The Minnesota School Boards Associated Insurance Trust (MSBAIT) held its Annual Meeting on October 21, 2021. I am honored to have been elected by the membership to serve another four-year term as a trustee. The Trustees elected me to serve as your chair for 2022. Kathryn Green (Austin) was elected to serve as vice-chair, and MSBA Executive Director Kirk Schneidawind was appointed to serve as secretary-treasurer.

At the meeting, the MSBAIT Board of Trustees was given updates on various programs that provide school districts with resources to address their insurance needs:

- Life and long-term disability (LTD): MSBAIT continues to endorse National Insurance Services (NIS) for this coverage. More than 200 school districts participate in the program.
- More than 340 school districts participate in the Risk Protection Program (RPP) — developed in collaboration with Marsh McLennan Agency (MMA). Through the RPP, member districts have access to the following coverage through our endorsed partner carriers:
  - Property and casualty: EMC Insurance, Glatfelter Public Practice, Hanover Insurance, and Liberty Mutual.
  - Workers’ compensation: RAS Insurance and SFM Mutual Insurance Company
- MSBAIT continues to offer unique (and more comprehensive) coverages through the Advanced Protection Program. Coverage is available for drones, cybersecurity, TULIP (tenant users liability insurance protection), international travel, and builder’s risk. Additional programs are being explored.

MSBAIT continues to have an “Administrative Agreement” with the Minnesota School Boards Association (MSBA). As a result of that agreement, MSBA’s staff is available to answer school districts’ risk management questions and address related issues.

The MSBAIT is financially stable and the trustees are proud of the services and risk management resources provided to its members. On behalf of the trustees, I would like to thank the MSBA staff, our endorsed partners, and consultant Dave Kyllo for everything they do to help the MSBAIT members. The trustees are proud of the work and partnerships that have helped our members navigate these stressful and challenging times. This year, the MSBAIT will celebrate 50 years of responding to the risk management needs of school districts. As we look ahead, we are excited about the future and new opportunities to serve our members.

Sincerely, Kevin Donovan, MSBAIT Chair
Did you know ... The Minnesota School Boards Association Insurance Trust (MSBAIT) provides resources to help school districts address their risk management needs.

**Life and Long-Term Disability**

MSBAIT endorses National Insurance Services (NIS) as the provider of group term life and group long-term disability insurance products and services for MSBA members. NIS has been serving groups such as school districts, cities, counties, and others since 1969. NIS has created a network of satisfied groups in 30 states. In addition, NIS prides itself on maintaining a 95 percent client retention rate. MSBAIT has had the privilege of working with NIS for more than 30 years.

**Risk Protection Program**

MSBAIT endorses Marsh McLennan Agency (MMA), LLC. MMA’s RISK PROTECTION PROGRAM offers property/casualty and workers’ compensation insurance products and services. MMA has decades of school insurance and risk management experience. Contact Marsh McLennan Agency to speak about any of the following insurance options:

**Property, Inland Marine, and Crime**

- Buildings and Personal Property
- Business Income and Extra Expense
- Mechanical and Equipment Breakdown
- Audio/Visual Equipment, Musical Instruments, Band and Athletic Uniforms
- Employee Dishonesty and Theft
- Forgery and Alteration

**Workers’ Compensation**

- Statutory Benefits
- Employers Liability Limits
- Safety and Claims Consulting Services

**Automobile**

- Auto Liability and Physical Damage
- Garagekeepers’ Liability
- Hired and Non-owned Auto

**School Leaders’ Legal Liability**

- School Board Legal Liability
- Teachers Liability
- Employment-Related Practices Liability
- Broad Definition of Named Insured

**General Liability**

- Bodily Injury, Property Damage, Personal Injury and, Advertising Injury
- Sexual Abuse and Molestation
- Employee Benefits Liability
- Incidental Liability for School Nurses
- Medical Payments

**Excess Liability**

- Excess Liability Limits to $10 million per Occurrence/Aggregate

**Looking for more comprehensive coverage than what is offered by your insurance plan? Ask about the ...**

**Advanced Protection Program**

- Drones
- Cybersecurity
- International Travel
- Builder’s Risk
- TULIP (Tenant Users Liability Insurance Protection)

