



ANNUAL REPORT 2020





Your *partner*
in protecting
your campus

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CHAIRPERSON'S LETTER

DEAR MEMBERS

First and foremost, I hope that all of you are doing well. What a wild ride it has been. The ups and downs, the range of emotions and the decisions we all experienced in 2020 is something that none of us ever imagined. While the challenges will continue through 2021, here is to hoping that the worst is behind us now.

2020 was a unique year for the Ohio School Plan (OSP) as well. As COVID-19 began to close our schools across the state, the board of directors met to discuss what we could do to help our members. One of the first things we did, was recognize with our students no longer attending school in person, our buses and other transportation vehicles were no longer on the road, eliminating that exposure. Following the discussion with the board, we voted to return over \$600,000 of auto liability premium to our membership. Furthermore, the insurance landscape began to change and exclusionary language related to communicable diseases and more specifically COVID-19, were being placed across the state and country. In an effort to help protect the membership, the OSP board authorized limited defense only coverage for claims caused by COVID-19. The board continues to be mindful of the impact that COVID-19 has had on our members and will continue to have as we move forward and will continue to consider adjustments to coverages and services accordingly.

Regarding the financial results of the OSP, in 2020 our membership retention was over 99%, and we welcomed 17 new members to the program. Your commitment and support of our products and services, especially during this challenging year have helped put us in this strong financial position and made us the program of choice for Ohio's public educational institutions and boards of developmental disabilities.

In 2020, the OSP's assets increased by over \$500,000, primarily driven by strong investment performance to \$13.47 million while liabilities increased by just under \$160,000. The result of this was an increase in our members' equity of approximately \$437,000 from 2019, increasing it to \$8.56 million. As a board, we are very proud and thankful for these positive results in the most unique and challenging year most of us have ever seen.

RISK MANAGEMENT

Like many of you, the risk management team had to learn how to provide services in a virtual world for most of 2020. Many of our association partners switched their important conferences and events to virtual. The team continued to provide education through the virtual platform on basically one topic: COVID-19. The pandemic pushed our team to research infectious disease response protocols as state-wide orders were flying fast and furious. Physical distancing, cleaning and disinfecting, indoor air quality enhancements and complete and total virtual learning were the questions we fielded most.

We replaced our typical in-person risk management services with reference documents, guides, and recommendations. Including how to limit class sizes, install physical barriers, improvements to HVAC systems to introduce fresh air, hold graduation ceremonies in the face of a pandemic, and eventually and thankfully how to reopen in-person learning. You can imagine the number of changes to these documents as orders and guidance from the CDC, state and local health departments changed. What we were most proud of was the constant communication to and from our members as we navigated this challenge together. Collaborating with our members to more actively manage their own risk has always been our guiding principal. This statement has never been more on point that it is today. 2020 has shown us all that we are far more capable than we ever thought. May the lessons learned in a global pandemic guide our decisions as we go into 2021 and beyond.

CLAIMS

The 2020 experience of the program was dramatically impacted by COVID-19 shut down. While we were concerned about an increase of suits against the schools due to the contracting of the virus, this never materialized. Instead, the main impact had the opposite affect—a decrease in claims reported. The Plan experienced significant decrease in auto claims for the first six months of 2020 due to the Ohio stay-at-home order which canceled in-person classes and transport of students in Ohio. The auto line is always heavily weighted to bus accidents. Of course, this is directly related to the millions of miles driven by buses throughout Ohio every day.

During the first six months of 2019, the Plan had 331 auto-related claims of which 251 were bus claims.

During the same period of 2020 there were 100 auto claims, and 79 were bus related. Of those 79 bus claims, only five occurred after the Ohio stay-at-home order was issued on March 22, 2020. Four of the claims were comprehensive claims—two minor engine fires and two catalytic converters stolen. The single collision claim was related to another party leaving the roadway and hitting a parked bus. The other party's carrier paid the damage. In other words, the OSP experienced no auto claims related to the operating of buses during the shutdown.

