



2022 MEMBERSHIP ANNUAL REPORT

South Dakota Public Assurance Alliance

Protecting local government assets since 1987, the South Dakota Public Assurance Alliance is a Member-owned local government risk-sharing pool providing liability and property coverage and risk management services to South Dakota municipalities, counties, townships, conservation districts, and special districts.

Our mission is to provide exceptional coverage and service to our Members, ensuring stable rates and risk reduction for South Dakota's future.

2022 BOARD OF DIRECTORS

Find the most current board at sdpaonline.org



CHAIR
Mike Wiese
Commissioner,
Brown County



Cindy Brugman
Auditor,
Codington County



Bill O'Toole
Director of Human
Resources, City
of Sioux Falls



VICE CHAIR
Lisa Katzenstein
Director of
Administrative
Services,
City of Sturgis



Pullyn Carey
Finance Director,
City of Huron



Chandra Phillips
Finance Officer,
City of Winner



**SECRETARY/
TREASURER**
Kathy Glines
Auditor,
Harding County



AT-LARGE MEMBER
Steve Harding
Mayor,
City of Pierre



EX-OFFICIO MEMBER
Yvonne Taylor
Executive Director
SD Municipal
League



EX-OFFICIO MEMBER
Kris Jacobsen
Executive Director,
SD Association
of County
Commissioners



Justin Weiland
City Administrator,
City of Dell Rapids

Letter from the **BOARD CHAIR**

On behalf of the South Dakota Public Assurance Alliance (SDPAA) Board of Directors and team, I am pleased to present the SDPAA's 2022 Annual Report.

During 2022, the SDPAA embodied the phrase "weather the storm." Mother nature sent along two of the largest wind and hail events of the past decade. The SDPAA was pleased to be able to provide a prompt response to these events to those Members impacted, and after the dust had settled, the conservative financial management philosophy of the Board allowed for stable rates and no changes in deductible structures to carry on through the upcoming years.

The SDPAA weathered changes in our internal team and board make up as well. One of our long-standing board members took on a staff position with the SDPAA. The Pool is honored to bring Becky Brunsing on as staff. The knowledge and experience she gained while serving her community will prove invaluable as she works to support new and existing Members across South Dakota. We welcomed Chandra Phillips from Winner to fill that vacancy left by Ms. Brunsing. Paullyn Carey, Finance Officer in Huron, was appointed to represent the City of Huron filling the position vacated during Mr. Borszich's retirement at the end of 2021. We value the new perspective that each of these will bring to the SDPAA Board.

Thanks to the stewardship of all our Board Members, the SDPAA and its Members are ready to tackle the many challenges arising in the public sector. The SDPAA Board and team value your trust and partnership with the SDPAA. Please feel free to visit our website at www.sdpaaonline.org for more information or reach out to any one of us with any questions, comments, or suggestions that you may have.



Mike Wiese
Commissioner,
Brown County

*Member of the
SDPAA Board
since 2004*



EXECUTIVE DIRECTOR

The South Dakota Public Assurance Alliance (SDPAA) is pleased to once again present its Annual Report in an electronic format to make the information more readily accessible for its Members. We hope that you find the 2022 Annual Report informative yet engaging!

The SDPAA is Member owned, Member governed, and Member driven. As owners, SDPAA Members can actively participate and influence not only their own destiny, but the destiny of the entire SDPAA.

The SDPAA Board of Directors is elected from among SDPAA Members and collectively has centuries of public service experience to be able to empathize with their fellow Members on the issues facing local governments in South Dakota.

The SDPAA's internal team is comprised of public employees with substantial claims and local government experience who can appreciate the needs of our Members.

The SDPAA is committed to providing Members with exceptional coverages and unique services. Please review this report and feel free to contact us if you have any questions about what the SDPAA can do for your public entity.