**NEW FOR 2022!**

**Electronic Device Protection**
## Statements of Net Assets, Revenues, Expenses, Losses, and Change in Net Assets

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments, at fair value</td>
<td>$19,010,677</td>
<td>$23,259,574</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>24,243,509</td>
<td>22,474,769</td>
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<tr>
<td>Accrued investment income</td>
<td>69,144</td>
<td>101,830</td>
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<tr>
<td>Other receivables</td>
<td>92,595</td>
<td>169,897</td>
</tr>
<tr>
<td>Reinsurance and other recoverables</td>
<td>1,405,557</td>
<td>673,168</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$44,821,482</strong></td>
<td><strong>$46,679,238</strong></td>
</tr>
<tr>
<td><strong>Liabilities and Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$356,218</td>
<td>$352,685</td>
</tr>
<tr>
<td>Provision for losses and loss adjustment expenses</td>
<td>26,940,932</td>
<td>29,676,660</td>
</tr>
<tr>
<td>Unearned deductible loss fund contributions</td>
<td>211,000</td>
<td>211,000</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>27,508,150</strong></td>
<td><strong>30,240,345</strong></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without donor restrictions</td>
<td><strong>17,313,332</strong></td>
<td><strong>16,438,893</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$44,821,482</strong></td>
<td><strong>$46,679,238</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Royalties</td>
<td>$365,289</td>
<td>$480,444</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss and loss adjustment expenses (net of favorable development)</td>
<td>(1,280,306)</td>
<td>(524,888)</td>
</tr>
<tr>
<td>Special compensation fund</td>
<td>133,824</td>
<td>148,729</td>
</tr>
<tr>
<td>Administration</td>
<td>175,131</td>
<td>99,088</td>
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<tr>
<td>Other operating expenses</td>
<td>574,150</td>
<td>555,496</td>
</tr>
<tr>
<td><strong>Total Operating Expenses (income)</strong></td>
<td><strong>(397,201)</strong></td>
<td><strong>278,425</strong></td>
</tr>
<tr>
<td><strong>Income from Operations</strong></td>
<td>762,490</td>
<td>202,019</td>
</tr>
<tr>
<td><strong>Nonoperating Revenue</strong></td>
<td></td>
<td></td>
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<tr>
<td>Net investment income</td>
<td>380,610</td>
<td>829,333</td>
</tr>
<tr>
<td>Net unrealized gain on investments</td>
<td>(268,719)</td>
<td>243,430</td>
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<tr>
<td>Other income</td>
<td>58</td>
<td>92</td>
</tr>
<tr>
<td><strong>Total Nonoperating Revenue</strong></td>
<td><strong>1,111,949</strong></td>
<td><strong>1,072,855</strong></td>
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<tr>
<td><strong>Change in Net Assets</strong></td>
<td><strong>874,439</strong></td>
<td><strong>1,274,874</strong></td>
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<tr>
<td><strong>Net Assets, Beginning of Year</strong></td>
<td><strong>16,438,893</strong></td>
<td><strong>15,164,019</strong></td>
</tr>
<tr>
<td><strong>Net Assets, End of Year</strong></td>
<td><strong>$17,313,332</strong></td>
<td><strong>$16,438,893</strong></td>
</tr>
</tbody>
</table>
ACGC
Achieve Language Academy
Ada-Borup-West
