



March 29, 2021

Alabama Trucking Association
Workers' Compensation Fund Member

Dear Ladies and Gentlemen:

Enclosed you will find a copy of the Summarized Financial Statements of the Alabama Trucking Association Workers' Compensation Fund for the One Month ended January 31, 2021. These financial statements reflect the Fund currently has accumulated total profits, net of distributions, of \$69,983,916 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 \$123,503,310.

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 the 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 One Month ended January 31, 2021 is \$1,039,873. The Board of Trustees is very pleased to report the ATA Fund continues to grow stronger and generate greater dividends payable back to our member companies.

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

January 31, 2021

ASSETS

Assets:

Cash and Cash Equivalents	\$ 8,198,946.62
Prepaid Expenses and Deposits	4,854,557.36
Accounts Receivable (net of allowance)	46,259,133.25
Certificates of Deposit and Investments	121,575,446.31
Deferred Tax Asset (net of liability)	(2,220,341.53)
Building and Fixed Assets (net of deprec)	<u>1,582,214.35</u>

Total Assets \$ 180,249,956.36

LIABILITIES, RESERVES AND MEMBERS' EQUITY

Liabilities:

Accounts Payable and Escrow	\$ 16,326,935.01
Unearned Contributions	<u>3,835,524.22</u>

Total Liabilities \$ 20,162,459.23

Reserves:

Reserve for Aggregate Losses	\$ 11,483,682.60
Actuarial Reserves for Claim Losses	<u>75,092,417.51</u>

Total Reserves 86,576,100.11

Members' Equity:

Investments Unreal Gain/(Loss)	3,527,481.06
Prior Years Accum. Dividends	<u>69,983,915.96</u>

Total Members' Equity 73,511,397.02

Total Liabilities, Reserves & Members' Equity \$ 180,249,956.36



CONSOLIDATED STATEMENT OF INVOICE AND DEDUCTIONS

For the One Month Ending January 31, 2021

Income:

Coverage Contributions	\$	3,736,856.52
Cross Border Premium		1,554,264.09
Investment Income and Gain/(Loss)		366,208.75
Other Income and Fees		<u>56,802.68</u>
Total Income	\$	<u>5,714,132.04</u>

Deductions:

Claim Losses:

Incurred Losses (net of reinsurance)	\$	<u>2,942,875.91</u>
Total Claims Losses	\$	2,942,875.91

Operating Expenses:

Administrative	\$	286,139.59
Cross Border Admin. Fees		640,788.71
Brokerage Expenses		277,517.81
Claims Service Fees		115,634.25
Excess Loss Insurance		190,164.13
Professional Services		85,394.94
Royalty Fees		<u>67,721.53</u>

Total Operating Expenses		<u>1,663,360.96</u>
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Total Deductions	\$	<u>4,606,236.87</u>
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Excess Income Before Income Taxes	\$	1,107,895.17
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Provision for Income Taxes		<u>68,022.32</u>
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Excess Income	\$	1,039,872.85
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Prior Years' Excess Income		<u>192,447,352.77</u>
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Excess Income Before Retrospective Refund Distribution	\$	193,487,225.62
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Retrospective Refund Distributed to Members		<u>123,503,309.66</u>
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Excess Income Held for Future Retrospective Refund	\$	<u><u>69,983,915.96</u></u>
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