



August 20, 2021

Fund Members of the ATA Comp Fund

Dear Fund Members:

You are cordially invited to attend the Annual Meeting of the Membership of the Alabama Trucking Association Workers' Compensation Self Insurance Fund (hereinafter "Fund") scheduled to be held on Saturday, September 25, 2021, at 9:30 a.m. CT at The Hilton Sandestin Beach Golf & Spa, 4000 Sandestin Boulevard, Miramar Beach, Florida 32550 in conjunction with the Alabama Trucking Association's Annual Convention and Meeting. Your Board of Trustees and management look forward to greeting you at the meeting.

As outlined in the Bylaws of the Fund, you will be asked to conduct the necessary business on the following items:

1. December 31, 2020, Annual Audited Financial Statement Report
2. Trustee elections to the Board for designated terms of service

In order to satisfy the requirements associated with these items, you will be asked to approve the 2020 Audited Financial Statement Report and elect a slate of four nominees for the Board of Trustees for a three-year term beginning in September 2021. Members of record have the option to vote online, by email, or fax. Instructions for voting by any of these methods are set forth in the attached Proxy Statement.

This matter is of great importance for the continued success of the Fund, and we respectfully request that you cast your vote as part of the election process. **To complete this proxy voting process in a timely manner, we ask that you complete your online vote or return your Proxy Card to our office no later than Friday, September 17, 2021.** Your prompt cooperation is appreciated.

On behalf of your Board of Trustees, we thank you for your continued participation and support.

Respectfully submitted,

Kimble E. Coaker, CPA
President and CEO

Enclosures



NOTICE OF AN ANNUAL MEETING OF THE MEMBERSHIP OF THE ATA COMP FUND

Meeting Date: September 25, 2021

Meeting Place: The Hilton Sandestin Beach Golf Resort & Spa
4000 Sandestin Boulevard
Miramar Beach, Florida 32550

The 2021 Annual Meeting of the Members of the Alabama Trucking Association Workers' Compensation Self Insurance Fund (hereinafter "Fund") will be held for conducting the following business items:

1. Approve the December 31, 2020, Annual Audited Financial Statement Report.
2. Elect four Trustees to the Board for designated terms of service.

Information about the election process to be voted on by the Membership during the Annual Meeting is contained in the enclosed Proxy Statement.

The Board of Trustees has fixed the close of business on August 20, 2021, as the date of record for the determination of authorized Fund Members entitled to notification, and the right to vote at the Annual Meeting.

The Fund invites you to attend the meeting in person to participate in this important election process to your Board of Trustees. It is a requirement of the Bylaws that at least a quorum of 33% of active Fund members (170 companies) be represented at this meeting. Please promptly review the enclosed Proxy Statement, and then **VOTE! Any method chosen to cast your vote is appropriate but voting online electronically is preferred.** Please note if you attend the meeting, you may cast your vote in person even though you have previously voted by proxy.

By Order of the Board of Trustees,

Todd Hager
COO and Secretary

Montgomery, Alabama
August 20, 2021



Proxy Statement

August 20, 2021

GENERAL INFORMATION

This Proxy Statement is being furnished to the Fund Members of the Alabama Trucking Association Workers' Compensation Self Insurance Fund (hereinafter "Fund") in connection with the solicitation of proxies for use in the Annual Meeting of the Membership for 2021. The enclosed proxy is being solicited by the Board of Trustees of the Fund. The Board of Trustees has fixed the close of business on August 20, 2021, as the date of record for the determination of authorized Fund Members entitled to notification, and the right to vote in lieu of attending the in-person Annual Meeting. The Fund is sending this Proxy Statement and the enclosed Proxy Card to members on August 20, 2021.

VOTING PROCEDURES

Your vote is very important. Members of record may vote by written means via online survey, email or fax. For your convenience, you will receive an online survey, and the included Proxy Card contains an email address and fax number that you may use to transmit your vote. **Voting via online survey is the quickest and most efficient method for the Fund's staff to process and tabulate results. To complete this proxy voting process in a timely manner, we ask that you submit your vote to our office by Friday, September 17, 2021.**

Voting by Online Survey

Members of record may vote by utilizing the online survey link provided on the proxy card. Voting by online survey is available 24 hours a day. If you vote by online survey, follow the instructions to complete 3 simple questions, then electronically sign and date. If you vote by online survey, you do not need to email or fax your proxy card. If you sign, date and submit the online Proxy vote without indicating how you wish to vote, your proxy will be voted as recommended by the Board of Trustees.