Adrian
Aitkin
Albany Area
Albert Lea Area
Alden-Conger
Alexandria
Annanale
Anoka-Hennepin
Area Special Education Cooperative
Ashby
Aspen Academy
Athlos Leadership Academy
Aurora Charter School
Austin
Badger
Bagley
Barnesville
Barnum
Battle Lake
Becker
Belgrade-Brooten-Elrosa
Belle Plaine
Bemidji Area Schools
Bemidji Reg. Interdistrict Council
Benson
Benton-Stearns Education District
Bertha-Hewitt
Big Lake
Blackduck
Blooming Prairie
Bloomington
Blue Earth Area
BOLD
Braham Area
Brainerd
Brandon-Evansville
Brooklyn Center
Browerville
Browns Valley
Buffalo Lake-Hector-Stewart
Buffalo-Hanover-Montrose
Burnsville-Eagan-Savage
Butterfield-Odin
Byron
Caledonia Area
Cambridge-Isanti
Campbell-Tintah
Canby
Cannon Falls Area
Carlton
Cass Lake-Bena
Cedar Mountain
Centennial
Central Schools
Chatfield
Chisago Lakes Area Schools
Chisholm
Chokio-Alberta
City Academy
Clarkfield Charter School
Clearbrook-Gonvick
Cleveland
Climax-Shelly
Clinton-Graceville-Beardsley
Cloquet
Columbia Heights
Comfrey
Community School of Excellence
Cook County
Cromwell-Wright
Crookston
Crosby-Ironton
Crosslake Community School
Dassel-Cokato
DaVinci Academy
Dawson-Boyd
Deer River
Delano
Detroit Lakes
Dilworth-Glyndon-Felton
Dover-Eyota
Duluth
Eagle Ridge Academy
East Central Schools
East Grand Forks
Eastern Carver County Schools
Eden Prairie
Eden Valley-Watkins
Edgerton
Edin
Elk River Area
Ely
Eska
Fairmont Area Schools
Faribault
Farmington Area
Fergus Falls
Fertile-Beltrami
Fillmore Central
Fisher
Floodwood
Foley
Forest Lake
Fosston
Frazee-Vergas
Freshwater Education District
Fridley
Fulda
Glencoe-Silver Lake
Glenville-Emmons
Global Academy
Goodhue
Goodhue County Education District
Goodridge
Granada-Huntley-East Chain
Grand Meadow
Grand Rapids
Greenway
Grygla-Gatzke
Hancock
Hastings
Hawley
Hayfield
Hendricks
Hennings
Herman-Norcross
Hermantown
Hiawatha Valley Ed District
Hibbing
Hill City
Hills-Beaver Creek
Hinckley-Finlayson
Holdingford
HOPE Community Academy
Hopkins
Houston
Howard Lake-Waverly-Winsted
Hutchinson
Intermediate District 287
Intermediate District 916
Intermediate District 917
International Falls
Intl. Spanish Language Academy
Inver Grove Heights
Isle
Ivanhoe
Jackson County Central Schools
Janesville-Waldorf-Pemberton
Jennings Community School
Jordan
Kaleidoscope Charter School
Kasson-Mantorville
Kenyon-Wanamingo
Kerkhoven-Murdock-Sunburg
Kimball
Kingsland
Kittson Central
La Crescent-Hokah
Lac qui Parle Valley
Lake Agassiz Special Ed. Cooperative
Lake Benton
Lake City
Lake Crystal Wellcome Memorial
Lake of the Woods
Lake Park Audubon
Lake Superior
Lakes Country Service Cooperative
Lakeview
Lakeville Area
Lancaster
Lanesboro
Laporte
Le Sueur-Henderson
LeRoy-Ostrander
Lester Prairie
Lewiston-Altura
Litchfield
Little Falls
Littlefork-Big Falls
Long Prairie-Grey Eagle
Luverne
Lyle
Lynd
Mabel-Canton
MACCRAY
Madelia
Mahnomen
Mahtomedi
Mankato Area
Maple Lake
Maple River
Marshall
<table>
<thead>
<tr>
<th>MSBAIT Members</th>
</tr>
</thead>
</table>
| Marshall County Central  
Marshall  
Martin County West  
Math and Science Academy  
McGregor  
Medford  
Meeker & Wright Special Ed. Coop.  
Melrose Area  
Menahga  
Mesabi East  
Mid-State Education District  
Midwest Special Education Coop.  
Milaca  
Milroy  
Minnesota  
Minnesota New Country School  
Minnesota Transitions School  
Minnetonka  
Minnewaska Area  
