
2024 BUDGET

Overview, Narrative & Appendices



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Executive Summary

The following is a comparative summary of the 2024 budget to the 2023 adopted budget.

	2024 Budget	2023 Budget	Change
Total Operating Revenues	\$ 22,684,000	\$ 19,864,000	14%
Total Operating Expenses	20,009,000	17,239,000	16%
Total Other Income	-	-	0%
Net Income (Anticipated Surplus)	\$ 2,675,000	\$ 2,625,000	2%

Budget Highlights by Grouping

Loss Fund

Our PwC actuaries have determined the loss fund to be \$8,946,000, a 2% increase from the prior year. The increase is attributed to higher exposure units, specifically mileage.

Insurance Costs

Insurance costs are presented at \$6,577,000, a 42% increase over the prior year with the increase attributed to the hardening of the liability markets and additional coverage purchased by some Members.

General Administrative

The general administrative budget is presented at \$4,486,000, a 17% increase over the prior year. This budget incorporates the recommendations of the Executive Committee (EC), which include increases to fund Member Services Programs including grants, pre-litigation, cyber pilot, LMS, along with the funding for strategic planning objectives. The budget includes the next Capital Adequacy Assessment (Capital Funding Study) which is done every three years and one time funding for the December 2024 Board Training: The Shackleton Leadership Experience. For compensation modeling, staff followed the process outlined in the draft Staff Compensation and Benefits Philosophy when developing the budget proposal. Two final adjustments include \$200,000 for Tech Grants and \$96,000 for the new Origami Contract.

Total Operating Expenses

Total operating expenses are \$20,009,000, a 16% increase over the prior year. The proposed operating budget aligns with most of the target ratios established by the Executive Committee. Staff anticipate a \$2,675,000 contribution to net position at the end of 2024.

Ratios	Target	2024 Budget	2023 Budget
Incurring Claims Loss	Less than 50%	39%	44%
Insurance Services	Less than 20%	26%	22%
G&A Expense	Less than 25%	21%	21%
Operating	Less than 95%	88%	87%

Budget Development Policy and Rate Review

The Budget Development Policy establishes a rate stability goal of 5%. This is measured as a year over year comparison of the budget (the total costs from the actuarial report without the equity contribution).

Rates	Avg	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
With Equity Contribution	6%	5%	5%	5%	3%	7%	9%	7%	10%	5%	5%
Without Equity Contribution	4%	6%	2%	7%	3%	2%	4%	8%	12%	1%	1%

See Appendix A for additional information related to rates with and without the equity contribution.



Budget Summary

Operating Revenues	2024 Budget	2023 Budget	Change
Member Assessments	\$ 21,478,251	\$ 18,952,488	13%
Other Rating Cost Components	1,104,197	775,558	42%
Total Assessment	22,582,448	19,728,046	14%
Other Operating Revenues	101,552	135,954	-25%
Total Operating Revenues	\$ 22,684,000	\$ 19,864,000	14%

Operating Expenses

Loss Fund	Claims & Loss Adjustments	\$ 8,946,000	\$ 8,778,000	2%
	Insurance			
	Purchased Insurance - Liability	3,159,000	2,116,000	49%
	Purchased Insurance - Property	2,682,000	2,063,000	30%
	Other Insurance Products	736,000	446,000	65%
General & Admin	Payroll & Benefits	2,092,000	1,971,000	6%
	Contracted Services	561,000	529,000	6%
	Risk & Loss Prevention	665,000	333,000	100%
	Training & Education	170,000	169,000	1%
	Technical & Subscription Services	114,000	329,000	-65%
	Administrative	573,000	505,000	13%
	Depreciation & Amortization	311,000	-	100%
	Total Operating Expenses	20,009,000	17,239,000	16%
	Total Operating Income (Loss)	\$ 2,675,000	\$ 2,625,000	

Other Income (Expense)

Interest Income	-	-	0%
Total Other Income (Expense)	-	-	0%
Anticipated Change in Net Position	\$ 2,675,000	\$ 2,625,000	2%

Regarding interest income: Though we will receive interest income in 2024, we anticipate market conditions will result in unrealized losses and that these unrealized losses will erode or exceed realized gains. As such we set the interest income budget to zero for 2024.



