



SUSD SELF-INSURANCE TRUST BOARD MEETING September 17, 2026

SHANNON CROSIER, ADMINISTRATOR
SCOTTSDALE UNIFIED DISTRICT
7575 E. Main Street

NOTICE AND AGENDA
SELF-INSURANCE TRUST BOARD MEETING SCOTTSDALE
UNIFIED SCHOOL DISTRICT NO. 48

**Ed Center, Room - Old Main, 7575 E. Main, Scottsdale, AZ 85251
September 17, 2026, at 4:00 PM**

PURSUANT TO A.R.S. §38-431.02, notice is hereby given to the members of the Scottsdale Self-Insurance Trust Board and to the general public that the Self-Insurance Trust Board will hold a public Meeting on **Thursday September 17, 2026, at 4:00 PM, Ed Center, 7575 E. Main Street, Room Old Main, Scottsdale, AZ 85251. Doors open at 3:30 pm.**

Members of the SUSD Self-Insurance Trust Board and non-Board member participants may participate in the meeting in-person, via an online platform, or may participate by telephonic communication. Persons with a disability may request reasonable accommodations by contacting Ms. Jill Olivas, Senior Executive Assistant, to the Chief Financial Officer, at 480-484-6147. Accommodations should be requested two working days prior to the meeting to allow time for the district to arrange the accommodation.

- A. Call to Order
- B. Roll Call
- C. Approval of Agenda – Board Action Required – Action
- D. Public Comments
 - a. Public Comments on Agenda, Non-Agenda Items, Information/Discussion Items, and Action Items

INFORMATION/DISCUSSION AND POSSIBLE ACTION

- A. Approval of Minutes from May 28, 2026, Meeting – Action
- B. Selection of a Self-Insurance Trust Chair – Action
- C. Approval of Amendment to Trust Agreement – Action
- D. Authorization to use Wellness Credits - Action
- E. Property/Casualty/Workers Compensation Claims Report (ARRT) – Information
- F. Medical Claims/Financial Reports – Information
- G. Trust Financial Update – Information
- H. Future Agenda Items
- I. Dates of upcoming Meetings – December 10, 2026, March 4, 2027, and June 3, 2027
- J. Adjournment

PURSUANT TO A.R.S. §38-431.03(A)(3), THE SELF INSURANCE TRUST BOARD MAY VOTE TO CONVENE IN EXECUTIVE SESSION, WHICH WILL NOT BE OPEN TO THE PUBLIC, FOR DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE GOVERNING BOARD'S ATTORNEY ON AN ITEM THAT IS LISTED ON THIS AGENDA.

BOARD PACKET MATERIAL AVAILABLE TWENTY-FOUR (24) HOURS IN ADVANCE OF THE MEETING, AT THE SCOTTSDALE UNIFIED SCHOOL DISTRICT, ED CENTER, 7575 E. MAIN STREET, SCOTTSDALE, AZ 85251.

Date Posted September 11, 2026

Action:

Approval of the Self-Insurance Trust Meeting Minutes of May 28, 2026.

Submitted by:

Shannon Crosier, Chairperson and Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board approve the Self-Insurance Trust Meeting Minutes of May 28, 2026.

BACKGROUND:

Minutes were taken at the May 28, 2026, Self-Insurance Trust Board meeting.

**MINUTES OF THE SELF-INSURANCE TRUST BOARD MEETING
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
Ed Center, Room - Old Main, 7575 E. Main St., Scottsdale, AZ 85251
May 28, 2026, at 4:00 PM**

The Self-Insurance Trust meeting was called to order at **4:04** pm on May 28, 2026.

I. Call to Order – Shannon Crosier, Trust Board Administrator called the meeting to order.

II. Roll Call-

The Board Trustees in attendance were, Shannon Crosier, Trust Board Administrator, Mike Sharkey Trustee and Governing Board Vice President, & Kathy Steadman.

A quorum was present.

Absent: John Carey Trustee, Craig Hazeltine Trustee

Approval of Agenda- Kathy Steadman moved to approve the agenda as presented, Mike Sharkey seconded the motion. The motion was approved with a vote of 3-0.

Public Comments – There were no public comments

INFORMATION/DISCUSSION AND POSSIBLE ACTION

- A. Approval of SUSD Self-Insurance Trust Minutes of March 12, 2026, Meeting. - Action
No discussion, Minutes stand as submitted.

Mike Sharkey Moved to Approve the Scottsdale USD Self-Insurance Trust Meeting Minutes of March 12, 2026. Kathy Steadman Seconded the motion. The motion was approved with a vote of 3 - 0.

- B. Approval of Proposed Self-Insurance Trust Board Meeting Dates 2026-2027 – Action

Kathy Steadman Moved to Approve the Proposed Self-Insurance Trust Board Meeting Dates for 2026-2027. Mike Sharkey Seconded the motion. The motion was approved with a vote of 3 - 0.

- C. Approval of Worker's Compensation Premium July 1, 2026 – June 30, 2027, CAF – Action
Jessica Schuler presented the information for the Worker's Compensation Premium.