Lynn Bren
Executive Director,
South Dakota Public
Assurance Alliance

*SDPAA Deputy Director
from 2017 to 2023*

*SDPAA Executive
Director since May 2023*



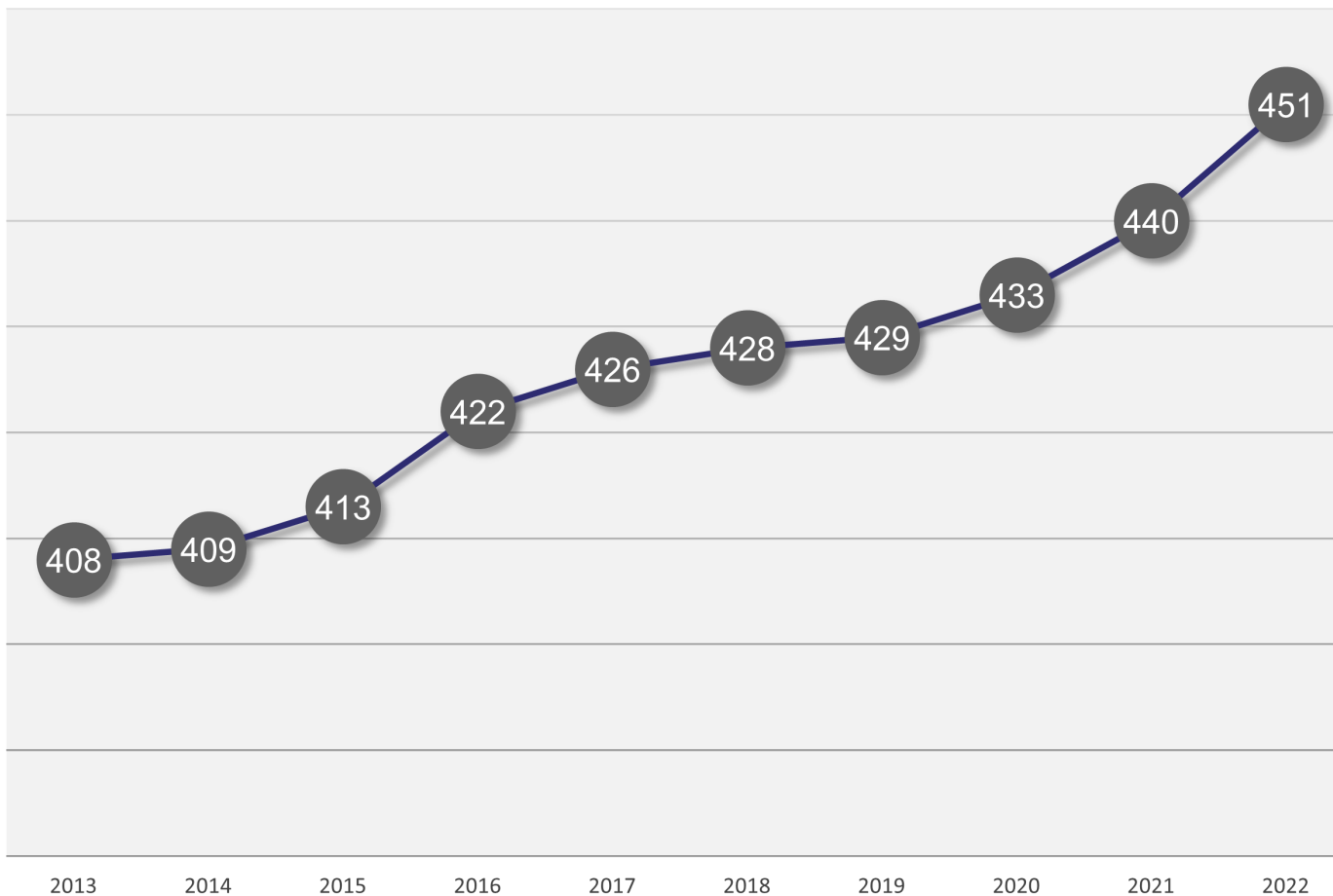
MEMBER SERVICES

RECORD
451
Members
In 2022

Membership in SDPAA reached an all-time high at the end of 2022 with 451 members. This is up from 440 members in 2021.

The pool has seen steady growth throughout its history, increasing over 11% in the last 10 years. We look forward to continuing the upward trend.

MEMBERSHIP. PAST 10 YEARS



2022 MEMBER AFFILIATION

54
COUNTIES

67
SPECIAL
DISTRICTS

64
CONSERVATION
DISTRICTS

84
TOWNSHIPS

182
MUNICIPALITIES

2022 MEMBERS

COUNTIES | 54

Aurora County
Beadle County
Bennett County
Bon Homme County
Brookings County
Brown County
Brule County
Buffalo County
Butte County
Charles Mix County
Clark County
Clay County
Codington County
Corson County
Custer County
Davison County
Day County
Deuel County
Douglas County
Edmunds County
Fall River County
Faulk County
Grant County
Gregory County
Hamlin County
Hand County
Hanson County
Harding County
Hughes County
Hutchinson County
Hyde County
Jackson County
Jerauld County
Jones County
Kingsbury County
Lake County
Lawrence County
Lyman County
Marshall County
McCook County
McPherson County
Meade County
Mellette County
Minnehaha County
Moody County
Oglala Lakota County
Pennington County
Roberts County
Sanborn County
Stanley County
Sully County
Todd County
Tripp County
Walworth County

