



# 2023 ANNUAL REPORT

PUBLISHED JUNE 2024

DEAR MEMBERS

# CHAIRPERSON'S MESSAGE

**As I look back on 2023, I have to say that I am proud of all that the Ohio School Plan (OSP) accomplished. The board of directors has talked many times over the last few years about cybersecurity and helping our members protect themselves from a cyberattack.**

Beginning in late 2022 through 2023, the OSP held multiple educational sessions regarding best practices for cyber and cyber coverage reviews and culminated all of this by giving back \$1,000,000 to our participating members through a cyber grant in September of 2023. Including the cyber grant, the OSP has given back over \$3.6 million to the membership since 2015.

The OSP's membership retention was 99% in 2023 and 16 new members joined the program, bringing the total membership to 318. As of year-end, the OSP's premiums were over \$24,000,000, which is a result of our strong retention and growth over the years.

The OSP's assets increased to over \$19 million, while liabilities increased to \$13.7 million. This resulted in a members' equity of \$5.3 million, which was an approximately \$1.29 million decrease from 2022. The board of directors anticipated a surplus reduction due to the cyber grant payment being made in 2023. With the Plan's retention levels for both the property and casualty coverage, the OSP financials remain strong.

## RISK MANAGEMENT

Our risk management team started 2023 learning more than expected on HVAC systems and how they freeze, thanks in large part to Winter Storm Elliott. The opportunity provided a new approach to loss control and gave both our members and our loss control team a new perspective on system control. We continue to be incredibly proud of our building maintenance professionals and the care they provide to the students, staff and community during extremely difficult times. Like all aspects of risk management, by understanding how a loss occurs, we can help prevent reoccurrence.

We are grateful for the partnerships with OSBA, OASBO and BASA, and we thank them for including our risk managers in their seminars, conferences and other educational opportunities. It is in these sessions that we share what we learn to better protect our schools from risk. Our team remains busy studying the impact of ever-changing legislation and looks forward to conversations around updates to critical board policy and procedures.



## CLAIMS

Weather-related claims again impacted The OSP—as they did in 2022. Though Winter Storm Elliott was in December 25, 2022, the claims slowly closed out in 2023. A positive development was that the numbers decreased from the original reserves of \$8.96 million down to \$7.99 million paid and reserved at the end of 2023. This is based on claims from 53 members affected by the storm. Other property storms affected members through most of March and early April 2023. High winds, small tornadoes, power outages, electrical surges and lightning have had a toll on member schools. These storms affected nearly 50 members, with damages exceeding \$1.1 million in total.

The Plan offers replacement cost coverage on some buses. This is a very nice plan member benefit because typically, when a bus is totaled, insurance pays what that vehicle would sell for on the open market. This is called actual cash value or ACV. However, with bus replacement cost coverage, the Plan pays to replace the bus with a new, current-year model. The Plan had a number of claims where replacement cost coverage came into play. To list a few, the Plan paid replacement costs of \$80,000, \$74,000, \$90,000, \$84,000 and \$116,000.

As usual, the courts continued to uphold defenses and immunities afforded Ohio's public schools under Ohio's tort laws. Again in 2023, many suits against member districts and defended by the OSP were dismissed by the courts based on the aforementioned immunities and defenses. Similar to other years, the Plan was successful in having members' claims dismissed in many areas of the law, including alleged ADA violations, FAPE, employment discrimination/retaliation, employment contracts, defects on public grounds, slip and fall claims, athletic injuries and others.

## WRAP-UP

The board of directors and I are proud to be at the forefront of doing what is right for our members. We are excited about the services, education, resources and coverage the OSP provides to you and your staff and will continue to do so for years to come. I think it is always important to point out that as a board made up of public school officials, we truly understand the challenges you each face as our environment changes on what seems to be a daily basis. Please know that our thought processes and decisions are always made with your best interests in mind and in doing what is best for you, your staff and your students.

We sincerely appreciate your confidence and thank you for the opportunity to serve you and your constituents.



**BEST REGARDS,**  
**Nathan Lynch**  
Chairperson of the Board  
Ohio School Plan

# MEMBER RESOURCES

## RISK MANAGEMENT

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

## EDUCATION

Ohio School Plan offers educational opportunities on multiple safety, risk management, transportation and insurance topics in various formats.



## AVAILABILITY

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

- Designated risk manager
- Designated underwriter
- Specialized claim service and legal defense
- Board of directors
- Sponsoring associations (BASA, OASBO and OSBA)

## AUTOMATION

The Member Gateway, a password-protected web-based system, gives members access to their policy information anytime and anywhere. Members can manage their renewal process and policies through the Member Gateway system.