Operating Expenses, \$20,009,000

Loss Fund,
\$8,946,000

Purchased Insurance,
\$6,577,000

General & Administrative,
\$4,486,000

Budget by Grouping

Loss Fund

The loss fund is presented at \$8,946,000, a 2% increase from the prior year.

The loss fund is the largest expenditure grouping and is determined by our actuary based on various rating units to determine Members' exposure (or potential) for loss. As noted below, miles are estimated to increase in 2024 (over 2023's estimate) as Members continue to hire and add back or expand service. Vehicle values have been increasing over the past few years as Members purchase battery/electric buses (and those values are then depreciated). Property values have been increasing year over year and in 2023 there were new and renovated transit properties that increased insured values.

Rating Units	2024 E	2023 E	Change	2022 A&E	2024/2022
Mileage	97,760,889	88,561,769	10.4%	83,596,313 A	16.9%
Employee Counts	6,213	5,913	5.1%	5,381 A	15.5%
Vehicle Values	474,860	472,275	0.5%	443,980 E	7.0%
Property Values	993,631	876,819	13.3%	763,922 E	30.1%

A = Actual E = Estimate P = Proposed

1st Party Loss Insurance – is when a Member files a claim to cover a loss of the Member. We often talk about these types of loss as they pertain to the Auto Physical Damage and Property coverages which are underwritten by the vehicle and property insured values. For 2024, the estimated cost of 1st party losses is \$923,000, a 2% decrease over the prior year due primarily to lower claims activity. This represents 10% of the total loss fund for 2024.

3rd Party Loss Insurance – is when another person is injured by a Member's actions. We often talk about these types of loss as they pertain to the Auto Liability coverage which is underwritten by miles and the Other than Auto Liability coverage which is underwritten by employee counts. The cost of insuring miles traveled is the most substantial portion of each Member's assessment. For 2024, the estimated cost of 3rd party losses is \$8,023,000, a 2% increase from the prior year due primarily to increased miles. This represents 90% of total loss fund for 2024.

Loss Type	Coverages	2024 Budget	2023 Budget	Change
1st party	Auto Physical Damage	\$ 818,000	\$ 822,000	0%
1st party	Property	105,000	116,000	-9%
Total 1st Party		\$ 923,000	\$ 938,000	-2%
3rd Party	Auto Liability	\$ 6,808,000	\$ 6,411,000	6%
3rd Party	Other than Auto Liability	1,215,000	1,429,000	-15%
Total 3rd Party		8,023,000	7,840,000	2%
Total For All Coverages		\$ 8,946,000	\$ 8,778,000	2%

1st Party,
10%

3rd Party,
90%



Operating Expenses, \$20,009,000

Loss Fund,
\$8,946,000

Purchased Insurance,
\$6,577,000

General & Administrative,
\$4,486,000

Purchased Insurance

Purchased insurance is presented at \$6,577,000, a 42% increase from the prior year.

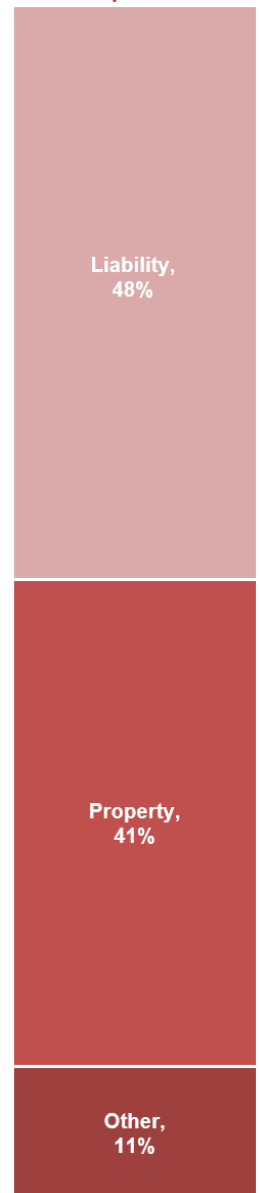
Purchased Insurance	2024 Budget	2023 Budget	Change
Liability	\$ 3,159,000	\$ 2,116,000	49%
Property	2,682,000	2,063,000	30%
Other Insurance Products	736,000	446,000	65%
Total Purchased Insurance	\$ 6,577,000	\$ 4,625,000	42%

Liability – For 2024 WSTIP is budgeting to provide \$25 million of liability coverage which will be accomplished through layers of coverage (see graph below). Purchased liability coverage is estimated to cost \$3,159,000, a 49% increase over the prior year. The increase is attributed to a hardening of the liability markets in addition to increases in miles. We have bound coverage with GEM and MunichRe and we have quotes for the upper two layers which are being presented for binding authority at the Board meeting.

