

**AMERIND Liaison Report  
To  
NWIHA Executive Committee  
And  
Quarterly Report NWIHA Meeting - 01/09/2024**

**ARMC Highlights**

AMERIND CEO, Derek Valdo, and AMERIND COO, Robert Dahl, plan to attend the NWIHA meeting in person. They will present a report to the NWIHA membership. I will be attending virtually – my wife is recovering from a knee replacement surgery so I am the caregiver.

AMERIND's Board met on November 8-10, 2023, for a Regular Board meeting. During that meeting, the Board learned that two of the Cells (the IHBG and the NAHR) are continuing to experience extremely high loss ratios throughout the current year. Derek explained to the Board the steps being taken to stabilize the NAHR (Homeowners and Renters) program over the next three years. As is the case most years, the IHBG program experiences losses that exceed what the Board and staff would like to see but it is the core program of AMERIND and AMERIND has pledged to be there for its members and continues to take the measures necessary for the coverage members need.

The recent years claim loss experience and the volatile rate increases in re-insurance rates being experienced world-wide has resulted in AMERIND taking on a more significant level of the reinsurance levels that ever experienced. The insurance world is being impacted significantly by the catastrophic losses experienced in storms and fires during the past few years and this year worldwide. The AMERIND Board will continue to monitor the performance of its cells and continuously looks at all options available to make AMERIND's operations successful for year to come.

Also, during the recent Board meeting, the Board selected Nashville, Tennessee to be the location for the next AMERIND Business Meeting. The site selected for the meetings will be the Music City Sheraton Hotel. This meeting is scheduled for November 3-8, 2024. As far as I know, NAIHC is planning to participate in a joint meeting with AMERIND again this year.



## EXECUTIVE SUMMARY

### Objective

Provide update on operations performance of AMERIND's Tribally Focused Programs. Actuals are based on unaudited financials as of 09/30/23.

### Mission Update

	Actual	Prior	Goal
1) Be here for as long as Tribes need us	\$119 M	\$101 M	\$1,110 M ← Self-Sustaining
2) Keep Indian money in Indian Country	\$91 M	\$73 M	\$250 M ← 51% of Tribes

Operating Unit	Sustainability Ratios		Operating Revenue	Change %	At a glance	Retention and Reserves	Catastrophic Exposure
	95% Combined Ratio	90% Operating Ratio					
<b>NAHASDA</b>			(Millions)			(Millions)	
3Q 2023	143%	124%	13.1	-7%	Negative outlook, declining results	1st Ret: \$3	2nd Cat: \$3+\$3
3Q 2022	72%	123%	14.1	18%		Res: \$35.4 ↓	TIV: \$10,000
3Q 2021	110%	82%	12.0	-1%		Res Goal: \$580	PML: \$58 -> \$111
<b>Native American Homeowner's and Renters</b>							
3Q 2023	113%	108%	7.3	41%	Negative outlook, out of compliance	1st Ret: \$0.5	2nd Cat: \$0.5+\$1.8
3Q 2022	93%	108%	5.2	-10%		Res: -\$0.5 ↑	TIV: \$2,700
3Q 2021	116%	108%	5.8	2%		Res Goal: \$290	PML: \$29 -> \$55
<b>Tribal Governments and Businesses</b>							
3Q 2023	52%	47%	22.8	60%	Stable, high growth, huge exposures	1st Ret: \$3	2nd Cat: \$3+\$3
3Q 2022	56%	77%	14.3	26%		Res: \$31 ↑	TIV: \$7,500
3Q 2021	88%	75%	11.3	32%		Res Goal: \$580	PML: \$58 -> \$111
<b>Tribal Worker's Compensation</b>							
3Q 2023	65%	55%	9.6	6%	Stable, neutral, strong results	1st Ret: \$2	2nd Cat: \$2+\$2
3Q 2022	59%	90%	9.1	22%		Res: \$22.3 ↑	
3Q 2021	60%	49%	7.5	11%		Res Goal: \$200	PML: \$20
<b>AMERIND Re</b>							
3Q 2023	56%	42%	7.1	31%	Irratic results, huge exposures	Ret: \$3.4 - \$15M	No Reinsurance
3Q 2022	13%	44%	5.4	27%		Res: \$27 ↓	TIV: \$20,000
3Q 2021	128%	110%	4.3	14%		Res Goal: \$580	PML: \$58 -> \$111

AMERIND Benefits			AMERIND Critical Infrastructure			
	Ops Ratio	Rev		Ops Ratio	Rev	
3Q 2023	37%	0.8	Stable	112%	0.4	Stable
3Q 2022	61%	0.5		52%	0.8	
3Q 2021	47%	0.6		77%	0.6	