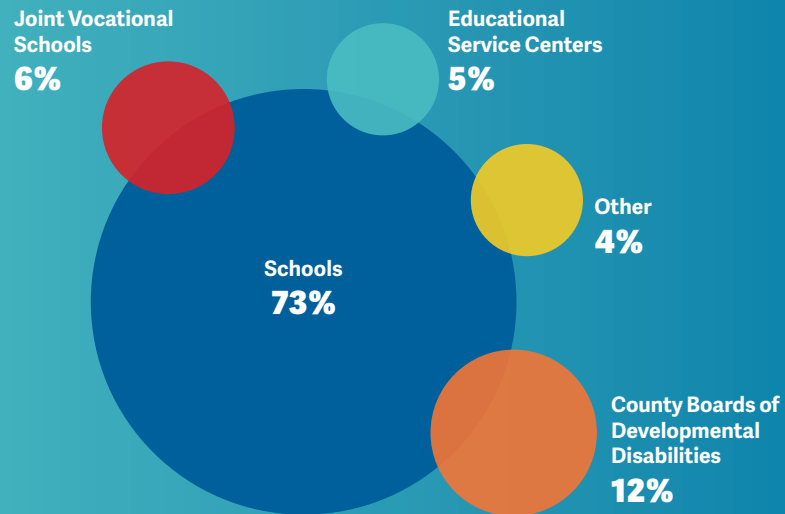
## FREE LEGAL ADVICE

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

**We're here to** *help.*

# FINANCIAL SUMMARY

## MEMBERSHIP FACTS



Students  
**500,000+**



Buses  
**4,900+**



Property Values  
**26 billion+**

WRITTEN PREMIUMS

**\$24 MILLION+**



ASSETS INCREASED

**\$1.2 MILLION**

**99%**

RETENTION

**5.3M**

MEMBERS'  
EQUITY

**+16**

NEW  
MEMBERS





# HISTORY AND HIGHLIGHTS

**Since Ohio School Plan's founding over 20 years ago, we have continued to offer a dependable source of risk management protection for public educational institutions and boards of developmental disabilities in Ohio.**

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.



2007-2008	2009-2010	2011-2012	2013-2014	2015-2016
\$1,400,832	\$2,126,832	\$2,616,417	\$5,193,878	\$6,653,388
<b>ADDED:</b> <ul style="list-style-type: none"> <li>» Environmental and Health Inspection</li> <li>» Program Guidance</li> <li>» Fiduciary Coverage</li> <li>» Appraisal Services</li> </ul> <b>INCREASED:</b> <ul style="list-style-type: none"> <li>» Violence Aggregates to \$1 Million</li> </ul>	<b>ADDED:</b> <ul style="list-style-type: none"> <li>» Legal Hot Line</li> <li>» Replacement Cost on Buses</li> <li>» Best Practices Award</li> <li>» Community Colleges</li> </ul>	<b>ADDED:</b> <ul style="list-style-type: none"> <li>» Cyber Liability</li> <li>» Pollution Liability</li> <li>» Back Wages Coverage</li> <li>» Risk Management Checklist, (focused on core areas of risk)</li> </ul>	<b>ADDED:</b> <ul style="list-style-type: none"> <li>» Crisis Management Expense</li> </ul> <b>BROADENED:</b> <ul style="list-style-type: none"> <li>» Pollution Coverage</li> <li>» Cyber Coverage</li> </ul>	<ul style="list-style-type: none"> <li>» Deductible Options Developed for Cyber</li> </ul> <b>\$500,000 DIVIDEND PAID TO MEMBERSHIP</b>

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



2017-2018

**\$8,312,912**

**ADDED:**

» Findings for Recovery Coverage

**\$650,000 DIVIDEND PAID  
TO MEMBERSHIP**

2019-2020

**\$8,124,160**

**ADDED:**

» COVID-19 Defense-Only  
Coverage

**\$850,000 DIVIDEND PAID  
TO MEMBERSHIP**

**\$609,174 AUTO LIABILITY  
PREMIUM RETURNED  
TO MEMBERSHIP**

2021-2022

**\$6,625,220**

» COVID-19 Defense-Only  
Coverage Enhanced  
» \$1,000,000 Cyber Grant  
Announced

