 517,000	\$ 515,584	\$ 125,000	\$ 150,000	\$ 300,000
Ceded	-	566,957	-	-	17,000	17,000	115,584	-	-	-
Net incurred	804,806	833,991	258,568	300,000	450,000	500,000	400,000	125,000	150,000	300,000
3. Paid losses (cumulative)										
Policy year	\$ 611,420	\$ 264,503	\$ 98,356	\$ 170,476	\$ 145,626	\$ 208,386	\$ 176,299	\$ 2,561	\$ 33,016	\$ 188,147
One year later		834,651	303,976	270,476	317,055	395,960	256,305	129,845	133,015	281,962
Two years later			303,976	270,476	318,055	437,127	256,305	129,845	133,015	281,962
Three years later				270,476	317,055	437,127	256,305	129,845	133,015	281,962
Four years later					317,055	437,127	256,305	129,845	133,015	281,962
Five years later						437,127	256,305	129,845	133,015	281,962
Six years later							256,305	129,845	133,015	281,962
Seven years later								129,845	133,015	281,962
Eight years later									133,015	281,962
Nine years later										281,962
4. Re-estimated ceded losses	\$ -	\$ 337,910	\$ 132,450	\$ 27,020	\$ -	\$ -	\$ 115,584	\$ -	\$ 912,316	\$ -
5. Re-estimated total incurred losses										
Policy year	\$ 804,806	\$ 833,991	\$ 258,568	\$ 300,000	\$ 450,000	\$ 500,000	\$ 400,000	\$ 125,000	\$ 150,000	\$ 300,000
One year later		834,651	308,819	281,134	317,055	395,961	256,305	129,845	133,680	300,000
Two years later			303,976	270,476	317,055	437,127	256,305	129,845	133,015	281,962
Three years later				270,476	317,055	437,127	256,305	129,845	133,015	281,962
Four years later					317,055	437,127	256,305	129,845	133,015	281,962
Five years later						437,127	256,305	129,845	133,015	281,962
Six years later							256,305	129,845	133,015	281,962
Seven years later								129,845	133,015	281,962
Eight years later									133,015	281,962
Nine years later										281,962
6. Increase (decrease) in total incurred losses from end of policy year		\$ 660	\$ 45,408	\$ (29,524)	\$ (132,945)	\$ (62,873)	\$ (143,695)	\$ 4,845	\$ (16,985)	\$ (18,038)

Virginia Risk Sharing Association and Subsidiaries
Claims Development by Line of Coverage, Continued
As of Fiscal and Policy Years Ended June 30,

FIDELITY & CRIME										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Premiums										
Earned	\$ 331,283	\$ 297,169	\$ 132,329	\$ 341,109	\$ 295,818	\$ 279,315	\$ 276,779	\$ 297,756	\$ 300,405	\$ 299,304
Ceded					-	-	-	-	-	-
Net earned	331,283	297,169	132,329	341,109	295,818	279,315	276,779	297,756	300,405	299,304
2. Initial estimated total incurred losses										
Incurred	\$ 285,760	\$ 202,616	\$ 150,000	\$ 100,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000
Ceded		-	-	-	-	-	-	-	-	-
Net incurred	285,760	202,616	150,000	100,000	150,000	150,000	150,000	100,000	100,000	100,000
3. Paid losses (cumulative)										
Policy year	\$ 220,097	\$ 17,587	\$ -	\$ -	\$ -	\$ 3,126	\$ -	\$ -	\$ 2,145	\$ 5,422
One year later		11,248	-	-	22,242	3,126	-	118,703	190,911	89,198
Two years later			-	-	22,242	3,126	-	121,736	190,911	88,801
Three years later				-	22,242	3,126	1,163	121,736	190,911	94,241
Four years later					22,242	3,126	1,163	121,736	190,911	98,328
Five years later						3,126	1,163	121,736	190,911	97,428
Six years later							1,163	121,736	190,911	94,516
Seven years later								121,493	190,911	85,089
Eight years later									190,911	85,089
Nine years later										82,815
4. Re-estimated ceded losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Re-estimated total incurred losses										
Policy year	\$ 285,760	\$ 202,616	\$ 150,000	\$ 100,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000
One year later		38,669	49,378	25,000	75,000	100,000	50,000	175,000	250,000	125,000
Two years later			22,664	11,152	25,000	3,126	-	150,000	225,000	125,000
Three years later				-	23,354	3,126	1,163	121,736	190,911	125,000
Four years later					22,242	3,126	1,163	121,736	190,911	125,000
Five years later						3,126	1,163	121,736	190,911	125,000
Six years later							1,163	121,736	190,911	94,517
Seven years later								121,493	190,911	89,553
Eight years later									190,911	85,090
Nine years later										82,815
6. Increase (decrease) in total incurred losses from end of policy year		\$ (163,947)	\$ (127,336)	\$ (100,000)	\$ (127,758)	\$ (146,874)	\$ (148,837)	\$ 21,493	\$ 90,911	\$ (17,185)

Virginia Risk Sharing Association and Subsidiaries
Claims Development by Line of Coverage, Continued
As of Fiscal and Policy Years Ended June 30,