*Insure Confidently*

Operational Highlights through September 30, 2023

- Core program – IHBG performing at **143%** with a **loss** from operations of **\$5.503 M**
- All other programs – performing at 67% with income from operations of \$16.714 M
- Total Net Investment Income and Other Expense: \$3.155 M
- Total Net position increased \$14.366 M

2023 Staffing

Jobs at AMERIND – **55%** Native American operated / **90%** AINS Designated

	2021 FTE	2022 FTE	YTD 2023 FTE	Budgeted 2023 FTE
Total Staffing	55	69	71	94

2023 Capital Improvements

Actual	Budget
\$1.249 M	\$1.015 M

Board Oversight through 08/09/2023

- Approved CEO NM MFA re-appointment, FOCUS program addition of AVCP, 2024 NAHASDA Rating Plan, 401(k) plan amendment

Regional Fire Incentive through 06/30/2023

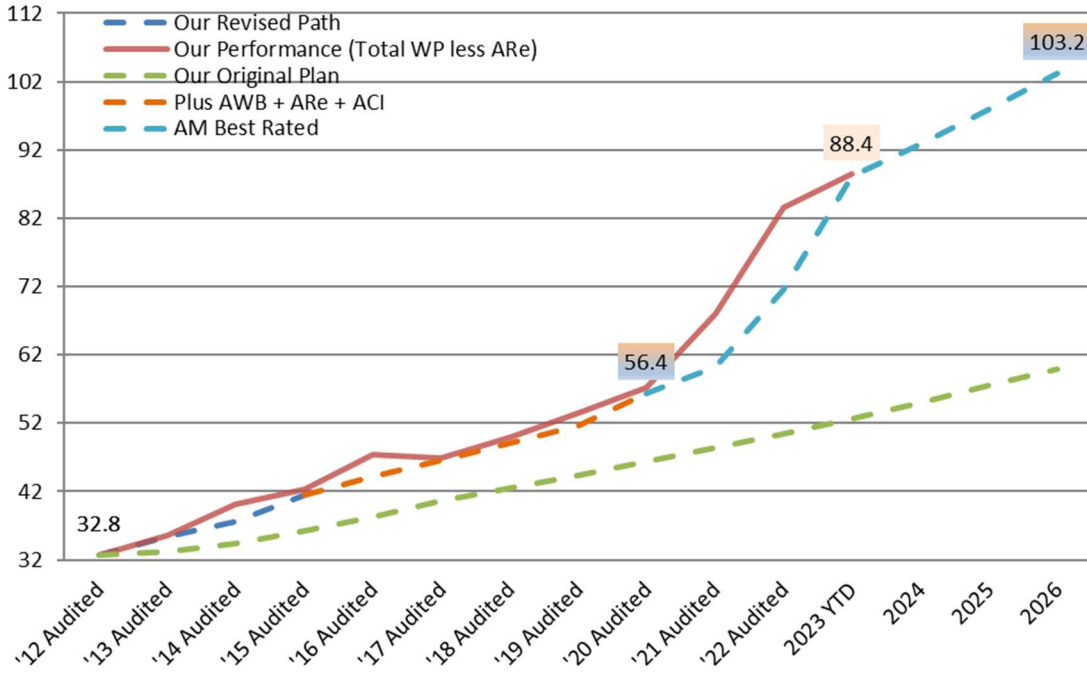
Region	Property Premium (Less Ops/Reins)	Total Incurred (FIRE ONLY)	Loss Ratio	Incentive Level %	Incentive Amount
Region 1	\$1,034,810	\$372,183	36%	20%	\$20,000
Region 2	\$1,201,008	\$292,106	24%	20%	\$20,000
Region 3	\$2,810,263	\$272,723	10%	20%	\$20,000
Region 4	\$2,839,887	\$891,467	31%	20%	\$20,000
Region 5	\$1,200,060	\$-	0%	20%	\$20,000
Region 6	\$928,523	\$426,188	46%	20%	\$20,000
Region 7	\$1,266,987	\$-	0%	20%	\$20,000
Region 8	\$1,348,986	\$204,673	15%	20%	\$20,000
Region 9	\$1,679,814	\$1,740,883	104%	0	\$-
TOTAL	\$14,310,337	\$4,200,224	30%	160%	\$160,000

2023 Corporate Objectives through September

1. 95% Combined Ratio (TGB, NAHR, TWC, ACI & AB)	Actual 67.2%
2. 5.4% Net Growth and Retention (TGB, NAHR, TWC, ACI & AB)	19.8%
3. Team Rocks (Teamwork, Tech Capacity, Customer Service)	Yes

2019 - 2026 Strategic Planning

Current Market Position



Impact of Diversification on IHBG and Sustainability