SPECIAL DISTRICTS | 67

Alexandria Fire District
Becks Residential
Addition Road District
Belle Fourche Irrigation
District
Black Hills Council of
Local Governments
Blucksberg Mountain
Estates Road District
Boulder Park Road
District #2
Brant Lake Sanitary
District
Brookings Municipal
Utilities
Brown Co Mud Creek
Watershed District
Canyon Springs
Preserve Road District
Canyon Springs Sanitary
& Water District
Castlewood Ambulance
District
Castlewood Fire District
Cedar Hills Road District
Centennial Hills Road
District
Central Plains Water
Development District
Central SD
Enhancement District
Claire City Fire
Protection District
Corson Village Sanitary
District
Crooks Housing &
Redevelopment
Commission
Custer Ambulance
District
Custer Fall River Waste
Management District
Dakota Landing Road
District
East Custer Sewer &
Water District
East Jones County Fire
District
Edgemont Ambulance
District
First District Association
of Local Governments
Hartford Area Industrial
Park Road District
Health Pool of South
Dakota Board of
Directors
Hot Brooke Area Road
District
Hot Springs Rural Fire
District
Lake Cochrane Sanitary
District
Lake Herman Sanitary
District
Lake Madison Sanitary
District
Lake Pelican Water
Project District
Lead-Deadwood
Sanitary District
Lyons Volunteer Fire
Department
Meade County Rural
Ambulance District
Meadow Crest Road
District
Meadow Crest Sanitary
District
Metro Communications
Mountain Pines Road
District
MRC Regional Railroad
Authority
North Marsh Lake
Watershed District
Northeast Box Canyon
Road District
Northwest SD Regional
Landfill Assn.
Pickerel Lake Sanitary
District
Planning &
Development District
III
Powder House Pass
Community
Improvement District
Renner Sanitary District
Saddleback Road
District
SDML Workers'
Compensation Fund
Board of Directors
Sioux Falls Regional
Airport Authority
South Dakota Association
of County
Commissioners
South Dakota Municipal
League
South Dakota Public
Assurance Alliance
Board of Directors
South Dakota Public
Funds Investment Trust
South Eastern Council of
Governments
Southern Missouri
Recycling & Waste
Management District
Spearfish Rural Fire
Protection District
Spring Creek-Cow Creek
Sanitary District
Sunny Turkey Court Road
District
Sunset Ranch Road
District
University & Bridle
Estates Sanitary District
Upper Crow Creek
Watershed District
West Dakota Water
Development District
Woodland Hills Sanitary
District

2022 MEMBERS

CONSERVATION DISTRICTS | 64

American Creek CD	Hamlin County CD	Todd County CD
Aurora County CD	Hand County CD	Tri-County CD
Badlands CD	Hanson County CD	Turner CD
Beadle CD	Harding County CD	Walworth County CD
Bennett County CD	Hughes County CD	Yankton County CD
Brookings County CD	Hutchinson County CD	Ziebach County CD
Brown-Marshall CD	Hyde County CD	
Butte CD	Jackson County CD	
Campbell County CD	Jerauld CD	
Charles Mix CD	Jones County CD	
Clark County CD	Kingsbury CD	
Clay County CD	Lake County CD	
Clearfield-Keyapaha & Hamill CD	Lawrence County CD	
Codington County Soil CD	Lincoln CD	
Corson CD	Marshall County CD	
Custer CD	McCook County Soil CD	
Davison CD	McPherson County CD	
Day County CD	Mellette County CD	
Deuel County CD	Miner CD	
Douglas County CD	Minnehaha CD	
East Pennington CD	Moody County CD	
Edmunds County CD	Pennington CD	
Elk Creek CD	Perkins County CD	
Fall River CD	Potter County CD	
Faulk County Soil CD	Roberts CD	
Grant County CD	Sanborn County CD	
Gregory County CD	South Brown CD	
Haakon County CD	Spink CD	
	Stanley County CD	
	Sully County CD	

TOWNSHIPS | 84

Aberdeen Civil Township	Garland Township	Ordway Township
Alban Township	Gem Township	Putney Township
Allen Township	Groton Township	Rauville Township
Andover Township	Harmon East & West Township	Richland Township
Athol Township	Hartland Township	Richland Township - Mina
Baker Township	Henry Township	Riverside Township
Brainard Township	Hickman Township	Rosefield Township
Broadland Township	Highland Township - Canton	Rusk Township
Butler Township	Highland Township - Wagner	Scotland Township
Cambria Township	Highland Township - Webster	South Detroit Township
Carthage Township	Hillside Township	Spirit Lake Township
Castlewood Township	Hoffman Township	Spring Valley Township
Choteau Creek Township	Jones Township	Spring Valley Township - Bradley
Columbia Township	Kidder Township	Springlake Township
Custer Township	Lansing Township	Star Valley Township
Darlington Township	Lawrence Township	Sumner Township
Dayton Township	Lee Township	Swan Lake Township
Dixon Township	LeSueur Township	Union Township
Dumarce Township	Lincoln Township	Union Township - Howes
Dunkel Township	Lowe Township	Wahehe Township
Eden Township	Lyons Township	Ward Township
Edens Township	Mathews Township	Warner Township
Elmira Township	Mellette Township	Wayne Township
Elrod Township	Minnesota Township	Webster Township
Esmond Township	Montpelier Township	West Hanson Township
Fairview Township	North Detroit Township	West Rondell Township
Foxton Township	Oneota Township	White Butte Township
Fuller Township		Whitewood Township
Garden Prairie Township		