Mike Sharkey Moved to Approve Worker's Compensation Premium FY26/27. Shannon Crosier Seconded the motion. The motion was approved with a vote of 3-0.

- D. Approval of Property and Casualty Premium July 1, 2026 – June 30, 2027, PAF – Action
Jessica Schuler presented the information for the Property and Casualty Premium.

Mike Sharkey Moved to Approve Property and Casualty Premium FY26/27. Shannon Crosier Seconded the motion. The motion was approved with a vote of 3-0.

- E. Property/Casualty/Workers Comp Claims Report (ARRT) – Information
Jessica Schuler from the Trust presented financial reports concerning Property/Casualty and Worker's Compensation.

25/26 Property and Liability Premium: \$ 2,877,769
25/26 Workers' Compensation Premium: \$ 877,348 (Est)
25/26 Health Benefits Premium: \$ 20,516,418 (Est)

- Total number of claims processed as of 4/30/2026: 76.
- Total incurred as of 4/30/2026: \$3,017,865

2026/2027 Trust Renewal Updates

- General/Professional Liability ~10.33%
- Auto Liability ~4.43%
- Property ~2.06%
- Cyber Liability ~3%

2026/2027 Trust Renewal Updates

- Trust Loyalty Credit (3%)
 - District is on track to receive approximately \$ 86,333
- 2026/2027 contribution estimate \$3,124,423
- 2025/2026 contribution: \$2,877,769
- 8.57% increase
- June 30: 26/27 renewal forms due to the Trust

2025/2026 Alliance Rating Retrospective Plan

	Estimate	Actual (as of 4/30/26)
◦ Incurred Losses*	\$611,089	401,977
◦ Unallocated Loss Adjustment Expense*	\$132,017	86,805
◦ Administrative Expense	\$ 68,288	68,236
◦ Excess Insurance and Tax Expense	\$ 47,331	47,378
◦ Contribution to Net Position*	<u>\$ 18,358</u>	<u>18,623</u>
◦ Total	\$877,348	\$622,919

*Based on actual payroll, to be reported in July 2026 *Loss rated at 90%

Alliance Rating Retrospective Plan

- As of 4/30/2026, the district is trending at 71% of estimates.
- Alliance staff will continue to provide quarterly updates on Scottsdale's performance.
- A final adjustment based on actual losses and payroll will be conducted in July 2026.

Alliance Contribution History

Year	Rating Model	Contribution Valued as of 4/30/2026	Retro Contribution: Original Estimate
2025/2026	Retrospectively Rated	*622,919	877,348
2024/2025	Retrospectively Rated	*1,313,814	969,937
2023/2024	Retrospectively Rated	*760,946	913,306
2022/2023	Retrospectively Rated	*761,868	914,446
2021/2022	Retrospectively Rated	*876,697	927,440
2020/2021	Retrospectively Rated	643,014	860,358
2019/2020	Guaranteed Cost	433,325	839,973
2018/2019	Guaranteed Cost	958,573	N/A

*Estimated contribution. Loss elements are adjusted for 5 years.

PPA/TIP Balance

- Trust Prepaid Account Balance as of 3/31/2026 - \$ 206,000
- Trust Investment Pool Balance as of 3/31/2026 - \$ 47,497

F. Medical Claims/Financial Reports – Information 7/1/2025 – 1/31/2026

Josh Landis and Elizabeth Vesely presented financial and health reports from Kairos Health Arizona Plan Overview

- 1,729 Employees prior 1,815
- 2,269 Participants prior 2,412
- 41 Average Age prior 43
- 1.3 Average Family Size Prior 1.3
- 64% Female and 36% Male
- Medical Plan Spend 13% increase over 24/25
- Pharmacy Spend 12% increase from 24/25

Top 5 Providers: Honor Health, Mayo Clinic Arizona, Alabama Infusion, Banner University Medical Center, Banner Desert Medical,

- #1 Condition – Cancer 25/26 \$1,342,377 and 24/25 at \$941,848

Top 5 Conditions

- Cancer, Neurological disorders, Health Status/Encounters, Musculoskeletal disorders, Gastrointestinal Disorders

Plan Cost & Network Utilization

- 2025-2026: \$629 PMPM
- 2024-2025 \$520/ Benchmark: \$584

Prescription Spend

- Top 5 Traditional: Neuromuscular, Immunomodulatory Agent, Diabetes (2), Immunosuppressant
- Top 5 Drugs: Spinraza, Pomalyst, Mounjaro, Skyrizi on body, Ozempic

Large Claimants – 25/26 - 55% over \$50K

- Vascular Cancer, Neurological Disorder (3), Brain Cancer, Renal/Urologic Disorder, Cardiac, Ovarian Cancer, Trauma/Accidents