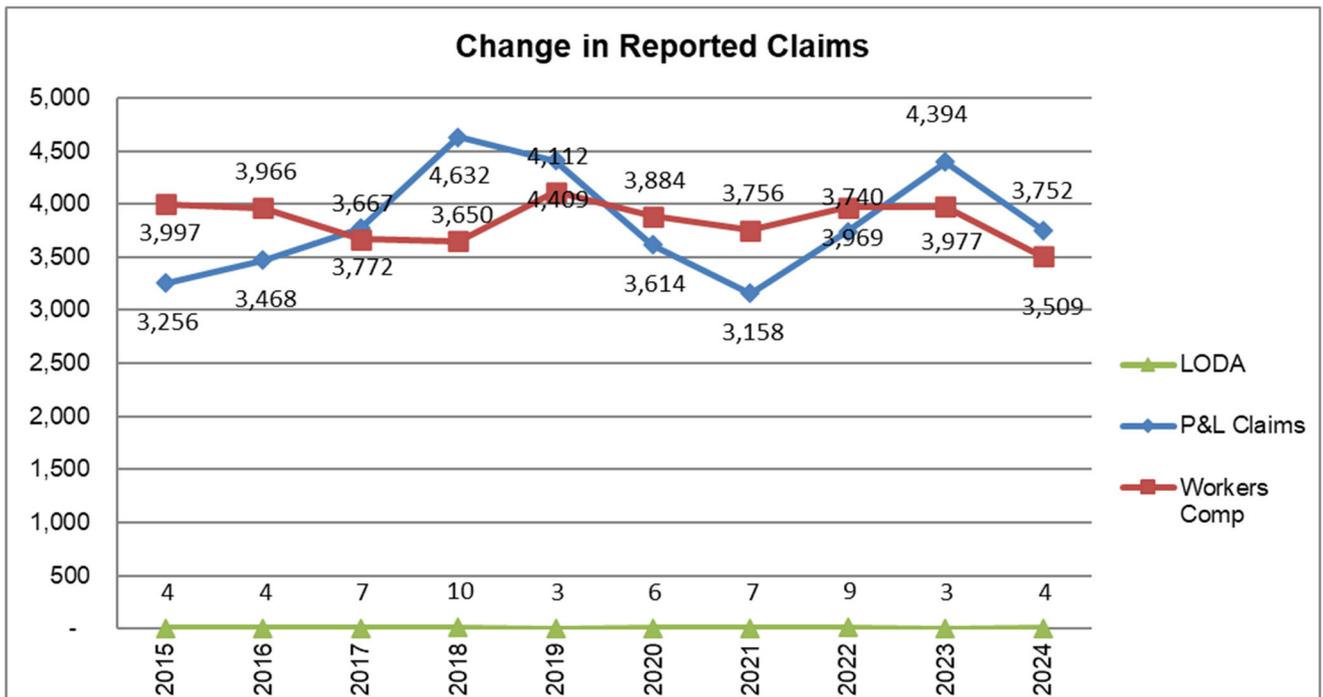
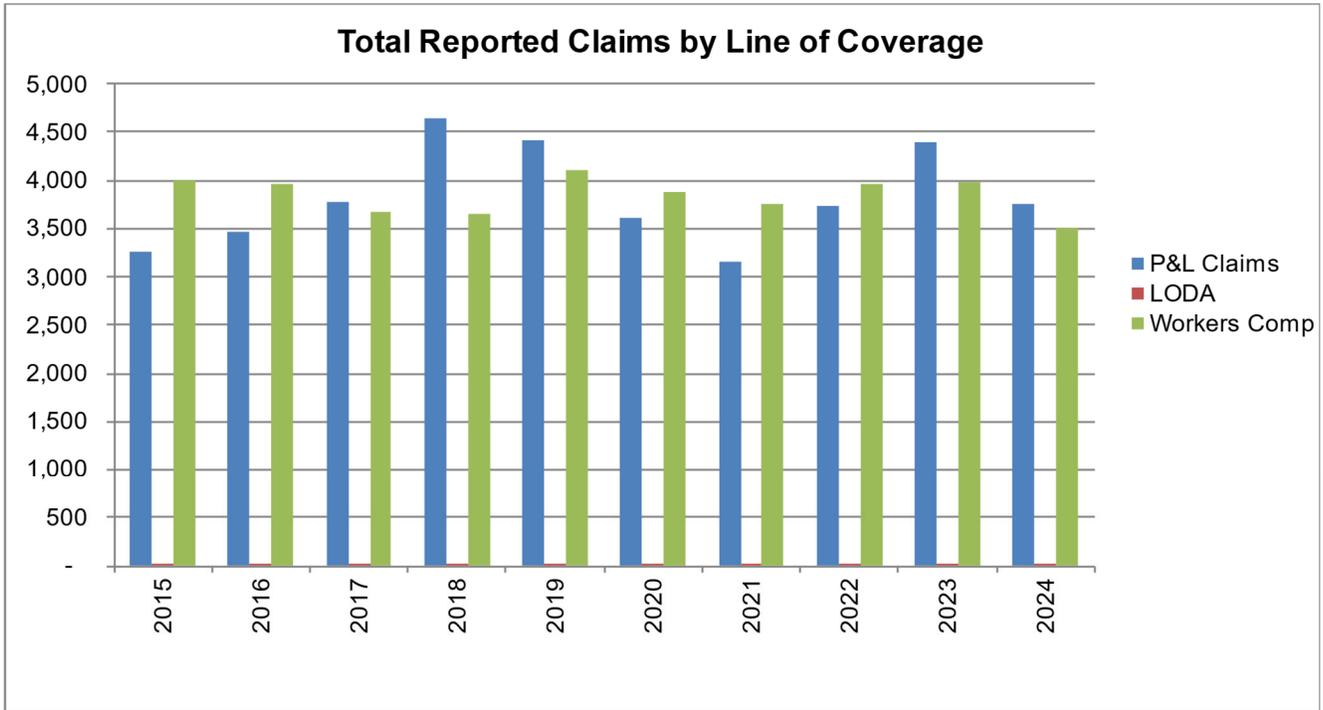
CYBER										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Premiums										
Earned	\$ 1,559,802	\$ 1,122,564	\$ 317,089	\$ 748,483	\$ 436,175	\$ 369,560	\$ 318,772			
Ceded	306,825	306,825	18,033	120,514	85,866	85,136	68,712			
Net earned	1,252,977	815,739	299,056	627,969	350,309	284,424	250,060			
2. Initial estimated total incurred losses										
Incurred	\$ 1,351,103	\$ 1,456,790	\$ 968,867	\$ -	\$ 350,000	\$ -	\$ -			
Ceded	-	-	7,399	-	-	-	-			
Net incurred	1,351,103	1,456,790	961,468	-	350,000	200,000	150,000			
3. Paid losses (cumulative)										
Policy year	\$ 222,840	\$ 255,333	\$ 225,980	\$ -	\$ 65,903	\$ 19,708	\$ 1,971			
One year later		853,601	480,743	-	82,806	92,286	39,924			
Two years later			480,743	-	82,806	64,763	61,971			
Three years later				-	82,806	64,763	21,971			
Four years later					82,806	64,763	21,971			
Five years later						64,763	21,971			
Six years later							21,971			
Seven years later										
Eight years later										
Nine years later										
4. Re-estimated ceded losses	\$ -		\$ -	\$ -	\$ 25,000	\$ 42,927	\$ 71,668			
5. Re-estimated total incurred losses										
Policy year	\$ 1,351,103	\$ 1,456,790	\$ 961,468	\$ -	\$ 350,000	\$ 200,000	\$ 150,000			
One year later		1,315,785	672,084	-	150,000	200,000	150,000			
Two years later			570,164	-	100,000	100,000	75,000			
Three years later				-	85,290	100,000	25,000			
Four years later					83,634	65,411	21,971			
Five years later						64,763	21,971			
Six years later							21,971			
Seven years later										
Eight years later										
Nine years later										
6. Increase (decrease) in total incurred losses from end of policy year		\$ (141,005)	\$ (391,304)	\$ -	\$ (266,366)	\$ (135,237)	\$ (128,029)			

Virginia Risk Sharing Association and Subsidiaries
Reported Claims Analysis by Line of Coverage
For Policy Years Ended June 30,

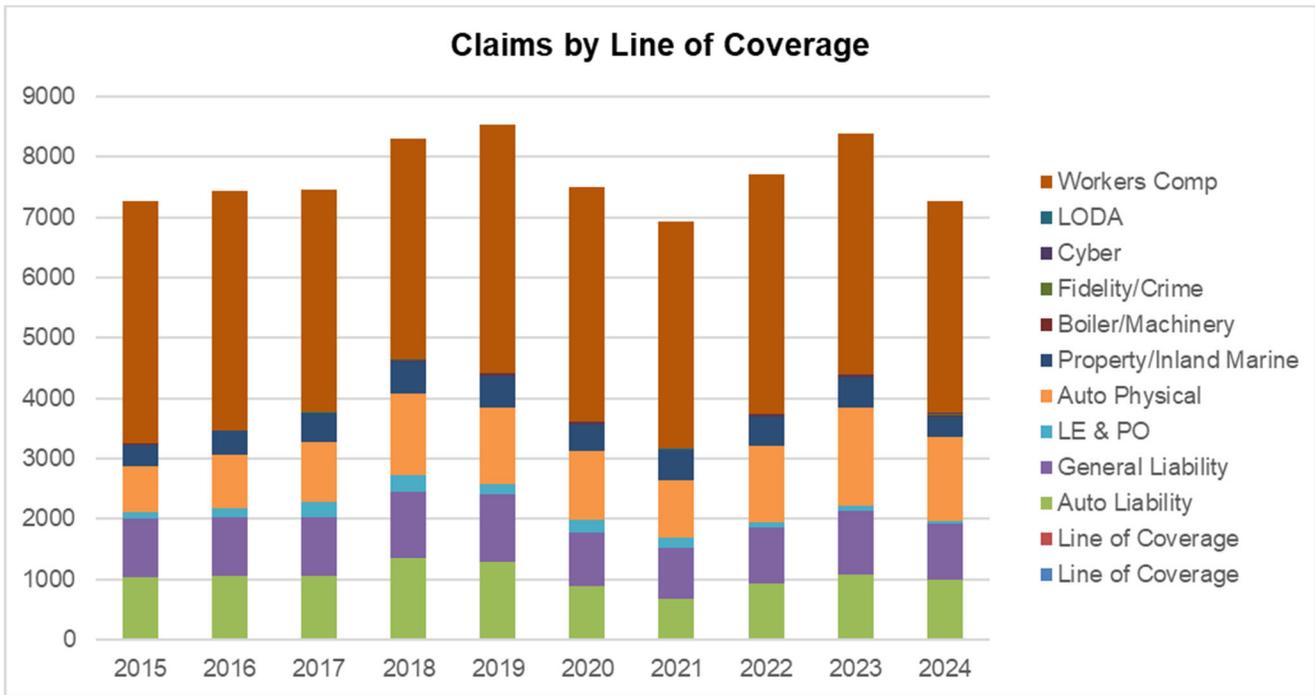
Line of Coverage	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Auto Liability	1,047	1,062	1,052	1,360	1,286	898	676	933	1,082	991
General Liability	956	977	986	1,101	1,122	873	858	927	1,050	934
LE & PO	112	132	248	274	168	212	153	85	96	53
Auto Physical	758	888	984	1,352	1,271	1,136	960	1,259	1,608	1,372
Property/Inland Marine	369	402	488	518	533	462	501	500	515	352
Boiler/Machinery	8	4	7	14	15	14	8	13	20	23
Fidelity/Crime	6	3	7	7	3	6	2	2	9	14
Cyber	-	-	-	6	11	13	-	21	14	13
LODA	4	4	7	10	3	6	7	9	3	4
Workers Comp	3,997	3,966	3,667	3,650	4,112	3,884	3,756	3,969	3,977	3,509
Total Claims Reported	7,257	7,438	7,446	8,292	8,524	7,504	6,921	7,718	8,374	7,265
% change		2.49%	0.11%	11.36%	2.80%	-11.97%	-7.77%	11.52%	8.50%	-13.24%
overall % change										0.11%

Claims are reported via different methods including online, via the nurse triage service, fax, phone and mail. Claims are associated with the policy year that the occurrence happened in, regardless of when the claim is reported. As a result, claims counts can change for previous policy years.