MN River Valley Education District  
MN Valley Cooperative Center  
MN Valley Education District  
Modern Montessori Charter School  
Montevideo  
Monticello  
Moorhead Area  
Moose Lake  
Mora  
Morris Area  
Mountain Iron-Buhl  
Mountain Lake  
Murray County Central  
Nashwauk-Keewatin  
Naytahwaush Community School  
Nerstrand Charter School  
Nett Lake  
Nevis  
New Heights School, Inc.  
New London-Spicer  
New Prague Area  
New Ulm  
New York Mills  
Nicollet  
Norman County East  
North Branch Area  
North St. Paul-Maplewood-Oakdale  
Northeast College Prep  
Northeast Service Cooperative  
Northfield  
Northland Community  
Northland Learning Center  
Northwest Reg. Interdistrict Council  
Northwest Service Cooperative  
Nova Classical Academy  
NRHEG  
NW Suburban Integration District  
Ogilvie  
Onamia  
Orono  
Ortonville Public  
Osakis  
Osseo Area  
Owatonna  
PACT Charter School  
Park Rapids Area  
Parkers Prairie  
Parnassus Preparatory School  
Paul Bunyan Education Cooperative  
Paynesville Area  
Pelican Rapids  
Pequot Lakes  
Perham-Dent  
Pierz  
Pillager  
Pine City  
Pine Island  
Pine River-Backus  
Pipestone Area  
Plainview-Elgin-Millville  
Prairie Seeds Academy  
Princeton  
Prior Lake-Savage Area  
Proctor  
Randolph  
Red Lake  
Red Lake County Central  
Red Lake Falls  
Red Rock Central  
Red Wing  
Redwood Area  
Renville County West  
Richfield  
River Bend Education District  
Robbinsdale Area  
Rochester  
Rock Ridge  
Rockford Area  
ROCORI  
Roseau  
Rosemount-Apple Valley-Eagan  
Roseville Area  
Rothsay  
Round Lake-Brewster  
Royalton  
Rum River Special Education Coop.  
Runestone Area Education District  
Rush City  
Rushford-Peterson  
Sartell-St. Stephen  
Sauk Centre  
Sauk Rapids-Rice  
Schoolcraft Learning Community  
Sebeka  
Seven Hills Preparatory Academy  
Shakopee  
Sibley East  
Sleepy Eye  
South Central Service Cooperative  
South Koochiching-Rainy River  
South Washington County  
Southeast Service Cooperative  
Southern Plains Educational Coop.  
Southland  
Southside Family Charter School  
Spring Grove  
Spring Lake Park  
Springfield  
St. Anthony-New Brighton  
St. Charles  
St. Clair  
St. Cloud  
St. Croix Preparatory Academy  
St. Croix River Education District  
St. Francis Area  
St. James  
St. Louis County  
St. Louis Park  
St. Michael-Albertville  
St. Paul  
St. Paul City School  
St. Peter  
Staples-Motley  
Stephen-Arroyo Central  
Stewartville  
Stillwater Area  
Swanville  
SWWC Service Cooperative  
Thief River Falls  
Tracy Area  
TrekNorth High School  
Tri-City United  
Tri-County  
TRIO Wolf Creek Distance Learning  
Triton  
Truman  
Twin Cities Academy  
Twin Cities International Schools  
Ubah Medical Academy  
Ulen-Hitterdal  
Underwood  
United South Central  
Upasa Area  
Verndale  
Wabasha-Kellogg  
Wabasso  
Waconia  
Wadena-Deer Creek  
Walker-Hackensack-Akeley  
Warren-Alvarado-Oslo  
Warroad  
Waseca  
Watertown-Mayer  
Waterville-Ely-Eston-Manorstown  
Wayzata  
West Central Area  
West Central Education District  
West St. Paul-Mendota Heights-Eagan  
Westonka  
Wheaton  
White Bear Lake Area  
Willmar  
Willow River  
Windom Area  
Win-E-Mac  
Winona Area  
Worthington  
Wrenshall  
Wright Technical Center  
Yellow Medicine East  
Yinghua Academy  
Zumbro Education District  
Zumbrota-Mazeppa |