Other lines of coverage trended slightly downward during this same time. General liability claims, which might arise out of defects on school grounds (slip, trip, falls), were down due to less people within buildings or on the grounds of schools. This also held true for employment and claims associated with board actions which fall under the educational legal liability form. By the end of 2020, claims were rising to their normal levels in relation to school re-openings and the transportation of student picking up.

It is always important to point out, as we did in previous years, the courts continue to uphold the immunities and defenses afforded Ohio's public schools. The OSP in defending member suits has had many dismissed by the courts, based on the immunities and defenses mentioned. Similar to other years, the plan was successful in having members' claims dismissed in many areas of the law, including employment contracts, "defects on" and others.

WRAP UP

Despite the challenges we faced, 2020 was a very positive year for the Ohio School Plan. We were able to adapt to the challenges and work in the best interest of our membership. We have a fiduciary responsibility to our members, and returning the auto liability premium in the midst of a worldwide pandemic was proof of our commitment to you.

On behalf of the board of directors, I thank all of you for your commitment to our program. In challenging times, the Ohio School Plan will be there for our membership. As a board made up of public school officials, we understand how challenging things can be, and we work our hardest to support you and your school districts. We will continue to provide the products, services and resources that you need, not just during tough and challenging times, but at all times.

Stay safe and stay healthy.



NATHAN LYNCH

Chairperson of the Board
Ohio School Plan

BOARD OF DIRECTORS

The Board of Directors is comprised of superintendents, treasurers, business managers and board of education members, representing a diverse group of educational entities throughout the state.

Nathan Lynch

Chairperson of the Board
Upper Sandusky Exempted
Village Schools
Wyandot County
Board member since 2012

Jeremie Hittle

Piqua City Schools
Miami County
Board member since 2020

Paul Lockwood

EHOVE Career Center
Erie County
Board member since 2016

Michael Sawyers

New Albany-Plain Local Schools
Franklin County
Board member since 2018

Lewis Galante

Vice-Chairperson of the Board
Perry Local Schools
Fairport Harbor Exempted Village
School District
Lake County
Board member since 2007

John Kahmann

Gibsonburg Exempted
Village Schools
Sandusky County
Board member since 2020

Ryan Lockwood

Springfield Local Schools
Lucas County
Board member since 2016

David Sininger

Clermont County DD
Clermont County
Board member since 2011

Christopher Fox

Secretary of the Board
Montgomery County ESC
Montgomery County
Board member since 2017

David Kocevar

Westlake City Schools
Cuyahoga County
Board member since 2010

Melissa Marconi

Tuslaw Local Schools
Stark County
Board member since 2016

Megan Williams

Scioto Valley Local Schools
Pike County
Board member since 2005

The Ohio School Plan, governed by school officials, is dedicated to providing high quality, affordable, and innovative insurance and risk management solutions to Ohio public educational institutions and boards of developmental disabilities.

OSP DIFFERENCES

RISK MANAGEMENT

Each member is provided a designated OSP risk manager who is responsible for identifying probable sources of risk, and recommending and assisting in implementing improvement strategies.

EDUCATION

The OSP offers educational opportunities on multiple safety, transportation and other risk management and insurance-related topics for OSP members and partners, including but not limited to:

-  **School Safety -
Weapons on School Property**
-  **Shared Services
and Liability**
-  **School Bus
In-Service Training**
-  **Playground Safety**

FREE LEGAL ADVICE

Members receive two (2) hours of free legal advice each policy period through independent legal counsel for employment-related issues.

ACCESSIBLE

Ohio School Plan is available to members at every level, and is committed to providing excellent service.