Virginia Risk Sharing Association and Subsidiaries
Reported Claims Analysis by Line of Coverage, Continued
For Policy Years Ended June 30,



**Virginia Risk Sharing Association and Subsidiaries
 Reported Claims Analysis by Line of Coverage, Continued
 For Policy Years Ended June 30,**

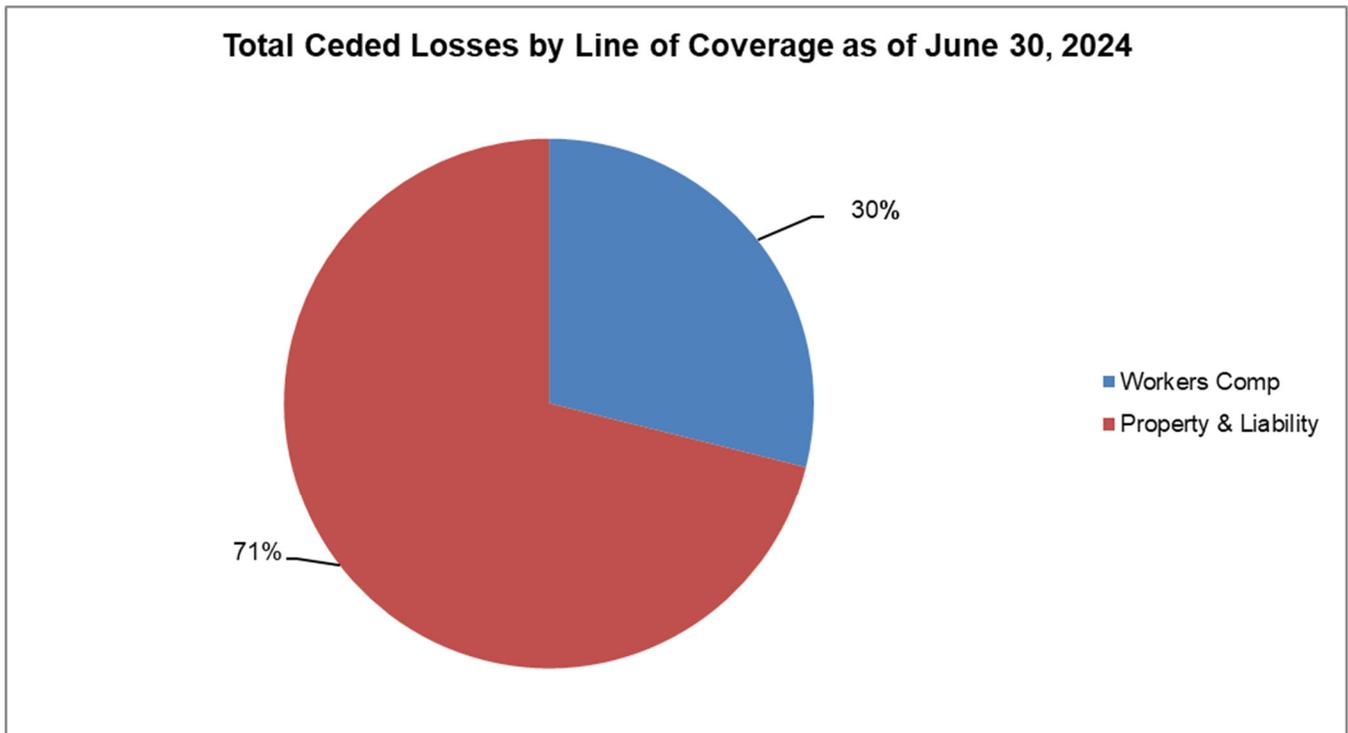
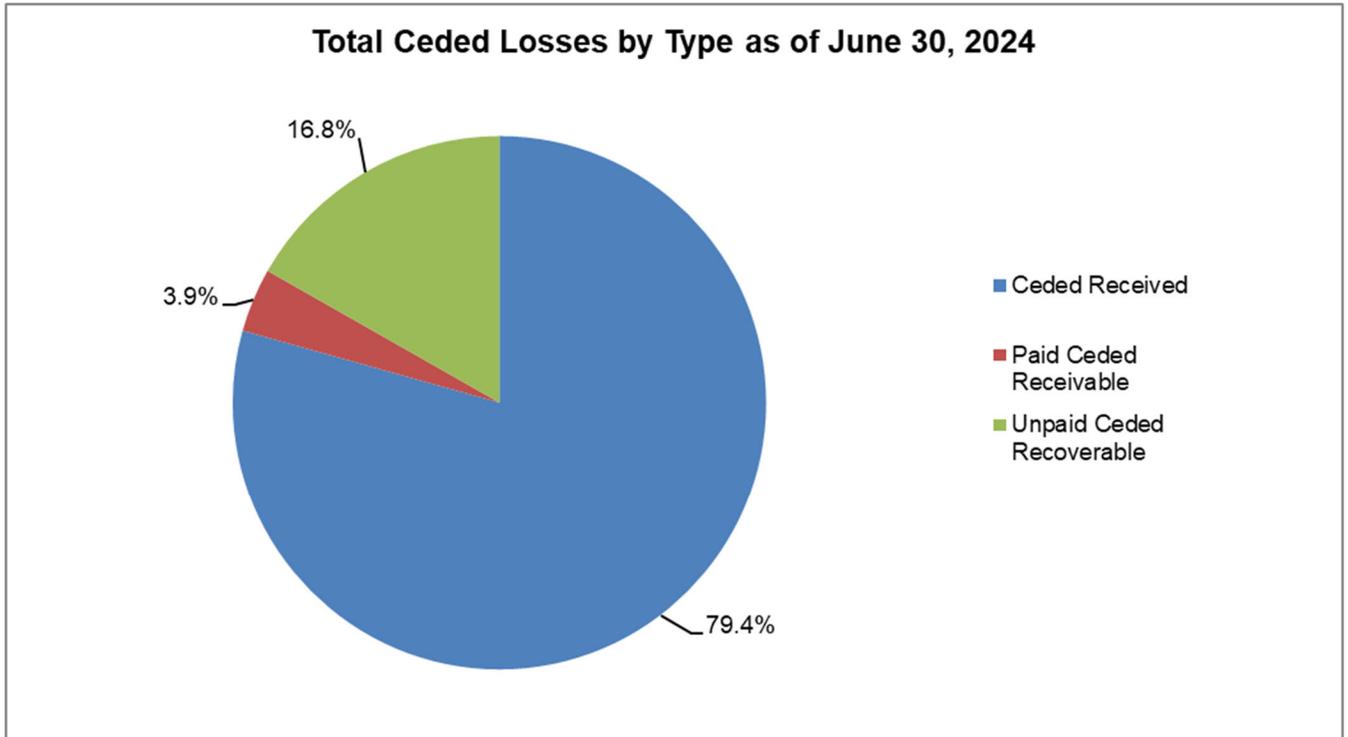


