

MONTHLY REPORTS

Financial Statements – June 2022 (Draft only)

Monthly Activity Reports – July and August 2022

Large-Loss Claims

Board Action: None requested.

**MISSOURI PETROLEUM STORAGE TANK INSURANCE FUND
BALANCE SHEET
JUNE 30, 2022**

DRAFT

ASSETS:

| | | |
|---|--------------------|--------------|
| Cash | | \$43,123,552 |
| Cash - Central Bank | | \$29,226 |
| Transport Load Fee Receivable, net allowance of \$501 | | \$2,004,438 |
| Interest Receivable | | \$39,673 |
| Receivable - Other | | \$0 |
| Fixed Assets | | |
| PSTIF | \$21,600 | |
| DNR | \$141,569 | |
| Less: Accum Depreciation | <u>(\$142,547)</u> | |
| | | \$20,622 |

TOTAL ASSETS

\$45,217,511

DEFERRED OUTFLOWS OF RESOURCES

\$753,178 NOTE 3

LIABILITIES:

| | | |
|--|--|--------------|
| Accounts Payable | | \$242 NOTE 2 |
| Taxes & Misc Deductions Payable | | \$259 |
| Leave Liability | | \$58,739 |
| Site Inspections Payable | | \$0 |
| Refunds Payable | | \$0 |
| Third Party Administration Services Payable | | \$0 |
| Deferred Revenue - Unearned Participation Fees | | \$497,963 |
| Claim Reserves | | \$90,320,354 |
| Net Pension Liability | | \$3,089,639 |
| Net OBEP Liability | | \$903,396 |

TOTAL LIABILITIES

\$94,870,592

DEFERRED INFLOWS OF RESOURCES

\$154,379 NOTE 3

TOTAL NET POSITION (Accumulated Deficit)

(\$49,054,282)

NOTE 1: These financial statements were prepared without audit from information provided by the Missouri PSTIF Executive Director and the Missouri PSTIF third-party administrator.

NOTE 2: Accounts Payable includes funds encumbered under current contracts, which will lapse at the end of the fiscal year if not spent.

NOTE 3: Deferred Outflows of Resources and Deferred Inflows of Resources relate to MOSERS' pension liability and OPEB liability.

MISSOURI PETROLEUM STORAGE TANK INSURANCE FUND DRAFT

INCOME STATEMENT

JUNE 30, 2022

| | JUNE 22 | FY 22 YTD | BUDGET JUN FY22 YTD |
|---|-------------|--------------|------------------------|
| REVENUES: | | | |
| Transport Load Fee | \$1,445,135 | \$16,180,935 | \$15,800,000 |
| \$100 Initial Tank Fee | \$3,800 | \$22,800 | |
| \$100 Initial Tank Fee Refunded | (\$1,700) | (\$8,100) | |
| Net \$100 Initial Tank Fee | \$2,100 | \$14,700 | \$12,000 |
| Participation Fees - UST | \$94,763 | \$845,277 | |
| Participation Fees Refunded - UST | (\$5,338) | (\$51,537) | |
| Net Participation Fees - UST | \$89,425 | \$793,740 | \$800,000 |
| Participation Fees - AST | \$26,335 | \$372,074 | |
| Participation Fees Refunded - AST | (\$1,127) | (\$10,281) | |
| Net Participation Fees - AST | \$25,208 | \$361,793 | \$315,000 |
| Miscellaneous Income | \$0 | \$1,476 | \$0 |
| Interest | \$23,407 | \$163,919 | \$142,000 |
| TOTAL REVENUE | \$1,585,275 | \$17,516,563 | \$17,069,000 |
| EXPENSES: | | | |
| Claims | | | |
| Claims Paid - UST | \$522,049 | \$5,622,551 | \$8,000,000 |
| Claims Paid - AST | \$211,345 | \$3,257,804 | \$3,000,000 |
| Third Party Legal Defense | \$2,752 | \$119,058 | \$200,000 |
| Subrogation Recovery | \$0 | (\$616,773) | \$0 |
| Net Claims | \$736,146 | \$8,382,640 | \$11,200,000 |
| Compliance & Loss Prevention | | | |
| Underwriting | \$60,078 | \$673,890 | \$654,526 |
| Inspections | \$148,852 | \$342,092 | \$347,494 |
| Training & Loss Prevention Services | \$475 | \$5,700 | \$6,000 |
| Net Compliance & Loss Prevention | \$209,405 | \$1,021,682 | \$1,008,020 |
| Operating | | | |
| Loss Adjusting & Subrogation Expenses | \$158,208 | \$1,717,243 | \$1,790,200 |
| Other Contracted Administrative Costs | \$33,650 | \$402,910 | \$403,800 |
| Board Expenses | \$32,785 | \$368,295 | \$420,685 |
| AGO Expenses | \$1,281 | \$47,821 | \$46,452 |
| DNR Expenses | \$439,088 | \$2,233,971 | \$2,228,368 |
| Department of Revenue Expenses | \$3,542 | \$44,645 | \$49,225 |
| Other Legal Expenses | \$50,678 | \$130,396 | \$750,000 |
| Audit Services | \$0 | \$21,424 | \$21,000 |
| Actuarial Services | \$0 | \$13,950 | \$13,950 |
| Net Operating | \$719,232 | \$4,980,655 | \$5,723,680 |
| Other Expenses | | | |
| Contingency & Special Projects | \$0 | \$8,235 | \$75,000 |
| Office of Administration | \$0 | \$125,768 | \$125,768 |
| OA State Accounting Software | \$0 | \$0 | \$76,040 |
| Section 319.107 Expenses | \$0 | \$0 | \$10,000 |
| Pension Expense | \$0 | \$0 | \$0 |
| OPEB Expense | \$0 | \$0 | \$0 |
| TOTAL EXPENSES | \$1,664,783 | \$14,518,980 | \$18,218,508 |
| NET INCREASE (DECREASE) IN REVENUES/EXPENSES | (\$79,508) | \$2,997,583 | (\$1,149,508) |