- Designated underwriter
- Designated risk manager
- 24/7 access to claim adjusters
- Board of directors
- Sponsoring associations (BASA, OASBO and OSBA)
- Ohio School Plan participates in associations' conferences and workshops

AUTOMATION

Members can manage their renewal process and policies through the OSP's Member Gateway system. The Member Gateway is password protected and allows members to perform the following activities from anywhere through a web-based application:

- Access policies, save them into their own directory, and/or print hard copies
- Create and print auto ID cards
- Request certificates of coverage
- Request policy changes/endorsements
- Update renewal applications and submit them to OSP for quote
- Access to renewal proposals
- Access to risk management resources and materials
- Review claims information

PROGRAM HISTORY

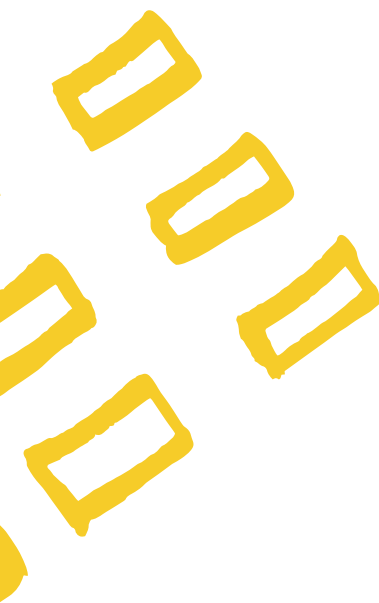
As a member, you can rest easy knowing your coverages are solid and supported by some of the best known names in the reinsurance industry. The Plan’s risk management specialists assist in safeguarding educational institutions.

The Ohio School Plan was formed in February 2002 by the resolutions of Wood County and Franklin County educational service centers, the first two members of the Ohio School Plan. The Plan was established to provide affordable, comprehensive and stable coverage to public schools.

The purpose of the Ohio School Plan is for members to join together to form a risk management program as authorized by Ohio Revised Code 2744.081 to:

- Establish and administer a risk management program;
- Prevent or lessen the incidence and/or severity of losses occurring from activities of the school;
- Defend and protect members against allegations of negligence or loss.

Ohio Revised Code 2744.081 does not consider the Ohio School Plan an insurance company. Although the Plan may purchase reinsurance, it is exempt from the normal insurance industry’s statutory and regulatory requirements.



2002	2003-2004	2005-2006	2007-2008	2009-2010
\$88,148	\$340,507	\$789,210	\$1,400,832	\$2,126,832
<div>» Ohio School Plan Chartered</div> <div>» Board of Directors Formed</div> <div>» Endorsed by BASA, OASBO, OSBA</div>	<div>ADDED:</div> <div>» Property Coverage</div> <div>» Violence Coverage</div> <div>» Uninsured Motorists</div> <div>» Member Gateway (web-based application system)</div>	<div>ADDED:</div> <div>» Declaratory, Equitable and Injunctive Relief</div> <div>» Law Enforcement Liability</div> <div>» New Auto Broad Form Coverages</div> <div>INCREASED:</div> <div>» Sexual Abuse Limit to \$5 Million</div> <div>» Educational Legal Liability Aggregates</div> <div>BROADENED:</div> <div>» Boards of DD Professional Coverage</div>	<div>ADDED:</div> <div>» Environmental and Health Inspection Program Guidance</div> <div>» Fiduciary Coverage</div> <div>» Appraisal Services</div> <div>INCREASED:</div> <div>» Violence Aggregates to \$1 Million</div>	<div>ADDED:</div> <div>» Legal Hot Line</div> <div>» Replacement Cost on Buses</div> <div>» Best Practices Award</div> <div>» Community Colleges</div>

Governed by Ohio school officials for Ohio's schools, the Ohio School Plan's goal is to have the program meet the common needs of Ohio's:

- > Schools
- > Educational Service Centers
- > Community Colleges
- > County Boards of Developmental Disabilities