Virginia Risk Sharing Association and Subsidiaries
Total Ceded Loss Analysis

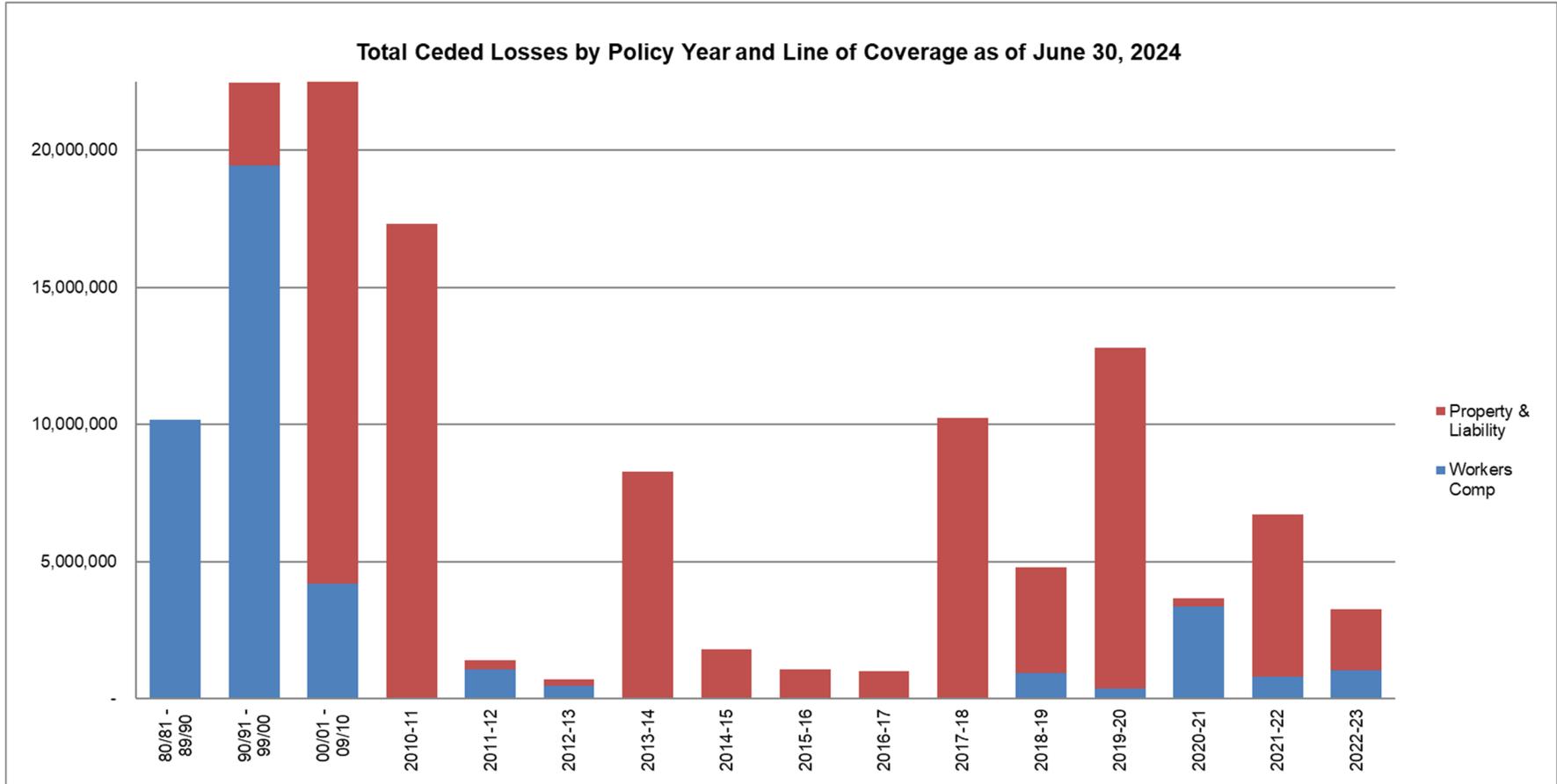
Policy Year	Ceded Losses - Workers Comp				Ceded Losses - Liability				Ceded Losses - Total			
	Total Ceded Losses	Ceded Received	Paid Ceded Receivable	Unpaid Ceded Recoverable	Total Ceded Losses	Ceded Received	Paid Ceded Receivable	Unpaid Ceded Recoverable	Total Ceded Losses	Ceded Received	Paid Ceded Receivable	Unpaid Ceded Recoverable
1980-81	228,418	228,418	-	-	-	-	-	-	228,418	228,418	-	-
1981-82	-	-	-	-	-	-	-	-	-	-	-	-
1982-83	384,944	276,381	11,198	97,365	-	-	-	-	384,944	276,381	11,198	97,365
1983-84	1,040,834	394,696	164,081	482,057	-	-	-	-	1,040,834	394,696	164,081	482,057
1984-85	2,082,714	2,064,311	1,965	16,438	-	-	-	-	2,082,714	2,064,311	1,965	16,438
1985-86	453,032	453,032	-	-	-	-	-	-	453,032	453,032	-	-
1986-87	270,891	180,522	34,514	55,855	-	-	-	-	270,891	180,522	34,514	55,855
1987-88	1,563,720	1,154,819	49,938	358,963	-	-	-	-	1,563,720	1,154,819	49,938	358,963
1988-89	2,258,690	816,206	176,455	1,266,029	-	-	-	-	2,258,690	816,206	176,455	1,266,029
1989-90	1,873,822	1,710,220	39,908	123,694	-	-	-	-	1,873,822	1,710,220	39,908	123,694
80/81 - 89/90	10,157,065	7,278,605	478,059	2,400,401	-	-	-	-	10,157,065	7,278,605	478,059	2,400,401
1990-91	1,270,400	766,132	8,435	495,833	-	-	-	-	1,270,400	766,132	8,435	495,833
1991-92	1,236,837	246,965	118,981	870,891	-	-	-	-	1,236,837	246,965	118,981	870,891
1992-93	1,117,321	803,993	116,457	196,871	-	-	-	-	1,117,321	803,993	116,457	196,871
1993-94	1,738,345	952,785	63,866	721,694	681,112	681,112	-	-	2,419,457	1,633,897	63,866	721,694
1994-95	898,928	468,844	112,918	317,166	69,203	69,203	-	-	968,131	538,047	112,918	317,166
1995-96	2,255,195	656,313	255,741	1,343,141	610,337	610,337	-	-	2,865,532	1,266,650	255,741	1,343,141
1996-97	2,516,174	1,589,533	16,848	909,793	281,118	281,118	-	-	2,797,292	1,870,651	16,848	909,793
1997-98	848,782	776,957	-	71,825	209,905	209,905	-	-	1,058,687	986,862	-	71,825
1998-99	5,517,569	2,757,783	505,511	2,254,275	374,279	374,279	-	-	5,891,848	3,132,062	505,511	2,254,275
1999-00	2,046,345	448,202	248,951	1,349,192	795,536	795,536	-	-	2,841,881	1,243,738	248,951	1,349,192
90/91 - 99/00	19,445,896	9,467,507	1,447,708	8,530,681	3,021,488	3,021,488	-	-	22,467,384	12,488,995	1,447,708	8,530,681
2000-01	1,318,838	1,166,261	-	152,577	152,577	152,577	-	-	3,794,595	3,642,018	-	152,577
2001-02	422,318	361,828	-	60,490	2,428,656	2,428,656	-	-	2,850,974	2,790,484	-	60,490
2002-03	-	-	-	-	1,150,898	1,150,898	-	-	1,150,898	1,150,898	-	-
2003-04	335,026	335,026	-	-	4,857,555	4,857,555	-	-	5,192,581	5,192,581	-	-
2004-05	1,264,512	-	-	1,264,512	8,098,020	8,098,020	-	-	9,362,532	8,098,020	-	1,264,512
2005-06	837,321	482,072	-	355,249	4,317,382	4,317,382	-	-	5,154,703	4,799,454	-	355,249
2006-07	-	-	-	-	2,802,735	2,802,735	-	-	2,802,735	2,802,735	-	-
2007-08	-	-	-	-	3,914,351	3,914,351	-	-	3,914,351	3,914,351	-	-
2008-09	-	-	-	-	913,867	913,867	-	-	913,867	913,867	-	-
2009-10	-	-	-	-	1,625,014	1,625,014	-	-	1,625,014	1,625,014	-	-
2010-11	44,134	-	-	44,134	17,271,374	17,271,374	-	-	17,315,508	17,271,374	-	44,134
2011-12	1,065,531	262,382	-	803,149	323,524	323,524	-	-	1,389,055	585,906	-	803,149
2012-13	472,663	-	95,724	376,939	209,480	209,480	-	-	682,143	209,480	95,724	376,939
2013-14	-	-	-	-	8,271,578	8,271,578	-	-	8,271,578	8,271,578	-	-
2014-15	-	-	-	-	1,790,972	1,790,972	-	-	1,790,972	1,790,972	-	-
2015-16	31,343	31,343	-	-	1,018,949	1,018,949	-	-	1,050,292	1,050,292	-	-
2016-17	-	-	-	-	978,517	978,517	-	-	978,517	978,517	-	-
2017-18	-	-	-	-	10,240,227	10,240,227	-	-	10,240,227	10,240,227	-	-
2018-19	943,621	196,458	-	747,163	3,839,021	3,839,021	-	-	4,782,642	4,035,479	-	747,163
2019-20	367,000	-	-	367,000	12,437,343	12,437,343	-	-	12,804,343	12,437,343	-	367,000
2020-21	3,363,247	750,000	69,272	2,543,975	276,886	276,886	-	-	3,640,133	1,026,886	69,272	2,543,975
2021-22	785,995	-	-	785,995	5,916,520	3,616,010	2,203,816	96,694	6,702,515	3,616,010	2,203,816	882,889
2022-23	1,019,084	78,980	-	940,104	2,239,511	-	1,373,597	865,914	3,258,595	78,980	1,373,597	1,806,018
2023-24	466,905	-	-	466,905	3,778,371	-	7,375	3,770,996	4,245,276	-	7,375	4,237,901
Grand Totals:	42,340,499	20,410,462	2,090,763	19,839,274	104,197,996	95,879,604	3,584,788	4,733,604	146,538,495	116,290,066	5,675,551	24,572,878