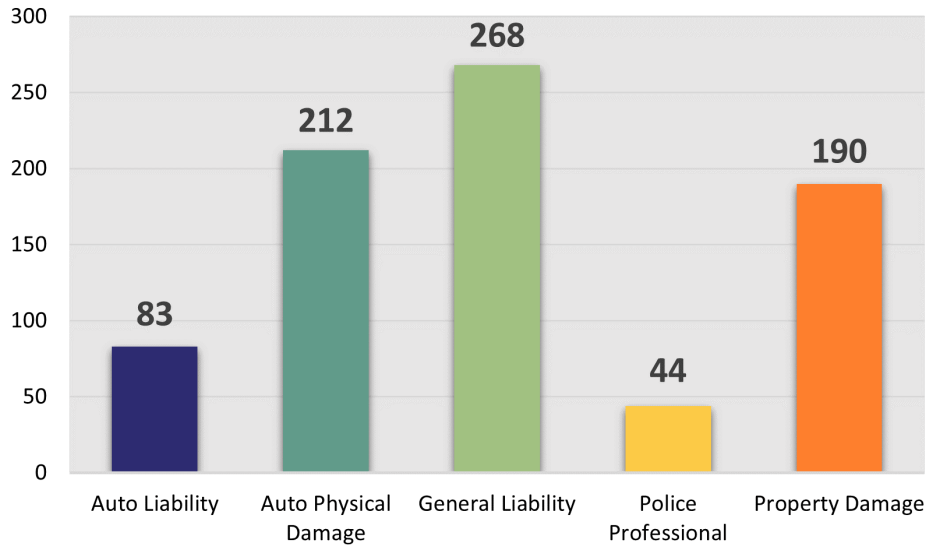
2022 MEMBERS

MUNICIPALITIES | 182

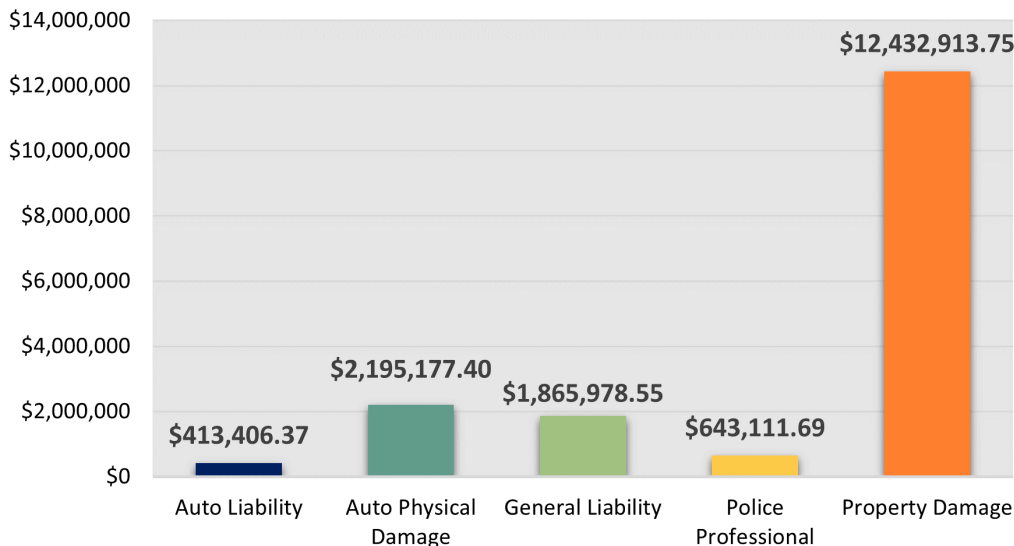
Aberdeen	Cavour	Egan	Interior	Mt. Vernon	St. Lawrence	White River
Alexandria	Centerville	Eureka	Iroquois	Murdo	Stockholm	White
Alpena	Central City	Fairburn	Isabel	New Effington	Stratford	Whitewood
Andover	Chancellor	Fairfax	Java	New Underwood	Sturgis	Willow Lake
Astoria	Chelsea	Fairview	Kennebec	New Witten	Summerset	Wilmot
Aurora	Claire City	Faulkton	Keystone	Newell	Summit	Winner
Avon	Claremont	Flandreau	Lake Andes	Nisland	Tea	Wood
Badger	Clark	Florence	Lake City	North Sioux City	Timber Lake	Woonsocket
Baltic	Clear Lake	Freeman	Lake Preston	Oacoma	Tolstoy	Worthing
Batesland	Colman	Ft. Pierre	Langford	Oelrichs	Toronto	Yale
Belle Fourche	Columbia	Garretson	Lead	Ortley	Trent	Yankton
Belvidere	Conde	Gary	Lebanon	Parker	Tripp	
Blunt	Corona	Gettysburg	Lemmon	Peever	Turton	
Bonesteel	Crooks	Gregory	Lennox	Pickstown	Valley Springs	
Box Elder	Custer	Grenville	Long Lake	Piedmont	Veblen	
Brandon	Dakota Dunes	Groton	Madison	Pierpont	Vermillion	
Brandt	Community	Harrisburg	Marion	Pierre	Viborg	
Brant Lake	Improvement	Harrold	Martin	Prairie Village	Vilas	
Bridgewater	District	Hayti	McIntosh	Presho	Virgil	
Bristol	Dallas	Hecla	McLaughlin	Quinn	Volga	
Britton	Davis	Hermosa	Midland	Ree Heights	Wagner	
Brookings	Deadwood	Herrick	Milbank	Roscoe	Wall	
Buffalo Gap	Dell Rapids	Hill City	Miller	Roslyn	Warner	
Buffalo	Delmont	Hosmer	Mission Hill	Sherman	Wasta	
Camp Crook	Doland	Hot Springs	Mission	Sioux Falls	Watertown	
Canova	Draper	Howard	Mitchell	Sisseton	Waubay	
Canton	Dupree	Hudson	Monroe	Spearfish	Webster	
Carthage	Eagle Butte	Hurley	Montrose	Springfield	Wessington	
Castlewood	Edgemont	Huron	Morristown	St. Francis	Westport	

CLAIMS SERVICES

NUMBER OF CLAIMS PER TYPE, 2022



AMOUNT INCURRED PER TYPE, 2022



Claims are inevitable. That's why providing Members with professional, timely, and efficient claims service is a top priority. The SDPAA and Claims Associates understand the unique challenges Members face.