2011-2012	2013-2014	2015	2016-2017	2018-2019	2020
\$2,616,417	\$5,193,878	\$5,357,341	\$6,938,518	\$8,124,160	\$8,561,578
ADDED: <ul style="list-style-type: none"> » Cyber Liability » Pollution Liability » Back Wages Coverage » Risk Management Checklist focused on core areas of risk 	ADDED: <ul style="list-style-type: none"> » Crisis Management Expense BROADENED: <ul style="list-style-type: none"> » Pollution Coverage » Cyber Coverage 	<ul style="list-style-type: none"> » \$500,000 Dividend Paid to Membership 	<ul style="list-style-type: none"> » Deductible Options Developed for Cyber » \$650,000 Dividend Paid to Membership 	ADDED: <ul style="list-style-type: none"> » Findings for Recovery Coverage » \$850,000 Dividend Paid to Membership 	ADDED: <ul style="list-style-type: none"> » COVID-19 Defense Only Coverage » \$609,174 Auto Liability Premium Returned to Membership




POOLING CONCEPT

GROUP SELF-INSURANCE PLANS

Definition Per the Association of Governmental Risk Pools (AGRiP)

A legal entity composed of public entity members that has joined together to finance an exposure, liability or risk. The financing mechanism may be group purchase or group self-funding, a combination of the two or other cooperative financing means for primary and/or excess coverage.

Ohio School Plan Benefits

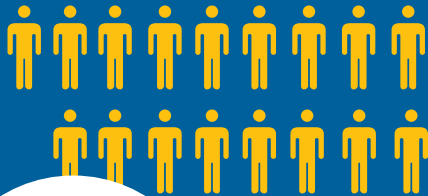
- 
- Saving money over the long-term through insurance market cycle improvements
 - Consistent coverage
 - Membership with others of similar interests
 - Specialized claim service and legal defense
 - Specialized risk management expertise
 - Group self-insurance plans savvy to their membership and needs
 - More control over own insurance destiny
 - Underwriting profits, investment returns and membership fees remain with the group self-insurance plan as members' equity
 - Building equity with other members to provide additional services, now and in the future

FINANCIAL SUMMARY

99%
RETENTION

.....
WRITTEN PREMIUMS
\$17.8 MILLION
.....

ASSETS INCREASED
\$503,319
.....



+17
NEW MEMBERS

.....
We are incredibly excited about giving
\$609,174
of auto liability premium back to our
members in 2020.

8.6M
+ MEMBERS'
EQUITY

CONDENSED FINANCIAL INFORMATION

Balance Sheet

Assets	2020	2019
Cash & short-term investments	\$8,899,598	\$8,797,524
Bonds at market value	2,566,728	2,384,055
Reinsurance receivable	1,994,872	1,504,237
Other receivables	10,043	282,106
Total assets	\$13,471,241	\$12,967,922
Liabilities and Members' Equity	2020	2019
Loss & loss adjustment expense reserves	\$2,198,126	\$2,168,928
Unearned premiums & membership fees	2,007,973	1,723,168
Other liabilities	703,564	951,666
Total liabilities	\$4,909,663	\$4,843,762
Members' equity	\$8,561,578	\$8,124,160
Total liabilities & members' equity	\$13,471,241	\$12,967,922