Ceded losses are losses that surpass a contracted self-insurance retention level and are then covered by one or more reinsurers.
Total ceded losses = Ceded received + Paid Ceded receivable + Unpaid Ceded recoverable
Ceded received = loss expenses above retention that have been reimbursed by reinsurer(s)
Paid Ceded receivable = loss expenses above retention that have been submitted to reinsurer(s) for reimbursement but not paid yet
Unpaid Ceded recoverable = loss reserves on a claim that are an estimation of expenses that will be submitted to reinsurer(s) for reimbursement

Virginia Risk Sharing Association and Subsidiaries
Total Ceded Loss Analysis, Continued



**Virginia Risk Sharing Association and Subsidiaries
Total Ceded Loss Analysis, Continued**



Virginia Risk Sharing Association and Subsidiaries Reinsurance History

Policy Years	Line of Coverage	Reinsurance Carrier	Retention Limits	Quota Share or Limit Cap
1980-81	WC	Insurance Company of North America	\$175,000	
1981-82	WC	Insurance Company of North America	\$175,000	
1982-83	WC	Mead Reinsurance Corp.	\$175,000	
1983-84	WC	Employers Reinsurance Corp.	\$175,000	
1984-85	WC	Employers Reinsurance Corp.	\$150,000	
1985-86	WC	Employers Reinsurance Corp.	\$150,000	
1986-87	GL & AL	General Reinsurance	\$500,000	50/50 on first \$500,000 above limit \$1,000,000 cap
	PD	General Reinsurance	\$50,000	
	WC	Employers Reinsurance Corp.	\$250,000	
1987-88	GL & AL	General Reinsurance	\$500,000	50/50 on first \$500,000 above limit
	PD	General Reinsurance	\$50,000	
	WC	Employers Reinsurance Corp.	\$250,000	
1988-89	GL & AL	General Reinsurance	\$500,000	50/50 on first \$500,000 above limit \$1,000,000 cap
	PD	General Reinsurance	\$50,000	
	WC	Employers Reinsurance Corp.	\$300,000	
1989-90	GL & AL	General Reinsurance	\$1,000,000	50/50 on first \$500,000 above limit \$1,000,000 cap
	PD	General Reinsurance	\$50,000	
	WC	General Reinsurance	\$400,000	
1990-91	GL & AL	General Reinsurance	\$1,000,000	50/50 on first \$500,000 above limit \$1,000,000 cap
	PD	General Reinsurance	\$50,000	
	WC	General Reinsurance	\$400,000	
1991-92	BM	Hartford Steam Boiler	100% reinsured	50/50 on first \$500,000 above limit \$1,000,000 cap
	GL & AL	General Reinsurance	\$1,000,000	
	PD	General Reinsurance	\$50,000	
	PR	Industrial Risk Mutual	100% reinsured	
	WC	General Reinsurance	\$400,000	
1992-93	BM	Hartford Steam Boiler	100% reinsured	50/50 on first \$500,000 above limit \$1,000,000 cap
	GL & AL	General Reinsurance	\$1,000,000	
	PD	General Reinsurance	\$50,000	
	PR	Industrial Risk Mutual	100% reinsured	
	WC	General Reinsurance	\$400,000	
1993-94	BM	Hartford Steam Boiler	100% reinsured	50/50 on first \$500,000 above limit \$1,000,000 cap
	GL & AL	General Reinsurance	\$1,000,000	
	PD	General Reinsurance	\$50,000	
	PR	Industrial Risk Mutual	100% reinsured	
	WC	General Reinsurance	\$400,000	
1994-95	BM	Hartford Steam Boiler	100% reinsured	50/50 on first \$500,000 above limit \$1,000,000 cap
	GL & AL	General Reinsurance	\$1,000,000	
	PD	General Reinsurance	\$50,000	
	PR	Industrial Risk Mutual	100% reinsured	
	WC	General Reinsurance	\$400,000	
1995-96	BM	Hartford Steam Boiler	100% reinsured	50/50 on first \$500,000 above limit \$1,000,000 cap
	GL & AL	General Reinsurance	\$1,000,000	
	PD	General Reinsurance	\$50,000	
	PR	Industrial Risk Mutual	100% reinsured	
	WC	General Reinsurance	\$400,000	
1996-97	BM	Hartford Steam Boiler	100% reinsured	50/50 on first \$500,000 above limit \$1,000,000 cap
	GL & AL	General Reinsurance	\$1,000,000	
	PD	General Reinsurance	\$50,000	
	PR	Industrial Risk Mutual	100% reinsured	
	WC	General Reinsurance	\$400,000	
1997-98	BM	Hartford Steam Boiler	100% reinsured	50/50 on first \$500,000 above limit \$300,000 annual aggregate
	GL & AL	General Reinsurance	\$1,000,000	
	PD	Swiss Reinsurance America	\$50,000	
	PR	Swiss Reinsurance America	\$25,000	
	WC	General Reinsurance	\$400,000	
1998-99	BM	Hartford Steam Boiler	100% reinsured	50/50 on first \$500,000 above limit \$300,000 annual aggregate
	GL & AL	General Reinsurance	\$500,000	
	PD	Swiss Reinsurance America	\$50,000	
	PR	Swiss Reinsurance America	\$25,000	
	WC	General Reinsurance	\$400,000	
	XS	General Reinsurance	100% reinsured	
1999-00	BM	Hartford Steam Boiler	100% reinsured	50/50 on first \$500,000 above limit \$300,000 annual aggregate
	CC	Fidelity & Deposit Company of Maryland	100% reinsured	
	GL & AL	General Reinsurance	\$500,000	
	LE & PO	General Reinsurance	\$500,000	
	PD	Swiss Reinsurance America	\$50,000	
	PR	Swiss Reinsurance America	\$25,000	
	WC	General Reinsurance	\$400,000	
	XS	General Reinsurance	100% reinsured	

Virginia Risk Sharing Association and Subsidiaries Reinsurance History, Continued