MISSOURI PETROLEUM STORAGE TANK INSURANCE FUND **DRAFT**
INCOME STATEMENT
JUNE 30, 2022

| | <u>JUNE 22</u> | <u>FY 22 YTD</u> | <u>BUDGET JUN FY22 YTD</u> |
|--|--------------------|--------------------|--------------------------------|
| GAIN/(LOSS) ON SALE OF FIXED ASSETS | \$0 | \$0 | |
| LOSS CONTINGENCY | \$0 | \$0 | |
| NET INCREASE (DECREASE) IN NET POSITION BEFORE RESERVES | (\$79,508) | \$2,997,583 | |
| CLAIM RESERVES | | | |
| Increase (Decrease) in Insurance Claim Reserves | (\$312,415) | \$2,946,645 | |
| Increase (Decrease) in Remedial Claim Reserves | (\$148,769) | \$160,821 | |
| Increase (Decrease) in "Incurred But Not Reported" Reserves | \$0 | \$0 | |
| Net Increase (Decrease) | <u>(\$461,184)</u> | <u>\$3,107,466</u> | |
| NET INCREASE (DECREASE) IN TOTAL NET POSITION | <u>\$381,676</u> | <u>(\$109,883)</u> | |

ACTIVITY REPORT - July 2022



| PARTICIPATION | UST | AST | TOTAL |
|-----------------------------------|------------|------------|--------------|
| Sites where Coverage is in Force: | 2379 | 938 | 3317 |
| Sites where Coverage Lapsed: | 2810 | 677 | 3487 |
| Applications Under Review: | 35 | 13 | 48 |
| ERP Endorsements in Force: | 137 | 48 | 185 |

TANKS COVERED BY PSTIF AGREEMENTS

| | | | |
|--------------|------|------|------|
| No. of Tanks | 6368 | 2976 | 9344 |
|--------------|------|------|------|

PARTICIPANT CHARACTERISTICS

| | | | |
|------------------------------|------|-----|------|
| No. of Owners w/1-12 Tanks: | 1035 | 593 | 1628 |
| No. of Owners w/13-99 Tanks: | 60 | 27 | 87 |
| No. of Owners w/100+ Tanks: | 10 | 1 | 11 |
| Total No. of Owners: | 1105 | 621 | 1726 |