Voting by Email or Fax

Members of record may vote by transmitting via the email address or fax number listed on the proxy card. Voting by email or fax is available 24 hours a day. If you vote by email or fax, simply mark your proxy card, sign and date it, and email or fax it back to the Fund office. If you sign, date and email or fax your proxy card without indicating how you wish to vote, your proxy will be voted as recommended by the Board of Trustees.

Voting Policies

Regardless of the method by which you vote, if you specify the way you are to be voted on a matter, your proxy will be voted in accordance with your specification. If you do not make a voting specification, your proxy will be voted as recommended by the Board of Trustees.



May 17, 2021

Alabama Trucking Association
Workers' Compensation Fund Member

Dear Ladies and Gentlemen:

Enclosed you will find a copy of the Summarized Audited Financial Statements of the Alabama Trucking Association Workers' Compensation Fund for the year ended December 31, 2020. Our Auditors (Carr, Riggs and Ingram, LLC) conducted their audit in accordance with U.S. generally accepted auditing standards. Those standards require the Auditors to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Upon the completion of all necessary examinations of the evidence supporting the amounts included in these financial statements and assessing the accounting principles used and significant estimates made by management, the Auditors determined that their audit provided a reasonable basis for issuing their opinion. Their opinion concluded that these financial statements present fairly, in all material respects, the financial position of the Alabama Trucking Association Workers' Compensation Self Insurance Fund as of December 31, 2020.

These financial statements reflect the Fund currently has accumulated total profits, net of distributions, of \$74,038,270 set aside for future retrospective credits to be refunded to active participating Fund members as directed by State Requirements of the Alabama Department of Labor. Since inception of the Fund, the total amount of retrospective credits previously distributed back to participating members is \$118,483,529. In addition, the Fund will distribute back \$19,066,852 beginning January 01, 2021 to respective participating members with their 2021 calendar year renewals.

This report includes the overall operations of the Fund which consists of both our Alabama and Cross Border programs. The claims losses reflected in the Consolidated Statement of Income and Deductions includes loss reserves which are required to pay incurred but not reported (IBNR) losses. These IBNR loss reserves are established at levels recommended by the Fund's independent Actuarial firm (Casualty Actuarial Consultants) and approved by the Board of Trustees. Our Actuaries recently completed their yearend loss reserve analysis update and have adjusted reserves based on the downward development trend of losses over our most recent years of operation. This trend is the direct result of aggressive and effective claims handling practices and our loss control and risk management practices within the Fund. The combined overall operating profit for the year ended December 31, 2020 is \$22,840,099. With the conclusion of the 2020 calendar year, the Board of Trustees is pleased to report that we have continued our long standing profitable operating performance. The Board wishes to emphasize that its primary goals remain to protect the financial integrity of the Fund while returning profits to participating members.

In closing, we always wish to take the opportunity to remind you that the best approach to curb increases in your company's operating expenses is to strive to maximize your company's emphasis on your claims reporting and handling procedures along with your loss control and risk management practices. Your efforts in these areas will directly increase the bottom line of your company. Please take advantage of the opportunity to contact our team members. Suzy Baker, our Claim Manager, along with Todd Hager, our Chief Operating Officer, will assist you with any claims related questions you may have. Don Anchors, our Director of Safety and Risk Management, as well as our Risk Management Consultants, Will Moses, Michael Smith, Victor Whatley and Candy Woodruff will evaluate your company to develop a risk analysis plan and implement safety procedures and training that can immediately reduce the losses occurring within your company as we have done for many others in the ATA Comp Fund. We encourage you to contact us and take advantage of these resources at no cost to you and remember to always Work Safe / Work Smart.



BOARD OF TRUSTEES

Susan Kirkpatrick, **Acting-Chairman**

Fund Member Trustee

Exec. Vice President/CFO, Buddy Moore Trucking, Inc.

P.O. Box 10047

Birmingham, AL 35202

Term: April 2020 – April 2023

(205) 949-3201 Fax: (205) 949-2260

Mike Limbaugh

Fund Member Trustee

Owner, White Oak Transportation, Inc.