Combined Layer	Layer	Provider	2024 Budget	2023 Budget	Change
25M	5M	Allied	\$ 140,000	\$ 126,000	11%
20M	5M	Starstone	240,000	212,000	13%
15M	10M	MunichRe	1,060,000	590,000	80%
3.5M	3.5M	GEM	1,719,000	1,188,000	45%
1.5M	1.5M	WSTIP	-	-	-
Total Purchased Liability			\$ 3,159,000	\$ 2,116,000	49%

Property – For 2024 WSTIP will provide a \$250,000 SIR with the remainder of coverage provided by the Alliant Property Insurance Program (APIP) with a limit of \$500 million. This covers Member’s real property (structures and personal property). For 2024, WSTIP will also provide a \$250,000 SIR for auto physical damage. The remainder of coverage is provided by Evanston Insurance Company (a subsidiary of Markel). This policy has a replacement cost provision for vehicles in excess of \$250,000 and less than 10 years old. The limit on this policy is \$1.6 million on any one vehicle. Purchased property coverage will cost \$2,682,000, a 30% increase over the prior year. These costs were incurred with the July 1 renewal.

Other Insurance Products – is presented at \$736,000, a 65% increase over the prior year. The largest increases related to excess cyber and APD limits purchased by Members. This line item includes the cost of pollution, underground storage tanks, crime & fidelity, directors & officers, excess cyber, excess APD above \$20M and driver record monitoring. In total these costs represent 11% of all purchased insurance for 2024.





Operating Expenses, \$20,009,000

Loss Fund,
\$8,946,000

Purchased Insurance,
\$6,577,000

General & Administrative,
\$4,486,000

General & Administrative

This cost group is presented at \$4,486,000, a 17% increase over the prior year. For greater detail read the narrative below and see the line-item budget in the pages that follow.

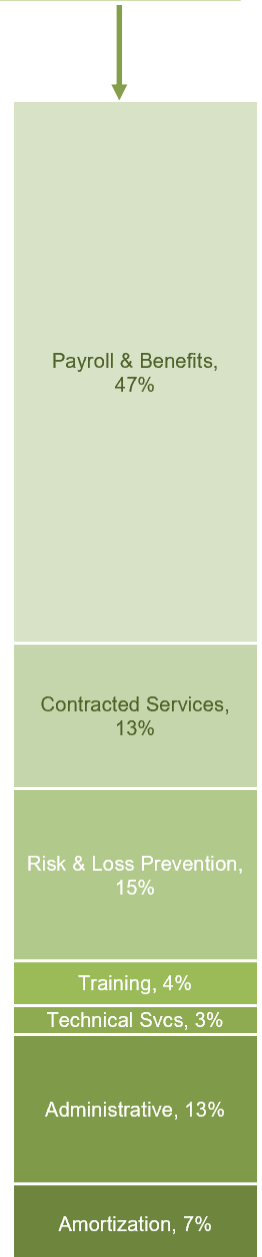
Payroll & Benefits – is presented at \$2,092,000, a 6% increase over the prior year. Following the process outlined in the draft Staff Compensation and Benefits Philosophy we budgeted a General Wage Increase (GWI) of 4.3% which was the July-to-July change in US Bureau of Labor Statistics Consumer Price Index: West Region (CPI-U), all items less food and energy (Core CPI or Sticky CPI). This also includes funds for the Executive Director to administer step increases to eligible employees. It includes increases related to medical benefits (1% for the known 2024 increase with us playing catch-up related to the 2023 actual increase) as well as normal and nominal increases related to pension and payroll taxes.

Contracted Services – is presented at \$561,000, a 6% increase from the prior year. The increase is related to the Capital Adequacy Assessment (Capital Funding Study) which is done every three years. Included in this category are the broker, actuary, general counsel, and state risk manager costs. Fees for professional services such as financial audits, claims and property audits, and IT support services are also included.