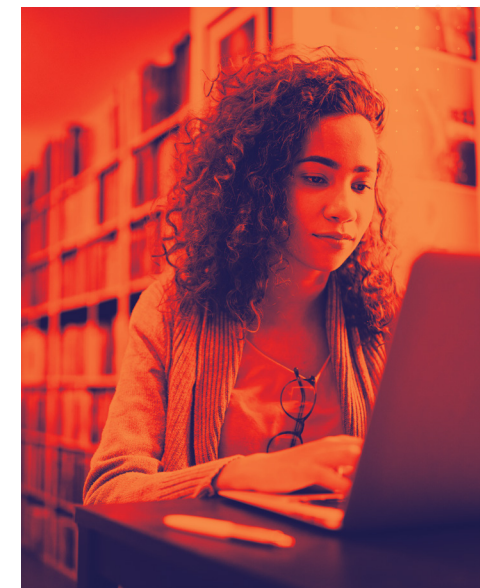
**20TH ANNIVERSARY**



2023

**\$5,334,930**

» \$1,000,000 Cyber Grant Paid to  
Members



CONDENSED

# FINANCIAL INFORMATION

## Balance Sheet

Assets	2023	2022
Cash & short-term investments	\$13,606,743	\$13,446,970
Bonds at market value	2,561,025	2,861,261
Reinsurance receivable	2,268,293	1,523,938
Other receivables	612,203	46,744
<b>Total Assets</b>	<b>\$19,048,264</b>	<b>\$17,878,913</b>
<b>Liabilities and Members' Equity</b>	<b>2023</b>	<b>2022</b>
Loss & loss adjustment expense reserves	\$7,452,643	\$5,656,239
Unearned premiums & membership fees	4,950,945	4,330,696
Other liabilities	1,309,746	1,266,758
<b>Total liabilities</b>	<b>\$13,713,334</b>	<b>\$11,253,693</b>
Members' equity	\$5,334,930	\$6,625,220
<b>Total liabilities &amp; members' equity</b>	<b>\$19,048,264</b>	<b>\$17,878,913</b>

## Statement of Cash Flows

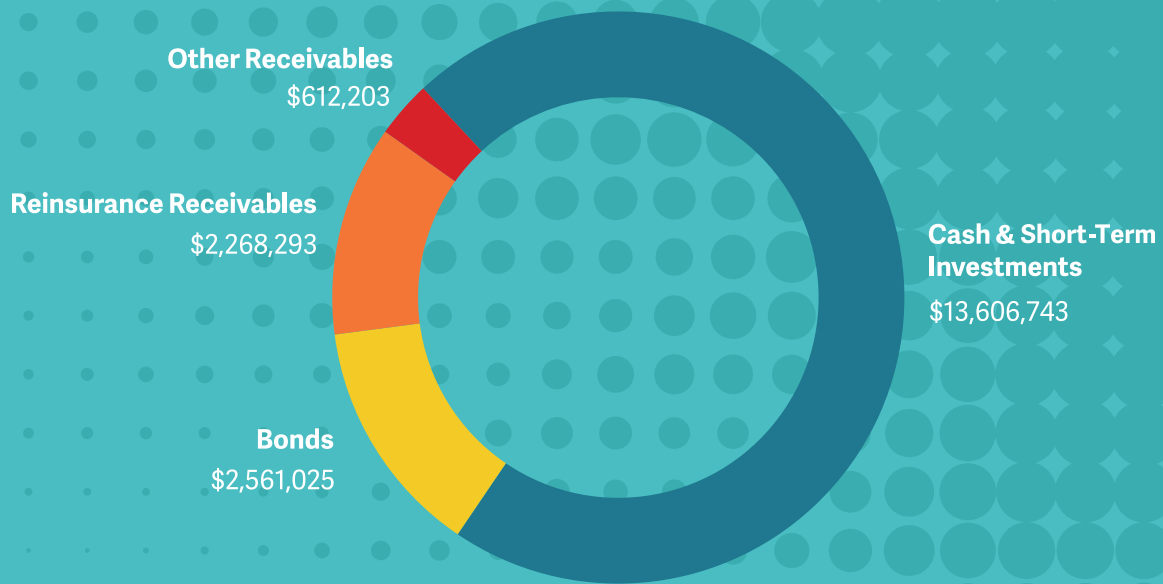
Cash provided (used) by	2023	2022
Operating activities	\$640,358	\$610,860
Noncapital Financing Activities	\$(1,000,000)	\$-
Investing activities	277,146	(346,516)
<b>Net (decrease) increase in cash</b>	<b>(82,496)</b>	<b>264,343</b>
Cash - beginning of year	5,938,332	5,673,989
<b>Cash - end of year</b>	<b>\$5,855,836</b>	<b>\$5,938,332</b>