P.O. Box 876

Decatur, AL 35602

Term: April 2019 – April 2022

(877) 948-3625 Fax: (256) 432-0445

Bruce MacDonald

Fund Member Trustee

President, Transport Refrigeration Sales & Service

500 Daniel Payne Drive

Birmingham, AL 35214

Term: April 2018 – April 2021

(205) 328-7278 Fax: (205) 328-6769

Rusty Sprouse

Fund Member Trustee

CFO, B & G Supply, Inc.

P. O. Box 748

Albertville, AL 35950

Term: April 2020 – April 2023

(256) 878-2928 Fax: (256) 878-1527

Mark Colson

Ex-Officio Trustee

President and CEO, AL Trucking Association

P. O. Box 2339

Montgomery, AL 36102-2339

Term: July 2020 – July 2021

(334) 834-3983 Fax: (334) 262-6504

Tom McLeod

Ex-Officio Trustee

CEO, McLeod Software Corp.

P. O. Box 43200

Birmingham, AL 35243

Term: July 2020 – July 2021

(205) 823-5100 Fax: (205) 823-0000

Chris Hornady

Fund Member Trustee

CEO, Hornady Transportation, LLC

P. O. Box 846

Monroeville, AL 36461

Term: April 2018 – April 2021

(251) 575-4811 Fax: (251) 743-5219

Drew Linn

Fund Member Trustee

President, Southland International Trucks, Inc.

P. O. Box 578

Birmingham, AL 35201-0578

Term: April 2018 – April 2021

(205) 942-6226 Fax: (205) 942-6311

Scott Smith

Fund Member Trustee

CEO, P & S Transportation, Inc.

P. O. Box 8250

Ensley, AL 35218

Term: April 2020 – April 2023

(205) 296-9588 Fax: (205) 326-8901

Beau Wicks

Fund Member Trustee

President, Southeast Logistics

P. O. Box 1309

Tuscaloosa, AL 35403

Term: April 2019 – April 2022

(205) 759-1818 Fax: (205) 349-3104

Fenn Church

Ex-Officio Trustee

President/CEO, Church Transportation & Logistics, Inc.

P. O. Box 65

Birmingham, AL 35201

Term: July 2020 – July 2021

(205) 925-1977 Fax: (205) 380-8997

Will Bruser

Ex-Officio Trustee

President, Truckworx, Inc.

2220 Finley Boulevard

Birmingham, AL 35234

Term: July 2020 – July 2021

(205) 326-6170 Fax: (205) 909-4024



BALANCE SHEET

December 31, 2020

ASSETS

Assets:

Cash and Cash Equivalents	\$ 3,779,691.12
Prepaid Expenses and Deposits	3,646,859.88
Accounts Receivable (net of allowance)	48,237,809.47
Certificates of Deposit and Investments	122,405,724.08
Deferred Tax Asset (net of liability)	414,775.30
Building and Fixed Assets (net of deprec)	<u>1,605,689.22</u>

Total Assets	<u><u>\$ 180,090,549.07</u></u>
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LIABILITIES, RESERVES AND MEMBERS' EQUITY

Liabilities:

Accounts Payable and Escrow	\$ 12,624,337.44
Unearned Contributions	<u>3,833,460.92</u>

Total Liabilities	\$ 16,457,798.36
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Reserves:

Reserve for Aggregate Losses	\$ 11,483,682.60
Actuarial Reserves for Claim Losses	<u>73,892,038.88</u>

Total Reserves	85,375,721.48
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Members' Equity:

Investments Unreal Gain/(Loss)	4,218,759.72
Prior Years Accum. Dividends	<u>74,038,269.51</u>

Total Members' Equity	<u>78,257,029.23</u>
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Total Liabilities, Reserves & Members' Equity	<u><u>\$ 180,090,549.07</u></u>
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CONSOLIDATED STATEMENT OF INVOICE AND DEDUCTIONS

For the Twelve Months Ending December 31, 2020

Income:

Coverage Contributions	\$ 39,041,265.85
Cross Border Premium	16,610,515.23
Investment Income and Gain/(Loss)	6,168,321.38
Other Income and Fees	<u>2,175,298.34</u>
Total Income	\$ 63,995,400.80