Claims Associates adheres to a claim handling process that stresses prompt communications and timely investigation. Whenever possible, we prefer to investigate when recollections of events are fresh. This leads to better outcomes.

Our work doesn't stop when a claim file is closed. Claims Associates works closely with SDPAA Members, staff, and fellow service-providers to leverage any lessons learned or opportunities for education or advocacy to help eliminate or mitigate future claims.



CLAIMS ADMINISTRATION
Claims Associates, Inc.
888.613.7064
claimsassoc.com

LOSS CONTROL SERVICES

154

**Loss Control
Surveys**

Result in recommendations developed to guide Members in controlling losses.

85

**Property Valuation
Surveys**

1,701

**Properties
Reviewed**

Help ensure that properties are included on the respective Member's statement of values and that each property has sufficient coverage for replacement.

Safety Benefits Inc., (SBI) encourages SDPAA Members to take an active role in risk management and supports them in these efforts.

Loss control surveys are conducted with SDPAA Members every three years to assist Members in reducing potential liability exposures.

Property valuations are done every five years to help Members determine adequate values for property covered by SDPAA.

Managing risks and controlling losses can reduce, and in some cases eliminate, liability. Members taking an active role in reducing exposure to civil liability may earn recognition awards.



**LOSS CONTROL SERVICES/
PROPERTY VALUATIONS**

Safety Benefits, Inc.

888.313.0839

safety-benefits.com

LOSS CONTROL SERVICES

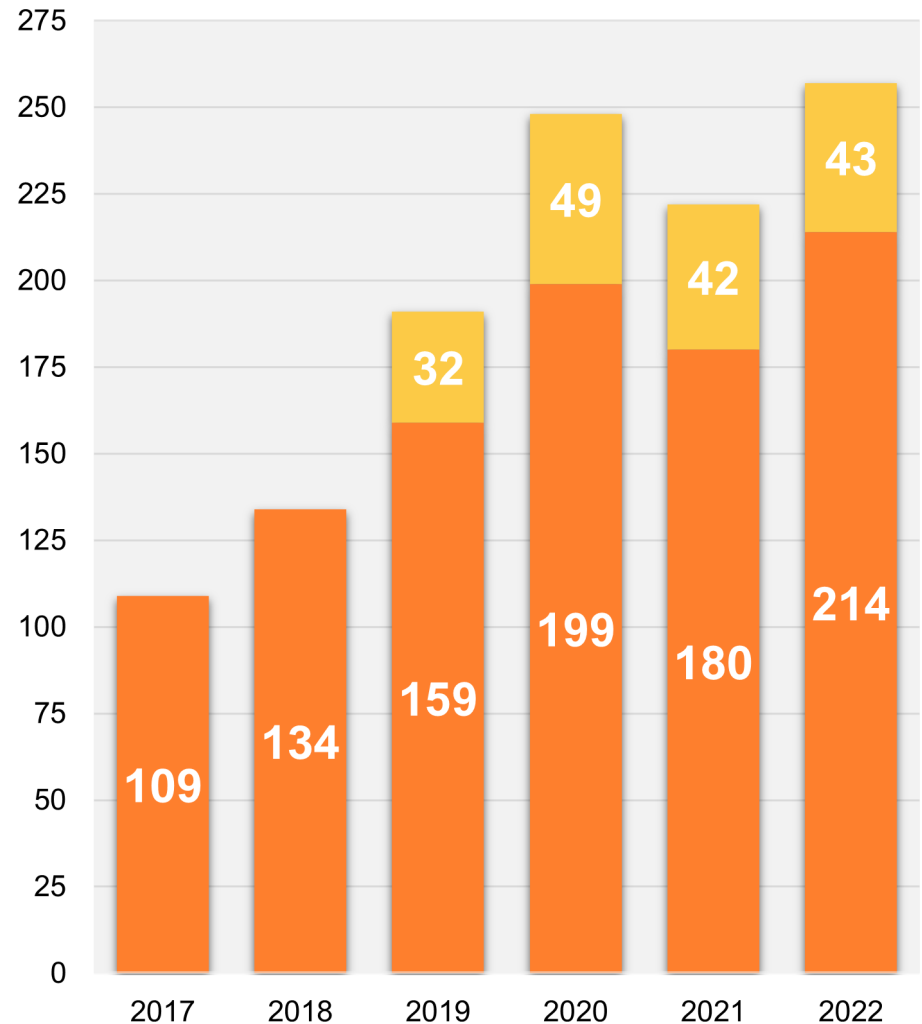
Members Encouraged to Use Free Legal Guidance Hotlines

Two free hotlines are available for Members with questions concerning employment practices and/or civil legal issues. The hotlines are sponsored by SDPAA and coordinated by SBI.