Risk & Loss Prevention – is presented at \$655,000, a 100% increase from the prior year. Changes include Risk Management Grant increase from \$2,500 to \$5,000, pre-litigation support from \$5,000 to \$7,500 and an expansion of the 2023 cyber pilot. The budget funds strategic planning objectives: potential technology on vehicles, subject matter expertise for security, securement research to update best practices and other prioritized action items. The category includes grant funded programs, pre-litigation, technical assistance, guest rider program, recognition programs like Above & Beyond, Safety Stars and Safe Driver awards. It also includes \$200,000 for Technology Grant Awards.

Training & Education – is presented at \$170,000, a 1% increase over the prior year. The increase is due to the growth of the LMS program. It includes the external costs for WSTIP to maintain training programs including the trainer’s showcase and the claims conference. Increases are offset by a reduction in the Jeffrey S. Ristau Scholarship (low utilization the last five years).

Technical & Subscription Services – is presented at \$114,000, a 65% decrease over the prior year. This category includes hardware, software licensing and subscription costs. WSTIP Implemented GASB 96 – SBITA in connection with the 2022 financial close, which ended up capitalizing the Origami Contract as a Right-to-Use Subscription with future expenses being amortization expenses.



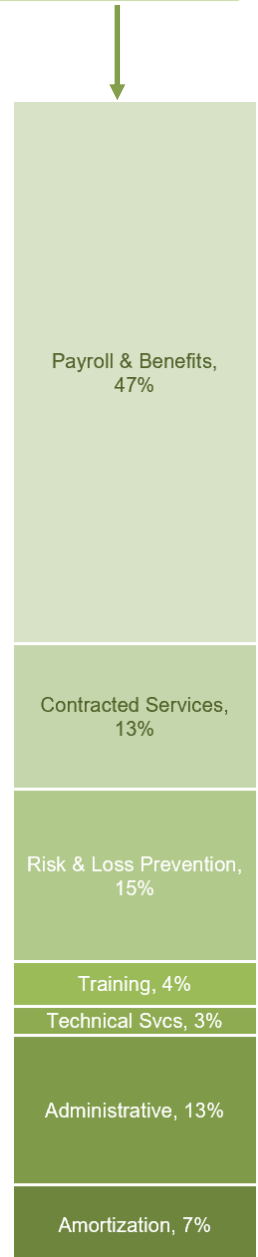


General & Administrative....Continued

Administrative – is presented at \$573,000, a 13% increase over the prior year. Increases of \$40K for the December 2024 Board Training: The Shackleton Leadership Experience, \$15K for our retreat consultant, \$5K for the 2024 EC meetings at SeaTac Conference Center and \$3K in Hydrogen Fuel Cell Bus Council dues.

It includes board travel, meetings, board development, staff travel, professional development and wellness programs. It includes membership dues and subscriptions, office supplies, postage & delivery, printing & graphic services, banking fees, all occupancy expenses: building & office equipment, repairs, maintenance, janitorial services, communications, utilities, and leasehold taxes.

Amortization – is presented at \$311,000, a 100% increase over the prior year. New for 2024, with GASB 96 – SBITA implemented, the Origami contract costs are capitalized and amortized. We have cash flow considerations with this contract that need to be funded (collected) and to do that we have to include this amortization expense as part of the budget.