Policy Years	Line of Coverage	Reinsurance Carrier	Retention Limits	Quota Share or Limit Cap
2000-01	BM, CC	Swiss Reinsurance America	\$25,000	
	GL & AL	General Reinsurance	\$500,000	50/50 on first \$500,000 above limit
	LE & PO	General Reinsurance	\$500,000	50/50 on first \$500,000 above limit
	PD	Swiss Reinsurance America	\$50,000	
	PR	Swiss Reinsurance America	\$50,000	\$500,000 annual aggregate
	WC	General Reinsurance	\$400,000	
	XS	General Reinsurance	100% reinsured	
2001-02	BM, CC	Swiss Reinsurance America	\$25,000	
	GL & AL	General Reinsurance	\$1,000,000	
	LE & PO	General Reinsurance	\$1,000,000	
	PD	Swiss Reinsurance America	\$50,000	
	PR	Swiss Reinsurance America	\$250,000	\$20M windstorm limit
	PR	Lloyds of London		50% \$30M excess of \$20M
	PR	Royal Indemnity		25% \$30M excess of \$20M, 50% \$50M excess of \$50M
	PR	Westchester Fire Insurance Company		25% \$30M excess of \$20M, 50% \$50M excess of \$50M
	WC	General Reinsurance	\$400,000	
	XS	General Reinsurance	100% reinsured	
2002-03	BM, CC	Swiss Reinsurance America	\$50,000	
	GL & AL	General Reinsurance	\$1,000,000	
	LE & PO	General Reinsurance	\$1,000,000	
	PD	Swiss Reinsurance America	\$50,000	
	PR	Swiss Reinsurance America	\$500,000	\$20M windstorm limit
	PR	Lloyds of London		\$30M excess of \$20M
	PR catastrophe	Swiss Reinsurance America	\$1,000,000	\$5M limit
	PR catastrophe	Lloyds of London		\$10M excess of \$5M
	WC	NLC Mutual Insurance Company	\$1,000,000	
	XS	General Reinsurance	\$1,000,000	25/75 quota share above limit
2003-04	BM, CC	Swiss Reinsurance America	\$100,000	
	GL, AL, PO, LE	NLC Mutual Insurance Company	\$1,000,000	
	PD	Swiss Reinsurance America	\$50,000	
	PR	Swiss Reinsurance America	\$1,000,000	\$20M windstorm limit
	PR	Lloyds of London		\$30M excess of \$20M
	PR catastrophe	Swiss Reinsurance America	\$1,000,000	\$5M limit
	PR catastrophe	Lloyds of London		\$10M excess of \$5M
	WC	NLC Mutual Insurance Company	\$1,000,000	
	XS	NLC Mutual Insurance Company	100% reinsured	\$5M limit
	XS	General Reinsurance		100% excess of \$5M
2004-05	BM	Zurich American Insurance Company	25000	\$100M limit
	CC	Axis Reinsurance	\$300,000	60% of \$1M limit
	CC	Lloyds of London		20% of \$1M limit
	CC	Westchester Fire Insurance Company		20% of \$1M limit
	GL, AL, PO, LE	NLC Mutual Insurance Company	\$1,000,000	
	PR	Axis Reinsurance	\$500,000 & \$1M windstorm	60% of \$25M limit, 40% of \$75M excess of \$25M
	PR	Westchester Fire Insurance Company		20% of \$25M limit, 60% of \$75M excess of \$25M
	PR	Lloyds of London		20% of \$25M limit
	WC	NLC Mutual Insurance Company	\$1,000,000	
	XS	NLC Mutual Insurance Company	100% reinsured	shared burden
XS	General Reinsurance	100% reinsured	shared burden	
2005-06	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	
	BM	Lexington Insurance Co (PEPIP)	\$25,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	CNA Insurance Company	\$25,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CC	National Union Fire Insurance Co.	\$300,000	\$1M limit
	PD	Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment
	PR	Lexington Insurance Co (PEPIP)	\$500,000 & \$1M windstorm	\$1B limit
	WC	Safety National Casualty Corporation	\$1,000,000	
	XS	Evanston Insurance Company	100% reinsured	share in \$5M limit
	XS	James River Insurance Company	100% reinsured	share in \$5M limit
	XS	Liberty Mutual Insurance Company	100% reinsured	share in \$5M limit
	XS	Odyssey American Reinsurance Corp.	100% reinsured	share in \$5M limit
	XS	Signet Star Reinsurance	100% reinsured	share in \$5M limit
XS	General Reinsurance	100% reinsured	members with \$6M - \$10M limits	
XS	Landmark American Insurance	100% reinsured	members with greater than \$10M limits	
2006-07	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	
	BM	Lexington Insurance Co (PEPIP)	\$25,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	CNA Insurance Company	\$25,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CC	National Union Fire Insurance Co.	\$300,000	\$1M limit
	WC	Safety National Casualty Corporation	\$2,000,000	
	XS	ACE American Insurance Company	\$1,000,000	\$10M limit
	PD	Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment
	PR	Lexington Insurance Co (PEPIP)	\$500,000	\$350M limit
	PR windstorm	Lexington Insurance Co (PEPIP)	\$1,000,000	\$100M limit
	PR flood	Lexington Insurance Co (PEPIP)	\$500,000	\$75M limit

**Virginia Risk Sharing Association and Subsidiaries
Reinsurance History, Continued**

<u>Policy Years</u>	<u>Line of Coverage</u>	<u>Reinsurance Carrier</u>	<u>Retention Limits</u>	<u>Quota Share or Limit Cap</u>
2007-08	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	
	BM	Lexington Insurance Co (PEPIP)	\$25,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	CNA Insurance Company	\$25,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CC	National Union Fire Insurance Co.	\$300,000	\$1M limit
	WC	NLC Mutual Insurance Company	\$2,000,000	\$500,000 excess of \$2M
	WC	Midwest Employers Casualty Company		100% excess of \$2.5M
	XS	ACE American Insurance Company	\$1,000,000	\$10M limit
	PD	Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment
	PR	Lexington Insurance Co (PEPIP)	\$500,000	\$1B limit
	PR windstorm	Lexington Insurance Co (PEPIP)	\$1,000,000	\$250M limit
	PR flood	Lexington Insurance Co (PEPIP)	\$500,000	\$100M limit
2008-09	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	
	BM	Lexington Insurance Co (PEPIP)	\$25,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	CNA Insurance Company	\$25,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CC	National Union Fire Insurance Co.	\$300,000	\$1M limit
	WC	NLC Mutual Insurance Company	\$1,500,000	50/50 of \$500,000 excess of \$1.5M
	WC	Midwest Employers Casualty Company		100% excess of \$2M
	XS	ACE American Insurance Company	\$1,000,000 plus 10% excess	85% excess of \$1M to limit of \$10M
	XS	NLC Mutual Insurance Company		5% excess of \$1M to limit of \$10M
	PD	Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment
	PR	Lexington Insurance Co (PEPIP)	\$500,000	\$1B limit
	PR windstorm	Lexington Insurance Co (PEPIP)	\$1,000,000	\$250M limit
PR flood	Lexington Insurance Co (PEPIP)	\$500,000	\$100M limit	
2009-10	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	
	BM	Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	CNA Insurance Company	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CC	National Union Fire Insurance Co.	\$300,000	\$1M limit
	WC	NLC Mutual Insurance Company	\$1,000,000	50/50 of \$1M excess of \$1M
	WC	Midwest Employers Casualty Company		100% excess of \$2M
	XS	ACE American Insurance Company	\$1,000,000 plus 10% excess	85% excess of \$1M to limit of \$10M
	XS	NLC Mutual Insurance Company		5% excess of \$1M to limit of \$10M
	PD	Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment
	PR	Lexington Insurance Co (PEPIP)	\$500,000	\$1B limit
	PR windstorm	Lexington Insurance Co (PEPIP)	\$1,000,000	\$250M limit
PR flood	Lexington Insurance Co (PEPIP)	\$500,000	\$100M limit	
2010-11	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	
	BM	Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	CNA Insurance Company	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CC	National Union Fire Insurance Co.	\$300,000	\$1M limit
	WC	NLC Mutual Insurance Company	\$1,000,000	50/50 of \$500,000 excess of \$1M
	WC	Midwest Employers Casualty Company		100% excess of \$1.5M
	XS	ACE American Insurance Company	\$1,000,000 plus 10% excess	85% excess of \$1M to limit of \$10M
	XS	NLC Mutual Insurance Company		5% excess of \$1M to limit of \$10M
	PD	Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment
	PR	Lexington Insurance Co (PEPIP)	\$500,000	\$1B limit
	PR windstorm	Lexington Insurance Co (PEPIP)	\$1,000,000	\$300M limit
PR flood	Lexington Insurance Co (PEPIP)	\$500,000	\$100M limit	
2011-12	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	
	BM	Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	CNA Insurance Company	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CC	National Union Fire Insurance Co.	\$300,000	\$1M limit
	WC	NLC Mutual Insurance Company	\$1,000,000	\$500,000 excess of \$1M
	WC	Arch Insurance Company		100% excess of \$1.5M
	XS	ACE American Insurance Company	\$1,000,000	85% excess of \$1M to limit of \$10M
	XS	NLC Mutual Insurance Company		15% excess of \$1M to limit of \$10M
	PD	Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment
	PR	Lexington Insurance Co (PEPIP)	\$500,000	\$1B limit
	PR windstorm	Lexington Insurance Co (PEPIP)	\$1,000,000	\$300M limit
PR flood	Lexington Insurance Co (PEPIP)	\$500,000	\$100M limit	
2012-13	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	
	BM	Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CC	National Union Fire Insurance Co.	\$300,000	\$1M limit
	WC	NLC Mutual Insurance Company	\$750,000	50/50 on first \$750,000 above limit
	WC	Arch Insurance Company		100% excess of \$1.5M
	XS	ACE American Insurance Company	\$1,000,000	85% excess of \$1M to limit of \$10M
	XS	NLC Mutual Insurance Company		15% excess of \$1M to limit of \$10M
	PD	Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment
	PR	Lexington Insurance Co (PEPIP)	\$500,000	\$1B limit
	PR windstorm	Lexington Insurance Co (PEPIP)	\$1,000,000	\$200M limit
PR flood	Lexington Insurance Co (PEPIP)	\$500,000	\$100M limit	