- EMPLOYMENT PRACTICES HOTLINE**
Provides Members with access to attorneys specializing in employment law.
In 2022, 67 Members made a total of 214 calls.
- GOVERNMENT PRACTICES HOTLINE**
Offers Members guidance with civil legal issues other than employment practices.
In 2022, 26 Members made a total of 43 calls.

HOTLINE CALLS PER YEAR 2017-2022

Note: Government Practices Hotline created April 2019



LOSS CONTROL SERVICES

Free training programs are designed to help reduce liability exposures for SDPAA Members. Regardless of the risk management topic, SBI works to provide a wide variety of training sessions.

Conducted by Safety Benefits, Inc.



In-person
76 Members;
2,599 attendees



Online
77 Members;
4,987 views

*Conducted by
NEO GOV Learn
and AP-Safety.*

LOSS CONTROL TRAINING

Online liability training specific to law enforcement and jails is offered by the Legal & Liability Risk Management Institute.



Law Enforcement
22 agencies;
1,162 courses



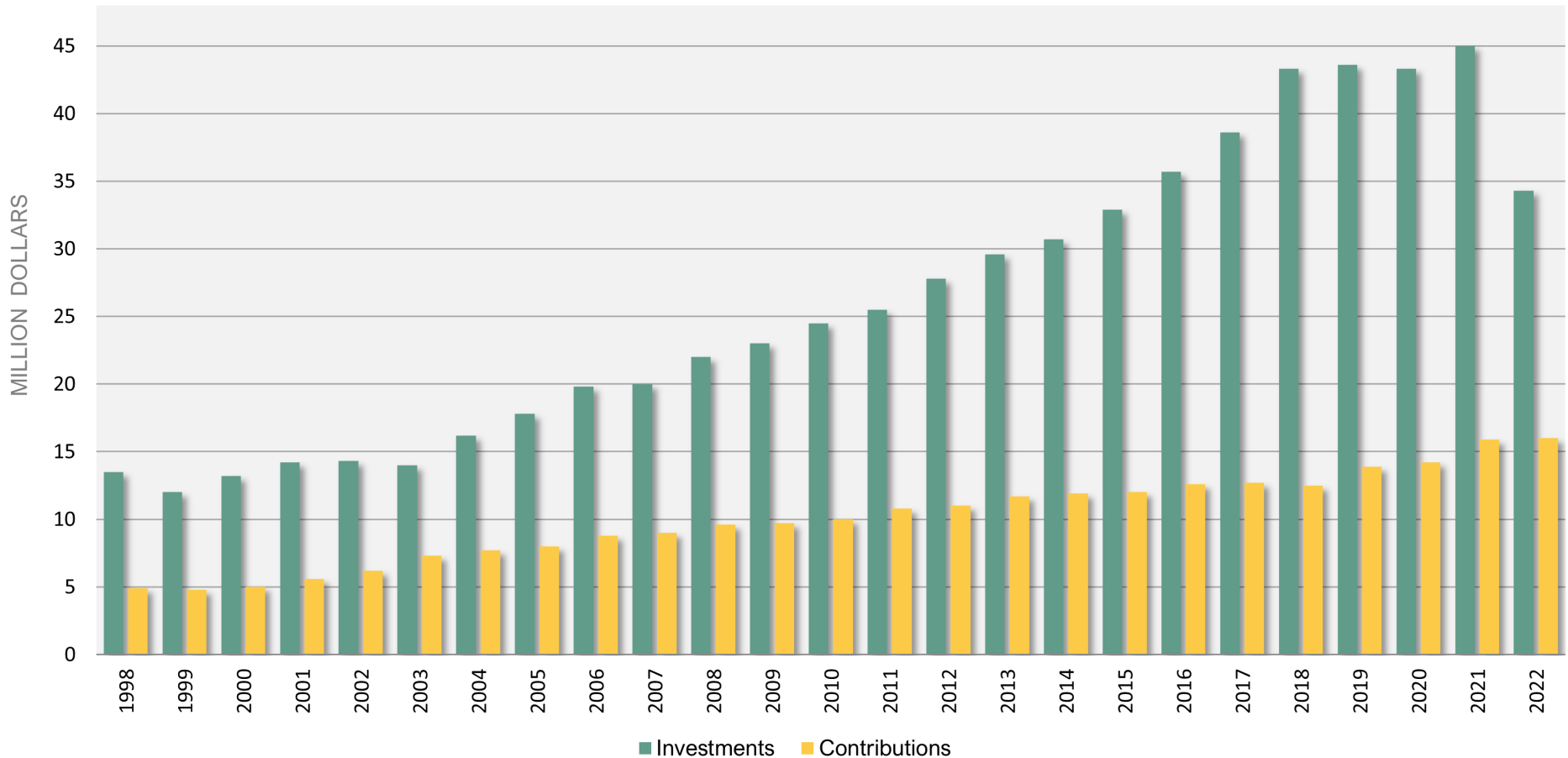
Conference
154 attendees;
72 Members
received safety
awards

*Nov. 2022
Pierre, SD*

INVESTMENTS

Since it began in 1987, the South Dakota Public Assurance Alliance has had steady growth in Membership and contributions. With 451 Members and over \$34 million in investments, SDPAA is one of the largest public entity-owned risk sharing pools of its kind in South Dakota.