Budget by Line Item

Account Description	[A] 2024 Budget		[A]	[B] 2023 Budget	(A-B) / B
	As Proposed Dec 2023	Adjustments Nov 2023	As Proposed Sep 2023	As Adopted Dec 2022	2024 / 2023 % Change
Operating Revenues					
4000 Member Assessments					
4001 Auto Liability - Fixed Route	10,499,355	1,355,085	9,144,270	8,123,309	29%
4002 Auto Liability - Paratransit	2,236,537	104,661	2,131,876	1,865,658	20%
4003 Auto Liability - Vanpool	1,040,374	(1,390,296)	2,430,670	1,747,500	-40%
4004 Auto Liability - Admin	822,309	(38,966)	861,275	699,117	18%
4005 General Liability	2,398,480	(22,960)	2,421,440	2,616,614	-8%
4006 Auto Physical Damage	1,977,868	818	1,977,050	1,913,596	3%
4007 Property	2,503,328	982	2,502,346	1,986,694	26%
Total Member Assessments	21,478,251	\$ 9,324	\$ 21,468,927	\$ 18,952,488	13%
4100 Other Insurance Products					
4101 UIM - Fixed Route	181,014	(1,442)	182,456	173,758	4%
4102 UIM - Paratransit	44,840	276	44,564	42,185	6%
4103 UIM - Vanpool	18,271	(107,214)	125,485	97,442	-81%
4104 UIM - Admin	123,894	105,677	18,217	16,610	646%
4105 Pollution	45,000	-	45,000	45,000	0%
4106 Underground Storage	30,000	-	30,000	30,000	0%
4107 Crime & Fidelity	30,000	-	30,000	28,000	7%
4108 Directors & Officers	38,000	-	38,000	38,000	0%
4109 DRM - Driver Monitoring (Total)	177,000	-	177,000	233,838	-24%
4110 DRM - Driver Abstracts	50,003	-	50,003	-	0%
4111 Origami Licenses - Additional	15,095	-	15,095	14,520	4%
4112 Excess Cyber Limit	191,080	-	191,080	56,205	240%
4113 Excess APD Limit - \$10M excess of \$20M	160,000	-	160,000	-	0%
Total Other Insurance Products	\$ 1,104,197	\$ (2,703)	\$ 1,106,900	\$ 775,558	42%
4500 Other Operating Revenue - Customers					
4505 Training Revenue - Grant Funded	68,000	-	68,000	68,000	0%
4510 Training Revenue - Fee Funded	8,000	-	8,000	8,000	0%
4520 Rental/Lease Income	18,000	-	18,000	18,000	0%
4550 Miscellaneous Income	7,552	1,379	6,173	41,954	-82%
Total Other Operating Revenues	\$ 101,552	\$ 1,379	\$ 100,173	\$ 135,954	-25%
Total Operating Revenues	\$ 22,684,000	\$ 8,000	\$ 22,676,000	\$ 19,864,000	14%



Account Description	[A] 2024 Budget			[B] 2023 Budget	(A-B) / B
	As Proposed Dec 2023	Adjustments Nov 2023	As Proposed Sep 2023	As Adopted Dec 2022	2024 / 2023 % Change
Expenses					
5000 Claims & Loss Adjustments					
Establishing Loss Fund - 3rd Party - Auto	6,808,000	8,000	6,800,000	6,411,000	6%
Establishing Loss Fund - 3rd Party - General	1,215,000	-	1,215,000	1,429,000	-15%
Establishing Loss Fund - 1st Party - APD	818,000	-	818,000	822,000	0%
Establishing Loss Fund - 1st Party - Property	105,000	-	105,000	116,000	-9%
Total Claims & Loss Adjustments	\$ 8,946,000	\$ 8,000	\$ 8,938,000	\$ 8,778,000	2%
Total Loss Fund	\$ 8,946,000	\$ 8,000	\$ 8,938,000	\$ 8,778,000	2%
5100 Purchased Insurance - Liability					
5101 Reinsurance - GEMRe	1,719,000	-	1,719,000	1,188,000	45%
5102 Reinsurance - MunichRe	1,060,000	-	1,060,000	590,000	80%
5103 Excess - \$5M excess of \$15M	240,000	(184,000)	424,000	212,000	13%
5104 Excess - \$5M excess of \$20M	140,000	(112,000)	252,000	126,000	11%
Total Purchased Insurance - Liability	\$ 3,159,000	\$ (296,000)	\$ 3,455,000	\$ 2,116,000	49%
5200 Purchased Insurance - Property					
5201 Excess - Auto Physical Damage	384,000	-	384,000	300,000	28%
5202 Excess - Property	2,226,000	-	2,226,000	1,691,000	32%
5203 Excess - Cyber Ded Buy-Down	72,000	-	72,000	72,000	0%
Total Purchased Insurance - Property	\$ 2,682,000	\$ -	\$ 2,682,000	\$ 2,063,000	30%
5300 Other Insurance Products					
5301 Pollution	45,000	-	45,000	45,000	0%
5302 Underground Storage Tanks	30,000	-	30,000	30,000	0%
5303 Crime & Fidelity	30,000	-	30,000	28,000	7%
5304 Directors & Officers	38,000	-	38,000	38,000	0%
5305 Driver Record Monitoring	227,000	-	227,000	234,000	-3%
5307 Origami Licensing - Member Specific	15,000	-	15,000	15,000	0%
5308 Excess Cyber (Optional)	191,000	-	191,000	56,000	241%
5209 Excess APD \$10M excess of \$20M (Optional)	160,000	-	160,000	-	100%
Total Other Insurance Products	\$ 736,000	\$ -	\$ 736,000	\$ 446,000	65%
Total Purchased Insurance	\$ 6,577,000	\$ (296,000)	\$ 6,873,000	\$ 4,625,000	42%
6000 Payroll & Benefits					
6001 Salaries & Wages	1,560,000	-	1,560,000	1,468,000	6%
6002 Employee Benefits	268,000	-	268,000	242,000	11%
6003 Pension & 401(a) Withholdings	232,000	-	232,000	230,000	1%
6004 Payroll Taxes	32,000	-	32,000	31,000	3%
Total Payroll & Benefits	\$ 2,092,000	\$ -	\$ 2,092,000	\$ 1,971,000	6%
6100 Contracted Services					
6101 Insurance Broker	115,000	-	115,000	115,000	0%
6102 Actuary	162,000	-	162,000	130,000	25%
6103 General Counsel	107,000	-	107,000	107,000	0%
6104 State Risk Manager	12,000	-	12,000	12,000	0%
6105 Audits - Financial/Accountability	15,000	-	15,000	15,000	0%
6106 Audits - Claims/Property/AGRiP	15,000	-	15,000	15,000	0%
6107 IT Support Services	70,000	-	70,000	70,000	0%
6108 Accounting Review Services	10,000	-	10,000	10,000	0%
6110 Administrative Projects	55,000	-	55,000	55,000	0%
Total Contracted Services	\$ 561,000	\$ -	\$ 561,000	\$ 529,000	6%