| | CLAIMS - USTs | | | | CLAIMS - ASTs | | | | ALL CLAIMS |
|---|---------------|-------------|--------------|--------------|---------------|-------------|-------------|--------------|--------------|
| | "Insurance" | ERP | Remedial | Total | "Insurance" | ERP | Remedial | Total | Total |
| No. of Claims Opened this month | 3 | 0 | 2 | 5 | 3 | 0 | 0 | 3 | 8 |
| No. of Claims Closed this month | 2 | 0 | 2 | 4 | 0 | 0 | 0 | 0 | 4 |
| No. of Claims with Payment this month | 19 | 2 | 11 | 32 | 9 | 0 | 0 | 9 | 41 |
| Total Dollars Paid this month - EN, PD & BI | \$253,952 | \$14,845 | \$201,181 | \$469,977 | \$186,634 | \$0 | \$0 | \$186,634 | \$656,612 |
| Total Dollars Paid this month - LE | \$560 | \$0 | \$0 | \$560 | \$0 | \$0 | \$0 | \$0 | \$560 |
| Reserves for Known Open Claims | \$21,074,443 | \$2,788,117 | \$16,365,124 | \$40,227,684 | \$13,968,485 | \$1,277,629 | \$2,120,678 | \$17,366,792 | \$57,594,477 |
| No. of Sites with Approved Cost Proposals | 198 | 24 | 118 | 340 | 62 | 9 | 11 | 82 | 422 |
| Amount of Approved Cost Proposals | \$4,111,029 | \$446,832 | \$2,908,647 | \$7,466,507 | \$2,085,122 | \$231,388 | \$418,630 | \$2,735,140 | \$10,201,647 |

| | CLAIMS - to Date - USTs | | | | CLAIMS - to Date - ASTs | | | | ALL CLAIMS |
|--|-------------------------|--------------|---------------|---------------|-------------------------|-------------|--------------|--------------|---------------|
| | "Insurance" | ERP | Remedial | Total | "Insurance" | ERP | Remedial | Total | Total |
| No. of Open Claims | 264 | 29 | 189 | 482 | 95 | 14 | 19 | 128 | 610 |
| No. of Closed Claims | 2573 | 212 | 3574 | 6359 | 242 | 21 | 351 | 614 | 6973 |
| No. of Claims with Payment | 1411 | 139 | 1228 | 2778 | 209 | 23 | 65 | 297 | 3075 |
| Total Dollars Paid - EN, PD, BI & LE * | \$143,104,757 | \$10,013,996 | \$130,799,668 | \$283,918,421 | \$36,028,439 | \$2,197,297 | \$11,780,568 | \$50,006,304 | \$333,924,725 |
| Total Dollars Paid - LE ** | \$1,872,888 | \$0 | \$0 | \$1,872,888 | \$152,386 | \$0 | \$0 | \$152,386 | \$2,025,274 |

"Remedial" claims are those which are not eligible under a participation agreement issued by the Fund; rather, the site is eligible for benefits as a result of HB251 or SB708.

Cost Proposals are shown net of the \$10,000 deductible.

UST Remedial reserves includes sites where tanks not yet removed; no data on contamination.

* Includes legal expense paid inside the coverage limits on claims closed prior to 8/28/2021.

** Includes legal expense paid outside the coverage limits.

ACTIVITY REPORT - August 2022



PARTICIPATION

| | UST | AST | TOTAL |
|-----------------------------------|------|-----|-------|
| Sites where Coverage is in Force: | 2374 | 939 | 3313 |
| Sites where Coverage Lapsed: | 2823 | 678 | 3501 |
| Applications Under Review: | 23 | 13 | 36 |
| ERP Endorsements in Force: | 137 | 49 | 186 |

TANKS COVERED BY PSTIF AGREEMENTS

| | | | |
|--------------|------|------|------|
| No. of Tanks | 6353 | 2987 | 9340 |
|--------------|------|------|------|

PARTICIPANT CHARACTERISTICS

| | | | |
|------------------------------|------|-----|------|
| No. of Owners w/1-12 Tanks: | 1028 | 594 | 1622 |
| No. of Owners w/13-99 Tanks: | 61 | 27 | 88 |
| No. of Owners w/100+ Tanks: | 10 | 1 | 11 |
| Total No. of Owners: | 1099 | 622 | 1721 |

