

**AMERIND Liaison Report
To
NWIHA Executive Committee
And
Quarterly Report NWIHA Meeting - 04/11/2023**

ARMC Highlights

AMERIND's Board met on February 7 & 8, 2023 for a Regular Board meeting. This was the first meeting in over a year where AMERIND's CEO, Derek Valdo, was present. The Board was happy to see him back at work and expressed their sincere appreciation to Robert (Bob) Dahl, AMERIND's COO, for the work he performed as acting CEO during Derek's absence.

I will be attending the spring NWIHA meeting virtually. Derek Valdo indicated to me that he plans to attend the meeting in person. I think Felix McGowan, AMERIND's Director of Critical Infrastructure, will also be present. Derek's report is attached to this report, and he will be available to answer questions from the membership following his presentation. I understand that Delane Big Crow is also scheduled to be present during the meeting for a Fire Safety presentation.

As part of the AMERIND Board's efforts to address the AMERIND Cell Commission's recommendation to development alternatives to AMERIND's rating structure for good performing members of AMERIND, while ensuring that pricing is fair for membership across the country, the Board took into consideration what the staff drafted and presented at the last Board meeting as necessary measures in the pricing structure for the long-term viability of the company. The staff recommendations are based on the current claim loss experience and the volatile rate increases in re-insurance rates being experienced world-wide. The insurance world is being impacted significantly by the catastrophic losses experienced in storms and fires during the past few years. The AMERIND Board will continue to look at options and I expect that this will be an ongoing process on into the Board's Annual Planning Meeting scheduled in August. A decision on this matter will need to be made by the end of the Board's Planning Meeting.

The joint annual meetings with NAIHC and AMERIND are scheduled to begin the week of May 8th at the Hilton Waikoloa Village, on the Big Island of Hawaii. I'm told that this meeting will be well attended, so I hope many from NWIHA will be there. Safe travels all!



EXECUTIVE SUMMARY

Objective

Provide update on operations performance of AMERIND's Tribally Focused Programs. Actuals are based on unaudited financials as of 12/31/22.

Mission Update	Actual	Prior	Goal
1) Be here for as long as Tribes need us	\$107M	\$101M	\$750M ← 500 year event
2) Keep Indian money in Indian Country	\$87M	\$71M	\$250M ← 51% of market

Operating Unit	Sustainability Ratios		Operating Revenue (Millions)	Sustainable	Retention and Reserves (Millions)
	Combined Ratio 95%	Operating Ratio 90%			
NAHASDA					
2022	84% (104% w/o reins)	112% (132%*)	18.3	Negative outlook, declining results	Ret: \$3
2021	123% (146% w/o reins)	92% (115%*)	15.5		
2020	95% (98% w/o reins)	71% (74%*)	16.0		Res: \$41
Native American Homeowner's and Renters					
2022	97%	104%	9.3	Negative outlook, out of compliance	Ret: \$0.5
2021	107% (113% w/o reins)	100% (105%*)	7.9		
2020	130% (143% w/o reins)	121% (133%*)	6.9		Res: \$1
Tribal Governments and Businesses					
2022	63%	73%	19.3	Stable, growing	Ret: \$3
2021	106% (170% w/o reins)	94% (158%*)	16.0		
2020	103%	80% (143%**)	11.3		Res: \$19
Tribal Worker's Compensation					
2022	73%	83%	11.7	Stable, strong results, growing	Ret: \$2
2021	76%	64%	10.0		
2020	73%	56% (67%**)	9.2		Res: \$17
AMERIND Re					
2022	12%	25%	8.0	Negative outlook, improving results	Ret: \$6.4
2021	179%	162%	6.3		
2020	100%	76%	5.2		Max: \$15 Res: \$23

AMERIND Benefits			AMERIND Critical Infrastructure			
	Ops Ratio	Rev		Ops Ratio	Rev	
2022	72%	0.8	Stable	58%	1.0	Stable
2021	56%	0.8		32%	0.8	
2020	75%	0.6		96%	0.2	

* without reinsurance recovery, ** capital transfer to AMRe



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Operational Highlights through December 31, 2022

- Core program – IHBG performing at 84% (104% without reinsurance) with income from operations of \$2.899M (\$758K loss without reinsurance)
- All other programs – performing at 64% with income from operations of \$18.3M
- Net Investment Loss and Other Expense: \$12.7M
- Net position increased \$8.479M -less performance incentives

2022 Staffing

Jobs at AMERIND – 57% Native American operated / 90% AINS Designated

	2020 FTE	As of 12/31 2021 FTE	YTD 2022 FTE	Budgeted 2022 FTE
Total Staffing	54	58	69	79

2022 Capital Improvements

Actual	Budget
\$3.170M	\$5.945M

Board Oversight through 12/31/2022

- Approved Employee 401(k) discretionary contribution, Annual IPS Compliance Report, BOD/Cell Professional Fees, 2023 Operating and Capital Budgets



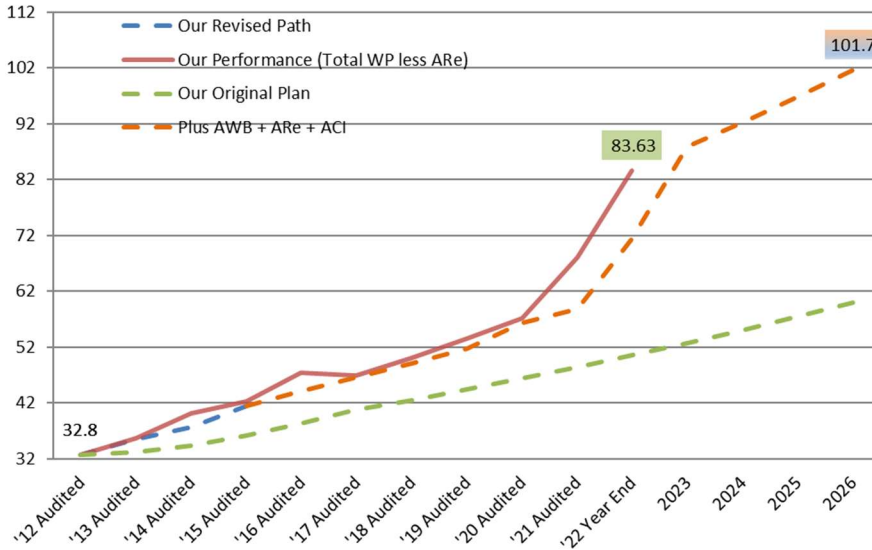
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2022 Corporate Objectives – Year End

1. 95% Combined Ratio (TGB, NAHR, TWC, ACI & AB)	Actual/Incentive
2. 5.4% Net Growth and Retention (TGB, NAHR, TWC, ACI & AB)	75.2% / 1.00%
3. Team Rocks (Teamwork, Tech Capacity, Customer Service)	18.4% / 2.00%
	Yes / ≈1.75%

2019 - 2026 Strategic Planning

Current Market Position



Diversification of Income Streams