Account Description	[A] 2024 Budget		[A]	[B] 2023 Budget	(A-B) / B
	As Proposed Dec 2023	Adjustments Nov 2023	As Proposed Sep 2023	As Adopted Dec 2022	2024 / 2023 % Change
Expenses					
7000 Risk & Loss Prevention					
7001 Grants - Risk Management	125,000	-	125,000	62,500	100%
7002 Grants - Network Security	50,000	-	50,000	50,000	0%
7003 Grants - Technology Risk Reduction	200,000	200,000	-	-	0%
7004 Pre-Litigation Fund	100,000	-	100,000	75,000	33%
7005 Tech Assistance for Members	120,000	-	120,000	80,000	50%
7006 Guest Rider Program	10,000	-	10,000	10,000	0%
7007 Vanpool Driver Online Refresher	-	-	-	5,000	-100%
7008 Recognition Programs	20,000	-	20,000	20,000	0%
7009 Sponsorships	15,000	-	15,000	15,000	0%
7011 Loss Prevention - Other	25,000	-	25,000	15,500	61%
Total Risk & Loss Prevention	\$ 665,000	\$ 200,000	\$ 465,000	\$ 333,000	100%
7100 Training & Education					
7101 Training Events	84,000	-	84,000	84,000	0%
7102 Trainers Showcase	10,000	-	10,000	10,000	0%
7103 Claims Conference	10,000	-	10,000	10,000	0%
7104 Ristau Scholarship	10,000	-	10,000	20,000	-50%
7105 Learning Management System	56,000	-	56,000	45,000	24%
Total Training & Education	\$ 170,000	\$ -	\$ 170,000	\$ 169,000	1%
7200 Technical & Subscription Services					
7201 Origami - Risk Mgmt Info System	-	-	-	215,000	-100%
7202 Hardware & Network Components/Support	40,000	-	40,000	40,000	0%
7203 Software & Licenses	50,000	-	50,000	50,000	0%
7204 MSDS Online	12,000	-	12,000	12,000	0%
7205 MRSC Library (shared cost with WSTA)	12,000	-	12,000	12,000	0%
Total Technical & Subscription Services	\$ 114,000	\$ -	\$ 114,000	\$ 329,000	-65%