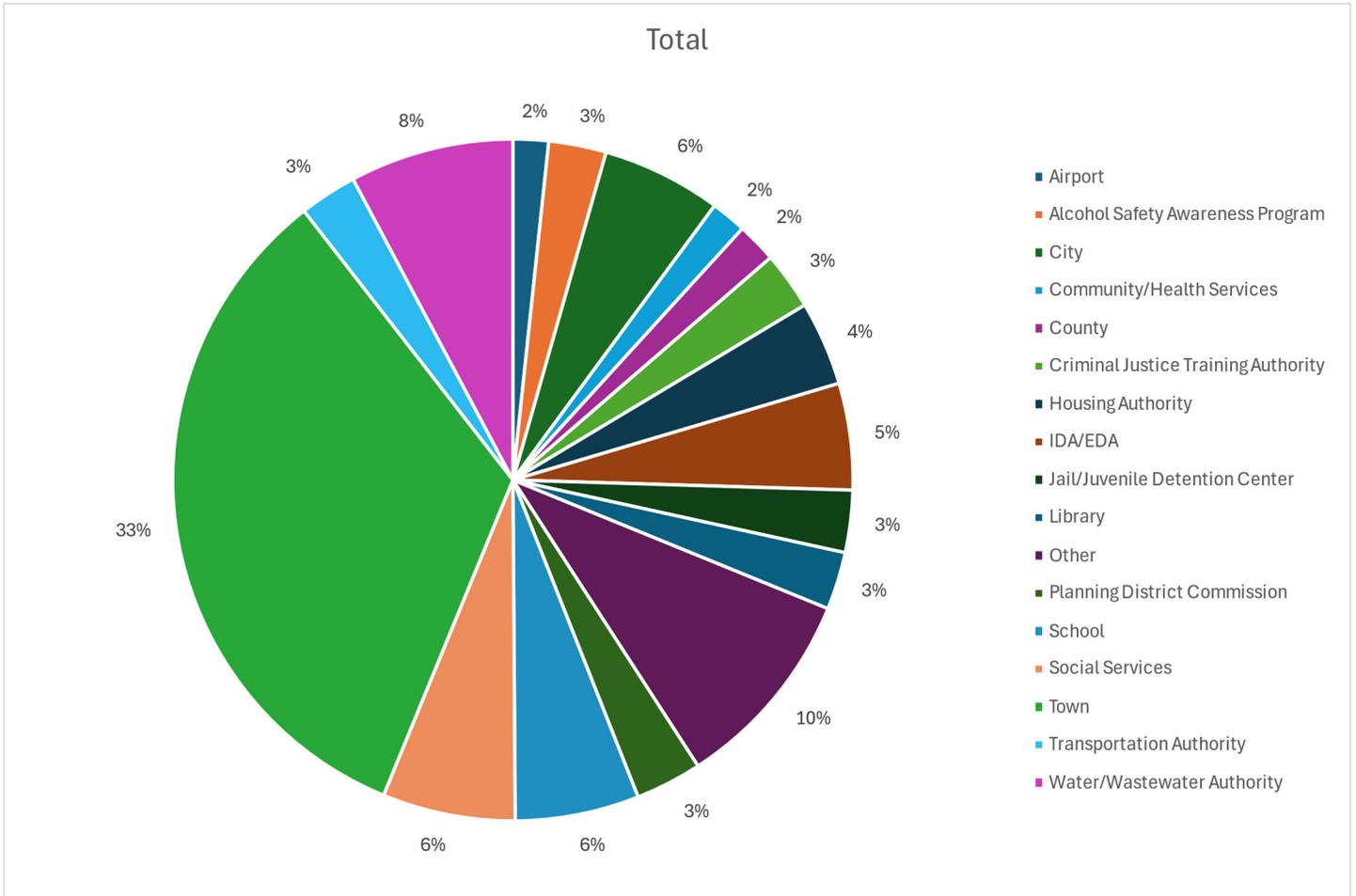
Virginia Risk Sharing Association and Subsidiaries Reinsurance History, Continued

Policy Years	Line of Coverage	Reinsurance Carrier	Retention Limits	Quota Share or Limit Cap	
2013-14	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000		
	BM	Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit	
	BM	Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit	
	CC	National Union Fire Insurance Co.	\$300,000	\$1M limit	
	WC	NLC Mutual Insurance Company	\$750,000	50/50 on first \$750,000 above limit	
	WC	Arch Insurance Company		100% excess of \$1.5M	
	XS	ACE American Insurance Company	\$1,000,000	85% excess of \$1M to limit of \$10M	
	XS	NLC Mutual Insurance Company		15% excess of \$1M to limit of \$10M	
	PD	Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment	
	PR	Lexington Insurance Co (PEPIP)	\$500,000	\$1B limit	
	PR windstorm	Lexington Insurance Co (PEPIP)	\$1,000,000	\$200M limit	
	PR flood	Lexington Insurance Co (PEPIP)	\$500,000	\$100M limit	
	2014-15	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	
BM		Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit	
BM		Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit	
CC		National Union Fire Insurance Co.	\$300,000	\$1M limit	
WC		NLC Mutual Insurance Company	\$750,000	50/50 on first \$750,000 above limit	
WC		Arch Insurance Company		100% excess of \$1.5M	
XS		ACE American Insurance Company	\$1,000,000	85% excess of \$1M to limit of \$10M	
XS		NLC Mutual Insurance Company		15% excess of \$1M to limit of \$10M	
PD		Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment	
PR		Lexington Insurance Co (PEPIP)	\$500,000	\$1B limit	
PR windstorm		Lexington Insurance Co (PEPIP)	\$1,000,000	\$200M limit	
PR flood		Lexington Insurance Co (PEPIP)	\$500,000	\$100M limit	
2015-16		GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	
	BM	Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit	
	BM	Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit	
	CC	no longer reinsured			
	WC	NLC Mutual Insurance Company	\$750,000	75/25 on first \$750,000 above limit	
	WC	Arch Insurance Company		100% excess of \$1.5M after \$250K corridor	
	XS	ACE American Insurance Company	\$1,000,000	85% excess of \$1M to limit of \$10M	
	XS	NLC Mutual Insurance Company		15% excess of \$1M to limit of \$10M	
	PD	Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment	
	PR	Lexington Insurance Co (PEPIP)	\$1,000,000	\$1B limit	
	PR windstorm	Lexington Insurance Co (PEPIP)	\$1,000,000	\$200M limit	
	PR flood	Lexington Insurance Co (PEPIP)	\$500,000	\$100M limit	
	2016-17	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	10% excess of \$1M to limit of \$10M limit
BM		Alliant Property Insurance Program (APIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit	
BM		Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit	
WC		NLC Mutual Insurance Company	\$750,000	75/25 on first \$750,000 above limit	
WC		Midwest Employers Casualty Company		100% excess of \$1.5M	
XS		ACE American Insurance Company	\$1,000,000	75% excess of \$1M to limit of \$10M	
XS		NLC Mutual Insurance Company		15% excess of \$1M to limit of \$10M	
PD		Alliant Property Insurance Program (APIP)	\$150,000	includes mobile equipment	
PR		Alliant Property Insurance Program (APIP)	\$1,000,000	\$1B limit	
PR windstorm		Alliant Property Insurance Program (APIP)	\$1,000,000	\$200M limit	
PR flood		Alliant Property Insurance Program (APIP)	\$500,000	\$100M limit	
2017-18		GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	10% excess of \$1M to limit of \$10M limit
		BM	Alliant Property Insurance Program (APIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit	
	CL (Cyber)	Beazley	\$10,000 - \$50,000	\$25M limit	
	WC	Midwest Employers Casualty Company	\$1,500,000	100% excess of \$1.5M	
	XS	Chubb	\$1,000,000	90% excess of \$1M to limit of \$10M	
	PD	Alliant Property Insurance Program (APIP)	\$150,000	includes mobile equipment	
	PR	Alliant Property Insurance Program (APIP)	\$750,000	\$1B limit	
	PR windstorm	Alliant Property Insurance Program (APIP)	\$1,000,000	\$200M limit	
	PR flood	Alliant Property Insurance Program (APIP)	\$500,000	\$100M limit	
	2018-19	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	10% excess of \$1M to limit of \$10M limit
		Pollution	Chubb Environmental	\$25,000	\$1M pollution condition; \$10M aggregate
		BM	Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
BM		Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit	
CL (Cyber)		Beazley (PEPIP)	\$10,000 - \$50,000	\$25M limit, \$10M member aggregate	
WC		Virginia interlocal Risk Sharing Assoc (captive)	\$750,000	100% excess of \$750,000	
WC		Midwest Employers Casualty Company	\$750,000	100% excess of \$1.5M	
XS		Chubb (ACE)	\$1,000,000	90% excess of \$1M to limit of \$10M	
PD		Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment	
PR		Alliant Property Insurance Program (APIP)	\$750,000	\$1B limit	
PR windstorm		Alliant Property Insurance Program (APIP)	\$1,000,000	\$200M limit	
PR flood		Alliant Property Insurance Program (APIP)	\$500,000	\$100M limit	