Deductions:

Claim Losses:

Incurred Losses (net of reinsurance)	<u>\$ 24,731,792.05</u>
Total Claims Losses	\$ 24,731,792.05

Operating Expenses:

Administrative	\$ 4,278,084.08
Cross Border Admin. Fees	4,518,783.61
Brokerage Expenses	2,334,488.44
Claims Service Fees	1,299,000.00
Excess Loss Insurance	2,038,578.21
Professional Services	1,327,497.69
Royalty Fees	<u>578,104.63</u>
Total Operating Expenses	<u>16,374,536.66</u>

Total Deductions	<u>\$ 41,106,328.71</u>
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Excess Income Before Income Taxes	\$ 22,889,072.09
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Provision for Income Taxes	<u>48,973.37</u>
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Excess Income	\$ 22,840,098.72
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Prior Years' Excess Income	<u>169,681,700.03</u>
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Excess Income Before Retrospective Refund Distribution	\$ 192,521,798.75
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Retrospective Refund Distributed to Members	<u>118,483,529.24</u>
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Excess Income Held for Future Retrospective Refund	<u><u>\$ 74,038,269.51</u></u>
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ELECTION OF TRUSTEES

This year the Members of the Fund will elect four trustees to serve their designated terms and until as such time as their successors are elected and qualified. The Nominating Committee of the Board of Trustees has designated as a slate of nominees for election the four candidates named below. Included with this Proxy Statement you will find a brief biography of each of these nominees.

Information Concerning Nominees

The information appearing in the following table sets forth for each nominee his/her name, business experience, and the year in which he/she first became a Trustee of the Fund, if applicable.

<u>Name</u>	<u>Business Experience</u>	<u>Trustee Since</u>
Mr. Chris Hornady	CEO & President, Hornady Transportation, LLC P. O. Box 846 Monroeville, Alabama 36461	2019
Mr. G. Fenn Church	President & Owner, Church Transp. & Logistics P. O. Box 65 Birmingham, Alabama 35201	2018
Mr. Drew Linn	CEO & Owner, Southland Transportation Group P. O. Box 578 Birmingham, Alabama 35201	1993
Mr. Harold Sumerford, Jr.	CEO, J&M Tank Lines P. O. Box 382288 Birmingham, Alabama 35238	N/A

NOMINEE BIOGRAPHIES

Mr. Chris Hornady

Chris Hornady is CEO and President of Hornady Transportation, LLC (“Hornady”) originally based in Monroeville, AL. Hornady was founded in 1928 and has grown from a flatbed carrier primarily focused on freight east of the Rockies, to operations throughout the lower forty-eight states.

Chris began his higher education at Patrick Henry Junior College. He received his bachelor’s degree in business administration from the University of South Alabama in 1982. Chris joined the family business in 1982 and, during his time with Hornady, he has served in various roles with responsibilities including Operations Manager and Vice President. In 2015, Hornady became a Daseke company and Chris has since served on their Board.

Chris and his wife Pat have just celebrated their thirtieth year of marriage. Over the years, Chris has served on numerous boards, including the United Way Board, the Economic Board of Monroe County, the United Bank Board of Directors and the Daseke Board of Directors. He is a member of the Alabama Trucking Association, serves on the ATA Foundation Board, and has served as a Trustee of the ATA Comp Fund since 2019.

Mr. G. Fenn Church

Fenn Church is the President and owner of Church Transportation & Logistics, Inc., a truckload dry van carrier based in Birmingham, AL. The company was founded in March of 2000 and currently operates 65 tractors with 71 total employees. In addition to Church Transportation and Logistics, Fenn has been a Board Member of the Alabama Trucking Association for 19 years. He is currently Immediate Past Chairman, after finishing his term serving as the ATA’s Chairman of the Board 2018 to 2019.

Prior to starting Church Transportation and Logistics, Fenn spent 7 years with Saia Motor Freight Line in Management and 6 years in operations and sales with AAA Cooper Transportation. This year marks his 39th anniversary in the transportation industry.

Fenn earned a BS Degree in Transportation from Auburn University in 1988 and an MBA in Transportation and Finance from the University of Tennessee in 1993. While attending the University of Tennessee Fenn had the privilege of working under the distinguished Transportation Professors Dr. John Langley and Dr. Ray Mundy for two years.