Account Description	[A] 2024 Budget		[A]	[B] 2023 Budget	(A-B) / B
	As Proposed Dec 2023	Adjustments Nov 2023	As Proposed Sep 2023	As Adopted Dec 2022	2024 / 2023 % Change
Expenses					
7300 Administrative					
7301 Board - Travel & Lodging	120,000	-	120,000	115,000	4%
7302 Board - Governance Development	50,000	-	50,000	20,000	150%
7303 Board - Meetings	110,000	-	110,000	100,000	10%
7304 Board - Expenses - Other	25,000	-	25,000	10,000	150%
7401 Staff - Travel & Lodging	90,000	-	90,000	85,000	6%
7402 Staff - Professional Development	30,000	-	30,000	30,000	0%
7403 Staff - Wellness Programs	3,000	-	3,000	3,000	0%
7501 Admin - Dues & Subscriptions	18,000	-	18,000	15,000	20%
7502 Admin - Office Supplies	15,000	-	15,000	15,000	0%
7503 Admin - Postage & Delivery	4,000	-	4,000	4,000	0%
7504 Admin - Printing & Graphic Services	15,000	-	15,000	15,000	0%
7505 Admin - Bank Charges & Fees	8,000	-	8,000	8,000	0%
7506 Admin - Miscellaneous	1,000	-	1,000	1,000	0%
7601 Occupancy - Building & Office Equipment	20,000	-	20,000	20,000	0%
7602 Occupancy - Repairs, Maint & Janitorial Svcs	25,000	-	25,000	25,000	0%
7603 Occupancy - Communications	22,000	-	22,000	22,000	0%
7605 Occupancy - Utilities	14,000	-	14,000	14,000	0%
7607 Occupancy - Rental/Leasehold Taxes	3,000	-	3,000	3,000	0%
Total Administrative	\$ 573,000	\$ -	\$ 573,000	\$ 505,000	13%
Depreciation & Amortization					
8000 Depreciation	-	-	-	-	0%
8005 Amortization	311,000	96,000	215,000	-	0%
Total Depreciation & Amortization	\$ 311,000	\$ 96,000	\$ 215,000	\$ -	100%
Total General & Administrative	\$ 4,486,000	\$ 296,000	\$ 4,190,000	\$ 3,836,000	17%
Total Operating Expenses	\$ 20,009,000	\$ 8,000	\$ 20,001,000	\$ 17,239,000	16%
Net Operating Income	2,675,000	-	2,675,000	2,625,000	2%
Other Income					
9000 Interest Income / Loss	-	-	-	-	0%
Total Other Income	-	-	-	-	0%
Net Other Income	\$ -	\$ -	\$ -	\$ -	0%
Net Income (Anticipated Budget Surplus)	\$ 2,675,000	\$ -	\$ 2,675,000	\$ 2,625,000	2%
Target Surplus (from Exhibit 8-1)	\$ 2,675,000	\$ -	\$ 2,675,000	\$ 2,625,000	2%
Surplus (below) / above target surplus	\$ -	\$ -	\$ -	\$ -	

Regarding interest income: Though we will receive interest income in 2024, we anticipate market conditions will result in unrealized losses and that these unrealized losses will erode or exceed realized gains. As such we set the interest income budget to zero for 2024.



What isn't in the Budget!

Non-Cash Expenditures – are excluded from the budget as we aren't seeking authority to spend or appropriate funds. Examples of non-cash expenditures not in the budget:

- Depreciation Expense
- Deferred Outflows/Inflows of Resources Related to Pensions or OPEB
- Other Postemployment Benefit (OPEB) Liability
- Incurred But Not Reported (IBNR) Loss Reserves
- Unallocated Loss Adjustment Expenses (ULAE)
- Interest Expense (new with GASB 96 – SBITA)

Technology Grant Reserve – we anticipate ending 2023 with no value to carry forward into 2024.

Building Reserve Fund – we anticipate ending 2023 with \$104,166 carry forward into 2024, with us adding an additional \$25,000 to the reserve in 2024 (we add \$25,000 to the reserve annually to fund our ability to keep the WSTIP building in a state of good repair, in a marketable condition).

Position Control

Below is a summary of WSTIP positions, status, and head count. There is no request to increase staff.