Statement of Cash Flows

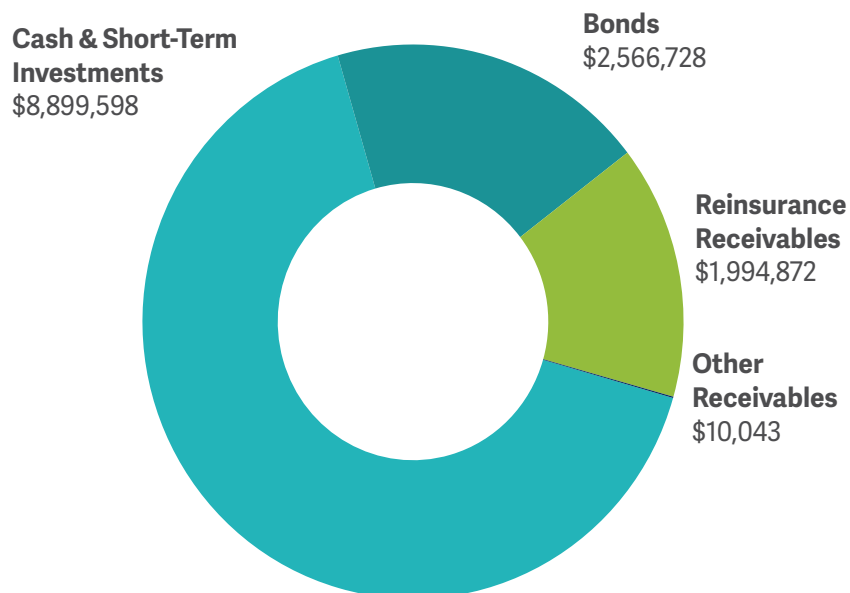
Cash provided (used) by	2020	2019
Operating activities	\$624,104	\$1,066,934
Noncapital financing activities	\$(609,174)	\$(850,000)
Investing activities	(683,375)	77,868
Net (decrease) increase in cash	(668,445)	294,802
Cash - beginning of year	1,936,883	1,642,081
Cash - end of year	\$1,268,438	\$1,936,883

Statement of Revenues, Expenses and Changes in Members' Equity

Revenues	2020	2019
Premiums written	\$17,793,066	\$16,442,961
Reinsurance premiums ceded	\$(11,302,839)	\$(10,453,360)
Net premiums written	\$6,490,227	\$5,989,601
Change in unearned premiums	2020	2019
Net premiums earned	\$6,490,227	\$5,989,601
Net investment income	269,817	402,799
Total revenues	\$6,760,044	\$6,392,400
Expenses	2020	2019
Loss and loss adjustment expenses	\$1,858,263	\$2,250,261
Management fees	2,439,742	2,230,344
Commission expense	813,247	743,448
Professional fees	222,956	159,571
Plan marketing fees	225,000	200,000
Other	763,418	997,528
Total expenses	\$6,322,626	\$6,581,152
Excess of revenues over expenses	\$437,418	\$(188,752)
Members' Equity	2020	2019
Beginning of year	\$8,124,160	\$8,312,912
End of year	\$8,561,578	\$8,124,160

Condensed financial information. Complete audited financial statements can be found at ohioschoolplan.org.

PLAN ASSETS

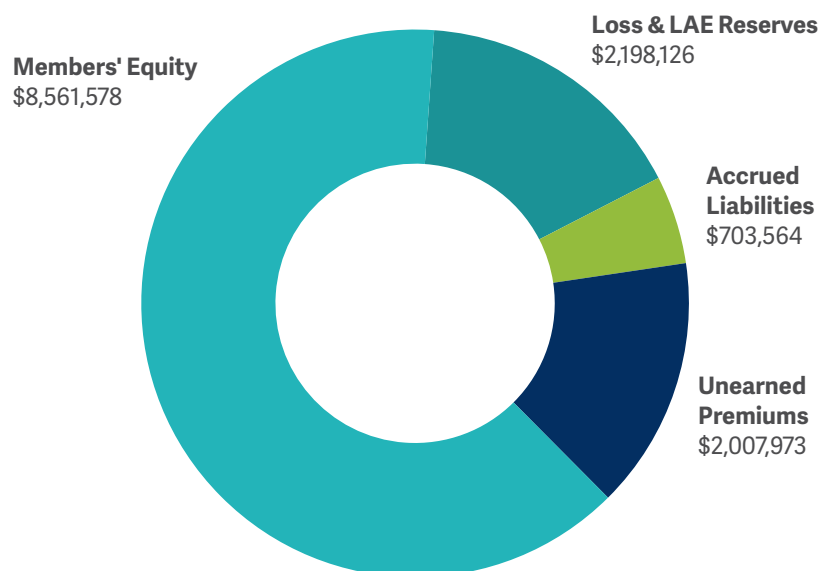


GALION CITY SCHOOLS

“Ohio School Plan’s risk management team are extremely knowledgeable and engaging speakers and provided professional development on a difficult topic that required us to examine our processes and take a good look at ourselves and our daily routines. They have a unique approach to the training, which incorporated mindfulness techniques to increase self-awareness, also contributed to our staff’s ability to participate in and internalize the training.”