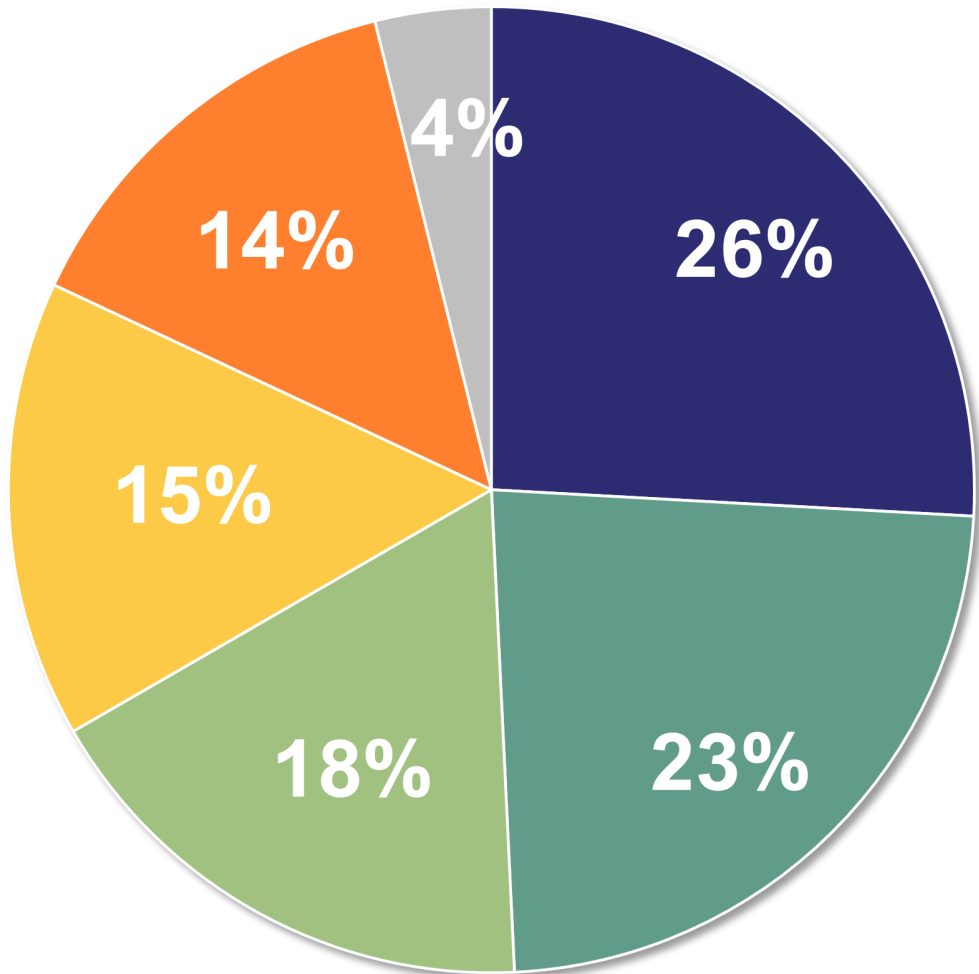
MEMBERSHIP INVESTMENTS AND CONTRIBUTIONS, PAST 25 YEARS



INVESTMENTS







as of Dec. 31, 2022

Asset Allocation



OVER
\$34
MILLION

In
Investments
In 2022

	Municipal Bonds	\$8,873,332
	US Treasury and Agencies' Securities	\$8,014,180
	Certificates of Deposit	\$5,976,264
	Corporate Bonds	\$5,250,019
	Equity and Exchange Traded Funds	\$4,853,359
	Cash and Money Market Fund	\$1,330,576

Total Investments \$34,297,730

NET POSITION

as of Dec. 31, 2022

ASSETS:

Cash and Cash Equivalents	\$1,330,575
Receivables	\$6,956,255
Investments	\$32,967,153
Other Assets	\$1,250,637
Total Assets	\$42,504,620

LIABILITIES AND MEMBERS' EQUITY**LIABILITIES:**

Accounts Payable and Accrued Expenses	\$412,035
Unearned Contributions	\$3,608,056
Losses and Loss Adjustment Expense Reserve	\$9,838,362
Total Liabilities	\$13,858,453

NET POSITION	\$28,646,167
---------------------	---------------------

Total Liabilities and Members' Equity	\$42,504,620
---------------------------------------	--------------

Statement of
**REVENUES, EXPENSES &
CHANGE IN NET POSITION**
as of Dec. 31, 2022

UNDERWRITING:

Contributions	\$15,234,325
Reinsurance Ceded	<u>(\$5,112,696)</u>
Total Operating Revenue	\$10,121,629