Fenn has been married to Susanne Searcy from Enterprise, AL for 21 years and he is a native of Dothan, AL. Fenn often jokes that it takes two wiregrass people to fully understand each other to stay married! They have one spoiled rotten dachshund named Baxter. Fenn is a member of Canterbury United Methodist Church in Birmingham, where he serves on the Church Council.

NOMINEE BIOGRAPHIES *continued*

Mr. Drew Linn

Drew Linn is CEO and principal owner of Southland Transportation Group, which has seven locations in Alabama. As a full-service dealership, Southland provides the trucking industry with International Trucks, Wabash/Transcraft & Benson Trailers, Idealease rental & lease, IC Bus, and parts & service.

With years of dedication to the Alabama Trucking Association, Drew has served as Chairman of the Board, and was honored to receive the H. Chester Webb Award. He is a founding member of the ATA Work Comp Fund and served twice as its Chairman.

Drew has served as a board member for the University of Alabama Transportation Center and the Shelton State Community College Foundation. He was appointed as Chairman of the Alabama Commission on Higher Education, where he served for over ten years. He currently sits on the Board of West Alabama Bank & Trust.

Drew graduated from Jacksonville State University with a bachelor's degree in business & economics, and currently serves on the JSU Board of Trustees. He lives in Tuscaloosa, Alabama with his wife, Joy. They have two children and three grandchildren.

Mr. Harold Sumerford, Jr.

Harold Sumerford, Jr. joined J&M Tank Lines in 1976 and has over 40 years' experience in the industry. When joining, the company had 114 company trucks and basically hauled cement in both Georgia and Alabama. The company subsequently grew to 500 trucks and had expanded operations into refrigerated vans and flatbeds. In 2002, Harold was named CEO and decided to spin off any businesses that were not related to their tank operations. Currently, at 415 tractors and 720 tankers, the company is involved in the transportation of both dry and liquid products. J&M currently has 552 employees and 11 terminal locations with its corporate office in Birmingham, Alabama.

Harold is currently First Vice-Chairman of the American Trucking Associations ("ATA"), the largest national trade association for the trucking industry. Through a federation of 50 affiliated state trucking associations and industry-related conferences and councils, the ATA is the voice of the industry America depends on most to move our nation's freight. He will become Chairman in October 2021.

Throughout Harold's work career he has been involved in various industry associations. He has always felt the need to give back to the industry that has been so good to him and his family. They are long time members of the American Trucking Associations, the National Tank Truck Carriers, the Georgia Motor Trucking Association, the Alabama Trucking Association, the American Transportation Research Institute and the Truckload Carriers Association. He is a past Chairman of the National Tank Truck Carriers and the Georgia Motor Trucking Association.

Harold received a Bachelor of Science degree in Business Administration from Georgia State University. He and his wife Shannon have five daughters and six grandchildren. He is an avid upland hunter and offshore fisherman.



ANNUAL MEETING PROXY CARD

ONLINE OPTION (*PREFERRED METHOD*).

Please visit <https://www.surveymonkey.com/r/21ProxyVote> to utilize this option.

EMAIL/FAX OPTION

You can vote by email at ServiceRequest@ATACompFund.org or fax at (334) 834-7931.

A: Proposals

1. Election of Trustees: **01** – Mr. Chris Hornady **03** – Mr. Drew Linn
 02 – Mr. G. Fenn Church **04** – Mr. Harold Sumerford, Jr.

☐ [RECOMMENDED] Mark here to APPROVE all nominees as Trustees

☐ Mark here for your vote for only a specific nominee(s) – To vote for one or more nominees, mark the numbered box below that corresponds with the number to the left of the respective nominee(s) listed above

☐

01

☐

02

☐

03

☐

04

☐ Mark here to NOT APPROVE any nominee as Trustees

2. 2020 Annual Audited Financial Statements (enclosed) are presented for approval:

☐ [RECOMMENDED] Mark here to APPROVE

☐ Mark here to WITHOLD your vote

B: Authorized Signature – This Section must be completed for your vote to be counted.

Insured Name: _____

Mailing Address: _____

Authorized Party: _____

C. Sign and Date Below

Signature – Please place signature below.

Date (mm/dd/yyyy) – Please print date below.