## Statement of Revenues, Expenses and Changes in Members' Equity

Revenues	2023	2022
Premiums written	\$24,362,328	\$20,371,957
Reinsurance premiums ceded	\$(13,019,257)	\$(10,740,412)
<b>Net premiums written</b>	<b>\$11,343,071</b>	<b>\$9,631,545</b>
<b>Change in unearned premiums</b>	<b>2023</b>	<b>2022</b>
Net premiums earned	\$11,343,071	\$9,631,545
Net investment income	744,179	(124,251)
<b>Total revenues</b>	<b>\$12,087,250</b>	<b>\$9,507,294</b>
<b>Expenses</b>	<b>2023</b>	<b>2022</b>
Loss and loss adjustment expenses	\$6,702,596	\$5,621,091
Management fees	3,327,684	2,836,647
Commission expense	1,109,228	945,549
Professional fees	141,542	234,842
Plan marketing fees	177,074	175,000
Other	1,919,416	1,982,998
<b>Total expenses</b>	<b>\$13,377,540</b>	<b>\$11,796,127</b>
Excess of revenues over expenses	\$(1,290,290)	\$(2,288,833)
<b>Members' Equity</b>	<b>2023</b>	<b>2022</b>
Beginning of year	\$6,625,220	8,914,053
<b>End of year</b>	<b>\$5,334,930</b>	<b>\$6,625,220</b>

Condensed financial information. Complete audited financial statements can be found at [ohioschoolplan.org](http://ohioschoolplan.org).





## LIABILITIES AND MEMBERS' EQUITY



# BOARD OF DIRECTORS



**Nathan Lynch**  
*Chairperson of the board*  
 Upper Sandusky Exempted  
 Village Schools  
 Wyandot County  
 Board member since 2012



**Ryan Lockwood**  
*Vice-Chairperson of the board*  
 Springfield Local Schools  
 Lucas County  
 Board member since 2016



**Christopher Fox**  
*Secretary of the board*  
 Montgomery County  
 Educational Service Center  
 Montgomery County  
 Board member since 2017



**Lance Erlwein**  
 Belpre City Schools  
 Washington County  
 Board member since 2021



**Jeremie Hittle**  
 Piqua City Schools  
 Miami County  
 Board member since 2020



**John Kahmann**  
 Wauseon Exempted Village  
 School District  
 Fulton County  
 Board member since 2020



**Matt King**  
 East Central Ohio ESC  
 Belmont, Carroll, Guernsey  
 Harrison and Tuscarawas Counties  
 Board member since 2023



**David Kocevar**  
 Westlake City School District  
 Cuyahoga County  
 Board member since 2010



**Paul Lockwood**  
 EHOVE Career Center  
 Erie County  
 Board member since 2016



**Melissa Marconi**  
 Tuslaw Local Schools  
 Stark County  
 Board member since 2016



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



**Megan Williams**  
 Scioto Valley Local Schools  
 Pike County  
 Board member since 2005

# We know *schools.*

**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.**

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.

"I bring a unique perspective because I have been a school board member for over 38 years and am also a retired school treasurer. I have been involved with Ohio School Plan from the very beginning, watching it grow and prosper. I feel very honored to serve as an Ohio School Plan board member."

— PAUL LOCKWOOD

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"It is satisfying to know that we are educators helping educators. We are always looking out for ways to be of assistance to the districts we serve."

— MELISSA MARCONI

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"Being an Ohio School Plan board member means that I can be a part of an organization that represents excellence in the insurance market and be involved in decisions to better serve our members."

— CHRISTOPHER FOX

# 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**

Jennie Ferguson  
Columbus, OH  
614-628-6934  
dinsmore.com

## AUDITOR

### **Rea & Associates, Inc.**

Chad Welty  
Wooster, OH  
330-264-0791  
reacpa.com

## ACTUARIAL CONSULTANT

### **IRMS Actuarial Services**

Mike Delvaux  
Brookfield, WI  
262-754-1600  
ihainsurancesolutions.com

## FINANCIAL ADVISOR

### **RedTree Investment Group**

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

## REINSURANCE INTERMEDIARY

### **BMS Re**

Sean Ryan  
Edina, MN  
203-434-1365  
bmsgroup.com







# POOLING CONCEPT

## GROUP SELF-INSURANCE PLANS

### DEFINITION PER THE ASSOCIATION OF GOVERNMENTAL RISK POOLS (AGRIP):

A legal entity composed of public entity members that have 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.

### BENEFITS

- + SAVE MONEY OVER THE LONG-TERM
- + CONSISTENT COVERAGE
- + MEMBERS WITH SIMILAR INTERESTS
- + GROUP SELF-INSURANCE PLAN
- + MORE CONTROL
- + BUILD MEMBERS' EQUITY



“

“I have been in the insurance industry for 30 years—working on the carrier side as a commercial underwriter and as an agent for the past 25 years. I have been affiliated with the Ohio School Plan since 2009. Ohio School Plan is my go-to-market for insuring public schools.”

— Gary Walters, Ohio School Plan Sales Agent

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[ohioschoolplan.org](http://ohioschoolplan.org)



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