LOSSES:

Losses and Loss Adjustment Expenses Incurred	\$9,446,674
--	-------------

GENERAL AND ADMINISTRATIVE EXPENSES:

Administrative Expenses	\$1,735,643
-------------------------	-------------

Operating Gain/(Loss)	(\$1,060,688)
------------------------------	----------------------

NON-OPERATING INCOME AND (EXPENSE):

Net Investment Income	(\$3,386,679)
Earned member equity, NLC Mutual Ins. Co.	\$20,498
Capitalization Contributions	<u>(\$3,366,181)</u>
Total Non-Operating Income	

CHANGE IN NET POSITION	(\$4,426,869)
-------------------------------	----------------------

CONTACTS

Service Providers

CLAIMS ADMINISTRATION

Claims Associates, Inc.

Jeff Jares, President
PO Box 1898
Sioux Falls, SD 57101
888.613.7064

FINANCIAL AUDIT

Eide Bailly

Ryan Donahue, CPA
4310 17th Ave. S.
Fargo, ND 58103
701.476.8826

ACTUARIAL SERVICES

AON Risk Solutions

Tracy Fleck
Actuarial Practice Leader
100 Bayview Circle, Suite 100
Newport Beach, CA 92660
949.608.6332

REINSURANCE BROKER

Alliant Insurance Services, Inc.

Doug Wozniak, Sr. Vice President
1301 Dove Street, Suite 200
Newport Beach, CA 92660
949.756.0271

INVESTMENT & CUSTODIAL SERVICES

The First National Bank in Sioux Falls, Trust Department

Kyle Cipperley and Tom Benz
PO Box 5186
Sioux Falls, SD 57117-5186
800.553.7073

LOSS CONTROL SERVICES/ PROPERTY VALUATIONS

Safety Benefits, Inc.

Todd Everson, President
602 E. State St.
Plankinton, SD 57368
888.313.0839

GENERAL COUNSEL

May, Adam, Gerdes and Thompson, LLC

Rob A. Anderson
PO Box 160
Pierre, SD 57501
605.224.8803



South Dakota Public Assurance Alliance

Main Office

208 Island Drive,
Ft. Pierre, SD 57532

800.658.3633 or
605.224.8654 (Option 2)
www.sdpaaonline.org

STAFF

Lynn Bren, Executive Director
Kristina Peterson, Deputy Director/
Underwriter
Paytra Nichols, Underwriter
Becky Brunsing, Member
Services Representative
Jerry Krambeck, Member
Services Representative



IN APPRECIATION

Past Board Members

Richard Negstad
Commissioner,
Brookings County
1986-1989

Ray Woodsend
City Attorney,
Rapid City
1986-1993

Carole Hillard
Councilmember,
Rapid City
1989-1994

Jack White
Mayor, Sioux Falls
1986-1994

Duane Anderson
City Attorney,
Sioux Falls
1986-1997

Karen Bulman
Councilmember,
Rapid City
1993-1998

Gary Hanson
Mayor, Sioux Falls
1997-2003

Stan Rietveld
Councilmember and
Airport Board,
Mitchell
1987-1998

Ralph Mack
Commissioner/Weed
Board, Codington
County
1989-1999

George Opitz
Commissioner,
Lawrence County
1987-2000

Manfred Szameit
Finance Officer,
Sioux Falls
1986-2001

Gary Drewes
Mayor, Pierre
1995-2002

Judy Larson
Councilmember,
Black Hills Council of
Local Government
1993-2002

Allen Aden
Director of Public
Safety, Pierre
1997-2008

Gary Colwill
City Attorney,
Sioux Falls
2004-2008

Ted Eggebraaten
Brookings County
Highway
Superintendent
(retired),
Brookings County
2002-2011

Jerry Krambeck
Mayor, Spearfish
2002-2013

Jeff Heinemeyer
Adviser, Madison
2001-2016

Terry Weisenberg
Commissioner,
Lawrence County
2005-2016

Dennis Olson
Assistant City
Administrator,
Brandon
2000-2017

Mic Kreutzfeldt
Highway
Superintendent,
McCook County
2012-2019

Tracy Turbak
Director of Finance
(retired), Sioux Falls
2008-2020

Bob Wilcox
SDACC Executive
Director, Pierre
2012-2020

Jim Borszich
President/CEO,
Greater Huron
Development Corp.,
retired
2002-2021

Becky Brunsing
Finance Officer/City
Admin., Wagner
2018-2021

The South Dakota Public Assurance Alliance takes this opportunity to publicly thank the South Dakota Municipal League for its foresight in creating a liability and property pool. Without the leadership of the League, the Pool would not exist today.

The primary goal of both organizations is to provide quality service, maintain stable contributions, and practice good risk management. This long-time partnership has been beneficial to the many public entities of South Dakota.

Sponsored and Endorsed By:

South Dakota Municipal League
David Reiss, Executive Director
208 Island Drive, Ft. Pierre, SD 57532
800.658.3633

Endorsed By:

SD Association of County Commissioners
Kris Jacobsen, Executive Director
211 East Prospect Avenue,
Pierre, SD 57501
605.224.4554