Position	Status	Position Added or Changed	Last EE Change	2023 Total EE	2024 Request	2024 Total EE
Executive Director	Contracted	1993	2018	1.00	-	1.00
Board Relations	Filled	1993	2004	1.00	-	1.00
Deputy Director	Filled	1994	2021	1.00	-	1.00
Administrative Services Manager	Inactive	2016	2020	-	-	-
Accounting & Payroll Specialist	Filled	2004	2019	1.00	-	1.00
Administrative Assistant	Inactive	2007	2023	-	-	-
Member Services Manager	Filled	2001	2021	1.00	-	1.00
Safety & Risk Advisor	Filled	2009	2022	1.00	-	1.00
Training & Risk Coordinator	Filled	2009	2017	1.00	-	1.00
Application Support Specialist 2	Inactive	2012	2015	-	-	-
Application Support Specialist	Filled	2001	2019	1.00	-	1.00
Claims Manager	Filled	2017	2017	1.00	-	1.00
Claims Specialist 3 (Adjuster)	Inactive		0	-	-	-
Claims Specialist 2 (Specialist)	Filled	1998	2022	2.00	-	2.00
Claims Specialist 1 (Associate)	Filled	2023	2023	1.00	-	1.00
Total				12.00	-	12.00



Appendix A: Rate Stabilization Analysis/History

Exhibit 8-1 Line		2024: From Exhibit 8-1					2023: From Exhibit 8-1				
		With Equity					With Equity				
		Auto Liability	General Liability	APD	Property	Total	Auto Liability	General Liability	APD	Property	Total
Line 09 Total Cost	[A]	14,738,500	2,415,500	2,409,000	2,533,000	22,096,000	12,583,437	2,620,183	2,391,000	2,020,000	19,614,620
Line 10 Exposure Units	[B]	97,760,889	6,213	474,859	993,631	97,760,889	90,251,683	5,956	472,275	877,530	90,251,683
Line 11 CY Rate	[A] / [B] = [C]	0.1508	388.78	5.0731	2.5492	0.2260	0.1394	439.92	5.0627	2.3019	0.2173
Line 13 PY Rate	[D] which is Prior Year [C]	0.1394	439.9200	5.0627	2.3019	0.2003	0.1304	405.85	4.7908	2.5556	0.2003
Line 14 Contribution	[B] x [D] = [CWE]	13,627,868	2,733,223	2,404,070	2,287,239	21,052,400	11,768,819	2,417,243	2,262,576	2,242,616	18,691,254
Line 15 Rate Change	[A] / [CWE] - 1	8%	-12%	0%	11%	5%	7%	8%	6%	-10%	5%
		Without Equity					Without Equity				
		Auto Liability	General Liability	APD	Property	Total	Auto Liability	General Liability	APD	Property	Total
Line 09 Total Cost	[A]	14,738,500	2,415,500	2,409,000	2,533,000	22,096,000	12,583,437	2,620,183	2,391,000	2,020,000	19,614,620
Back out Equity Line 7	[E]	(1,905,000)	(340,000)	(392,000)	(38,000)	(2,675,000)	(1,783,000)	(397,000)	(402,000)	(43,000)	(2,625,000)
Line 09 w/o Equity	[A] - [E] = [F]	12,833,500	2,075,500	2,017,000	2,495,000	19,421,000	10,800,437	2,223,183	1,989,000	1,977,000	16,989,620
Line 10 Exposure Units	[B]	97,760,889	6,213	474,859	993,631	97,760,889	90,251,683	5,956	472,275	877,530	90,251,683
Line 11 CY Rate w/o Equity	[F] / [B] = [G]	0.1313	334.06	4.2476	2.5110	0.1987	0.1197	373.27	4.2115	2.2529	0.1882
Line 13 PY Rate w/o Equity	[H] which is Prior Year [G]	0.1197	373.27	4.2115	2.2529	0.1882	0.1154	355.43	4.1286	2.5177	0.1786
Line 14 Contribution w/o E	[B] x [H] = [CwoE]	11,699,065	2,319,113	1,999,883	2,238,566	18,256,626	10,411,101	2,116,942	1,949,818	2,209,351	16,687,211
Line 15 Rate Change w/o E	[F] / [CwoE] - 1	10%	-11%	1%	11%	6%	4%	5%	2%	-11%	2%

The actuary model of Exhibit 8-1 introduced a modified methodology for calculating the change of rate in 2021, this was due to a reduction in rating units. Starting with 2023 we will show a calculation of the rate with and without equity for a two year look and have a summary view for prior years.

Rates	Avg	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
With Equity Contribution	6%	5%	5%	5%	3%	7%	9%	7%	10%	5%	5%
Without Equity Contribution	4%	6%	2%	7%	3%	2%	4%	8%	12%	1%	1%