– Jim Grubbs, Superintendent

LIABILITIES AND MEMBERS’ EQUITY



OSP SERVICE PROVIDERS

Services are provided independently under separate outside contracts.
Additional coverages and services are available from various partners.

PROGRAM ADMINISTRATOR

Hylant Administrative Services, LLC

Michael Ugljesa
Toledo, OH
800-249-5268
hylant.com

LEGAL

Dinsmore & Shohl LLP

D. Michael Crites
Columbus, OH
614-628-6934
dinsmore.com

AUDITOR

Plante & Moran

Terry Olejnik
Southfield, MI
248-223-3388
plantemoran.com

ACTUARIAL CONSULTANT

IRMS Actuarial Services

Mark Cain
Brookfield, WI
262-754-1600
ihainsurancesolutions.com

FINANCIAL ADVISOR

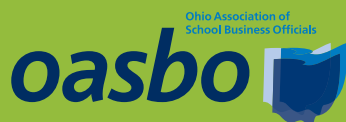
RedTree Investment Group

Ryan Nelson
Cincinnati, OH
888-596-2293
redtreeinvestmentgroup.com

REINSURANCE INTERMEDIARY

Trean Reinsurance Services, LLC

Sean Ryan
Wayzata, MN
952-974-2200
treanre.com



Protecting Ohio's public schools through comprehensive and competitive insurance products, risk awareness and responsiveness to the changing needs of our schools is why the Ohio School Plan formed in 2002. The Ohio School Plan is highly engaged in and ultra-responsive to the unique insurance risk management needs of the educational market. We commend the proactive efforts to educate Ohio's school business officials on the insurance industry, equipping them with the knowledge and skills to properly analyze insurance quotes and evaluate coverage, and effectively mitigate risks in their school districts.

Protecting Ohio's public schools through comprehensive and competitive insurance products

It's a collaborative partnership that goes well beyond the expectations of simply providing insurance.

The Ohio School Boards Association is very selective in establishing business relationships. We require that our partners be leaders in their respective industries and deliver programs and services superior to their competition. Ohio School Plan (OSP) is this type of partner. Beyond providing affordable and quality coverage, OSP continues to be an outstanding resource on many education-related issues. OSP has been forward thinking on school safety, transportation, shared services and educating OSBA's elected boards. It's a collaborative partnership that goes well beyond the expectations of simply providing insurance.



The Buckeye Association of School Administrators is proud to be a partner with the Ohio School Plan. From the beginning, it has been the Ohio School Plan's goal to provide a long-term solution for Ohio's public educational entities, offering quality coverage unique to each member at competitive rates. Of the many Ohio School Plan member benefits, one of the most important is controlling costs to districts during times when the insurance market fluctuates. When the insurance market is soft, companies want your business. When the market tightens, rates increase and insurers leave the school market. The Ohio School Plan will be there for your district with cost-effective coverage and exceptional service.



Gibsonburg Exempted Village School District

"The Ohio School Plan provides a product that is unique to schools and at a price that is competitive. However, once the service and professionalism are factored in; the Ohio School Plan is in a league of their own."

– John Kahman, Treasurer

Lucas Local School District

"Lucas Local Schools has enhanced school safety in recent years. With enhanced school safety, comes a strong need for expert advice and professional development. Ohio School Plan has been a great resource. Their on-going insight and feedback have been invaluable. They lead ALICE training for our employees, as well as helped our district evaluate quality evacuation sites and procedures. ... true professional, reliability, and availability to assist with our needs provides true peace-of-mind in this every changing world."

– Brad Herman, Superintendent



E info@ohioschoolplan.org
P 800-288-6821

ohioschoolplan.org



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