Virginia Risk Sharing Association and Subsidiaries Reinsurance History, Continued

Policy Years	Line of Coverage	Reinsurance Carrier	Retention Limits	Quota Share or Limit Cap
2019-20	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	\$10M limit
	Pollution	Chubb Environmental	\$25,000	\$1M pollution condition; \$10M aggregate
	BM	Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CL (Cyber)	Beazley (PEPIP)	\$10,000 - \$50,000	\$25M limit, \$10M member aggregate
	WC	C	\$750,000	100% excess of \$750,000 up to \$750,000
	WC	Midwest Employers Casualty Company	\$750,000	100% excess of \$1.5M
	XS	Virginia Interlocal Risk Sharing Assoc (captive)	\$0	20% excess of \$1M to limit of \$10M
	XS	Chubb (ACE)	\$0	80% excess of \$1M to limit of \$10M
	PD	Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment
	PR	Alliant Property Insurance Program (APIP)	\$750,000	\$1B limit
	PR windstorm	Alliant Property Insurance Program (APIP)	\$1,000,000	\$200M limit
	PR flood	Alliant Property Insurance Program (APIP)	\$500,000	\$100M limit
	2020-21	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000
Pollution		Chubb Environmental	N/A	\$1M pollution condition; \$10M aggregate
BM		Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
BM		Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
CL (Cyber)		Beazley (PEPIP)	N/A	\$2M limit, \$25M member aggregate
WC		Virginia interlocal Risk Sharing Assoc (captive)	\$750,000	100% excess of \$750,000 up to \$750,000
WC		Midwest Employers Casualty Company	\$750,000	100% excess of \$1.5M
XS		Virginia interlocal Risk Sharing Assoc (captive)	\$0	20% excess of \$1M to limit of \$10M
XS		Chubb (ACE)	\$0	80% excess of \$1M to limit of \$10M
PD		Lexington Insurance Co (PEPIP)	\$150,000	includes mobile equipment
PR		Alliant Property Insurance Program (APIP)	\$1,000,000	\$500M limit
PR windstorm		Alliant Property Insurance Program (APIP)	\$1,000,000	\$200M limit
PR flood		Alliant Property Insurance Program (APIP)	\$1,000,000	\$100M limit
2021-22		GL, AL, PO, LE	N/A - level self-insured	\$1,000,000
	Pollution	Ironshore Environmental Insurance	N/A	\$1M pollution condition subject to \$250,000 deductible; \$2M agg
	BM	Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CL (Cyber)	Virginia Interlocal Risk Sharing Assoc (captive)	N/A	Up to \$5M aggregate losses
	CL (Cyber)	Tokio Marine	\$5M	\$5M excess of \$5M
	WC	Virginia interlocal Risk Sharing Assoc (captive)	\$750,000	100% excess of \$750,000 up to \$750,000 with \$1.7M agg.
	WC	Midwest Employers Casualty Company	\$750,000	100% excess of \$1.5M
	XS	Virginia interlocal Risk Sharing Assoc (captive)	\$0	20% excess of \$1M to limit of \$10M
	XS	Chubb (ACE)	\$0	80% excess of \$1M to limit of \$10M
	PD	Lexington Insurance Co (PEPIP)	\$1M/150,000	includes mobile equipment
	PR	Alliant Property Insurance Program (APIP)	\$1,000,000	\$500M limit
	PR windstorm	Alliant Property Insurance Program (APIP)	\$1,000,000	\$200M limit
	PR flood	Alliant Property Insurance Program (APIP)	\$1,000,000	\$100M limit
2022-23	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	Varies by member up to \$10M
	Pollution	Ironshore Environmental Insurance	N/A	\$1M pollution condition subject to \$250,000 deductible; \$2M agg
	BM	Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CL (Cyber)	Virginia Interlocal Risk Sharing Assoc (captive)	N/A	Up to \$5M aggregate losses
	CL (Cyber)	Tokio Marine	\$5M	\$5M excess of \$5M
	WC	Virginia interlocal Risk Sharing Assoc (captive)	\$750,000	100% excess of \$750,000 up to \$750,000 with \$1.7M agg.
	WC	Midwest Employers Casualty Company	\$750,000	100% excess of \$1.75M
	XS	Virginia interlocal Risk Sharing Assoc (captive)	\$1,000,000	\$1M excess of \$1M aggregate
	XS	Chubb (ACE)	Varies	100% excess of \$2M up to member specific limit
	PD	Lexington Insurance Co (PEPIP)	\$1M/150,000	includes mobile equipment
	PR	Alliant Property Insurance Program (APIP)	\$1,000,000	\$500M limit subject to \$1M corridor
	PR windstorm	Alliant Property Insurance Program (APIP)	\$1,000,000	\$200M limit
	PR flood	Alliant Property Insurance Program (APIP)	\$1,000,000	\$100M limit
2023-24	GL, AL, PO, LE	N/A - level self-insured	\$1,000,000	10% excess of \$1M subject to \$2M corridor, up to \$10M
	Pollution	Ironshore Environmental Insurance	N/A	\$1M pollution condition subject to \$250,000 deductible; \$2M agg
	BM	Lexington Insurance Co (PEPIP)	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	BM	Hartford Steam Boiler	\$100,000 - \$350,000	shared retention based on hp & KW/KVA; \$100M limit
	CL (Cyber)	Virginia Interlocal Risk Sharing Assoc (captive)	\$250,000, \$4M excess \$1M	\$750,000
	CL (Cyber)	Tokio Marine	\$5M	\$5M excess of \$5M
	WC	Virginia interlocal Risk Sharing Assoc (captive)	\$750,000	100% excess of \$750,000 up to \$750,000 with \$1.7M agg.
	WC	Midwest Employers Casualty Company	\$750,000	100% excess of \$1.75M
	XS	Virginia interlocal Risk Sharing Assoc (captive)	\$1,000,000	\$1M excess of \$1M aggregate
	XS	Chubb (ACE)	Varies	90% excess of \$2M up to member specific limit
	PD	Lexington Insurance Co (PEPIP)	\$1M/150,000	Replacment value subject to \$2M prop corridor, incl mobile equip
	PR	Alliant Property Insurance Program (APIP)	\$1,000,000	\$500M limit subject to \$2M corridor
	PR windstorm	Alliant Property Insurance Program (APIP)	\$1,000,000	\$200M limit
	PR flood	Alliant Property Insurance Program (APIP)	\$1,000,000	\$100M limit

**Virginia Risk Sharing Association and Subsidiaries
2023 – 2024 Membership by Type**





COMPLIANCE SECTION

For the Period July 1, 2023 – June 30, 2024

- Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with *Government Auditing Standards*

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Members' Supervisory Board
Virginia Risk Sharing Association

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of the Virginia Risk Sharing Association and Subsidiaries (the "Pool"), which comprise the consolidated statement of net position as of June 30, 2024, and the related consolidated statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 31, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Pool's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, we do not express an opinion on the effectiveness of the Pool's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Pool's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Keiter", with a stylized, cursive script.

December 31, 2024
Glen Allen, Virginia

Virginia Risk Sharing Association
Annual Comprehensive Financial Report
For the Fiscal Years Ended June 30, 2024 and 2023



VRSA

Virginia Risk Sharing Association

More Than Insurance

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