| | CLAIMS - USTs | | | |
|---|---------------|-------------|--------------|--------------|
| | "Insurance" | ERP | Remedial | Total |
| No. of Claims Opened this month | 5 | 0 | 1 | 6 |
| No. of Claims Closed this month | 6 | 0 | 0 | 6 |
| No. of Claims with Payment this month | 26 | 2 | 9 | 37 |
| Total Dollars Paid this month - EN, PD & BI | \$751,629 | \$32,225 | \$108,459 | \$892,313 |
| Total Dollars Paid this month - LE | \$0 | \$0 | \$0 | \$0 |
| Reserves for Known Open Claims | \$21,066,653 | \$2,866,690 | \$16,207,812 | \$40,141,156 |
| No. of Sites with Approved Cost Proposals | 196 | 25 | 114 | 335 |
| Amount of Approved Cost Proposals | \$3,707,863 | \$472,691 | \$2,849,151 | \$7,029,705 |

| | CLAIMS - ASTs | | | |
|---|---------------|-------------|-------------|--------------|
| | "Insurance" | ERP | Remedial | Total |
| No. of Claims Opened this month | 0 | 0 | 0 | 0 |
| No. of Claims Closed this month | 0 | 0 | 0 | 0 |
| No. of Claims with Payment this month | 10 | 2 | 2 | 14 |
| Total Dollars Paid this month - EN, PD & BI | \$83,031 | \$30,534 | \$40,129 | \$153,693 |
| Total Dollars Paid this month - LE | \$0 | \$0 | \$0 | \$0 |
| Reserves for Known Open Claims | \$14,049,906 | \$1,247,095 | \$2,080,549 | \$17,377,550 |
| No. of Sites with Approved Cost Proposals | 59 | 9 | 10 | 78 |
| Amount of Approved Cost Proposals | \$2,092,992 | \$223,983 | \$390,419 | \$2,707,394 |

| ALL CLAIMS |
|--------------|
| Total |
| 6 |
| 6 |
| 51 |
| \$1,046,006 |
| \$0 |
| \$57,518,706 |
| 413 |
| \$9,737,099 |

| | CLAIMS - to Date - USTs | | | |
|--|-------------------------|--------------|---------------|---------------|
| | "Insurance" | ERP | Remedial | Total |
| No. of Open Claims | 262 | 30 | 190 | 482 |
| No. of Closed Claims | 2578 | 212 | 3574 | 6364 |
| No. of Claims with Payment | 1415 | 139 | 1229 | 2783 |
| Total Dollars Paid - EN, PD, BI & LE * | \$143,856,386 | \$10,046,221 | \$130,908,127 | \$284,810,734 |
| Total Dollars Paid - LE ** | \$1,872,888 | \$0 | \$0 | \$1,872,888 |

| | CLAIMS - to Date - ASTs | | | |
|--|-------------------------|-------------|--------------|--------------|
| | "Insurance" | ERP | Remedial | Total |
| No. of Open Claims | 95 | 14 | 19 | 128 |
| No. of Closed Claims | 242 | 21 | 351 | 614 |
| No. of Claims with Payment | 209 | 23 | 65 | 297 |
| Total Dollars Paid - EN, PD, BI & LE * | \$36,111,470 | \$2,227,831 | \$11,820,696 | \$50,159,997 |
| Total Dollars Paid - LE ** | \$152,386 | \$0 | \$0 | \$152,386 |

| ALL CLAIMS |
|---------------|
| Total |
| 610 |
| 6978 |
| 3080 |
| \$334,970,731 |
| \$2,025,274 |

"Remedial" claims are those which are not eligible under a participation agreement issued by the Fund; rather, the site is eligible for benefits as a result of HB251 or SB708.

Cost Proposals are shown net of the \$10,000 deductible.

UST Remedial reserves includes sites where tanks not yet removed; no data on contamination.

* Includes legal expense paid inside the coverage limits on claims closed prior to 8/28/2021.

** Includes legal expense paid outside the coverage limits.

SUMMARY
LARGE-LOSS CLAIMS
(as of September 1, 2022)

Large-Loss Claims: Claims where Fund exposure is \$250,000 or greater

| | Closed | Open | Total |
|--------------------|---------------|--------------|----------------|
| No. of Claims | 209 | 192 | 401 |
| Estimated Exposure | \$92,986,434 | \$95,626,618 | \$188,613,052 |
| Paid Out to Date | \$92,986,434 | \$61,504,946 | *\$154,491,380 |

**81.9% of total Large-Loss exposure has been paid to date*

Two claims on the large-loss list CLOSED in July / August.

Four claims moved into the category of a “large-loss” in July / August.