Preventive Screenings

- Colorectal Cancer Screen 45+ 5 Point Increase
- Cervical Cancer Screen 21+ 1 Point Decrease
- Flu Vaccine 1 Point Decrease
- Mammography Screen 40+ 2 Point Increase
- EAP Utilization – ComPsych Service – 123 total member engagement (7/1/25-4/30/26)
 - Counseling/Behavioral Health:
 - Family source
 - Financial Connect
 - Health and Well-Being
 - Legal Connect
- Aware Health Telehealth Physical Therapy – 125 SUSL members have used Aware Health, totaling 743 visits.
 - Prior to Using Aware Health – 55 members considered surgery, 49 members considered imaging, 94 considered in-person physical therapy.
 - By choosing Aware Health, an estimated: \$570,453 was avoided in surgery costs, \$12,000 was avoided in imaging costs, \$44,681 was avoided in-person physical therapy costs.
 - Estimated YTD Savings Impact = \$627,134
- Customer Service – 36 Total Participants Assisted
 - Enrollment 1
 - COBRA 3
 - Claims 1
 - ID Cards 3
 - Benefits 14
 - Nurse Navigator 7

Executive Summary

○ Highlights

- Medical claim spend has increased by 13%
- Pharmacy claims show a 12% increase
- Cancer related claims have reduced by \$1.1M over last plan year.
- Updates -All Kairos vendors have been notified of SUSD termination 6/30/2026.

G. Trust Financial Update – Information

Shannon Crosier presented the Checking and Investments Accounts for Fiscal Year 2025-2026 as of April 30, 2026

- Total Ending Balance in each of the three Checking accounts as of April 30, 2026:

○ Medical	\$ 20,949,537.61
○ Property/Casualty	\$ 2,764,439.00
○ Workman's Comp	\$ (108,534.52)
○ TOTAL	\$ 23,605,442.09

- Total in each of the three Investment accounts as of April 30, 2026:

○ Medical	\$ 408,157.95
○ Property/Casualty	\$ (1,266,229.60)
○ Workman's Comp	\$ 2,924.40
○ TOTAL	\$ (855,147.25)

- Total All Accounts as of April 30, 2026:

○ Medical	\$ 21,357,695.56
○ Property/Casualty	\$ 1,498,209.40
○ Worker's Comp.	\$ (105,610.12)
○ TOTAL	\$ 22,750,294.84

Tyler Tayrien from Wells Fargo presented the Financial Market Investment Update.

Three investment accounts as of 4/30/2026

- Medical - 18 Securities/Accounts – 17,961 million (3.52% Book Yield & Market Yield 3.76%)
 - Unrealized Loss (\$27) without accrued Interest.
 - Cash Flow 12,790,000
- Property and Casualty – 1 Securities/Accounts – 1.583 million Portfolio Size (3.56% Book Yield & Market Yield 3.56%)
 - Unrealized 0 without accrued Interest.
 - Cash Flow \$1,583,000
- Worker's Compensation - 2 Securities/Accounts – 7,354 million (3.68% Book Yield & Market Yield 3.66%)
 - Unrealized Gain 1 without accrued Interest.
 - Cash Flow \$7,442,000

H. Future Agenda Items – No items discussed.

I. Dates of Upcoming Meetings – (Pending Board Approval) – September 17, 2026, December 10, 2026, March 4, 2027, June 3, 2027

I. Adjournment –

At 4:51 pm, Mike Sharkey Moved to adjourn the meeting. Shannon Crosier Seconded the motion. The motion was approved with a vote of 3 – 0.

Dated this 28th day of May 2026.

Action:

Selection and Approval of Chairperson (Trust Document 3.4)

Submitted by:

Shannon Crosier, Chairperson and Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board select and approve a Chairperson for FY27 per 3.4 of the Self-Insurance Trust Agreement.

Action:

Approval of the Amended Trust Agreement

Submitted by:

Shannon Crosier, Chairperson and Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board approve the amended Trust Agreement change in section 1.3 Trust Fund.

BACKGROUND:

Section 1.3 of the Trust agreement states the district shall account for the amounts contributed by the District employees and the District for the different types of Self-Insurance. The Trust shall maintain separate bank accounts for each type of insurance program. This recommendation would combine the three checking (medical, property, and worker's compensation) and the three investment accounts (medical, property, and worker's compensation) into one checking and one investment account.

This change will provide more flexibility to address medical insurance premiums as well as enhancing investment opportunities.

TRUST AGREEMENT
FOR
SCOTTSDALE UNIFIED SCHOOL DISTRICT
OF
MARICOPA COUNTY, ARIZONA

THIS TRUST AGREEMENT is by and between the Governing Board of the Scottsdale Unified School District of Maricopa County, Arizona, a political subdivision of the State of Arizona (hereinafter referred to as the "District"), and the individuals hereinafter executing this Agreement as Trustees (hereinafter individually and collectively called the "Trustees"), and shall be effective as of the date of execution hereunder May 14, 2019.

WHEREAS, the District may, pursuant to Arizona Revised Statutes ("A.R.S.") § 15-382 and § 15-387 provide self-insured and/or insurance programs;

WHEREAS, the District deems it to be in the best interest of its employees and the District to establish self-insured and/or insurance programs pursuant to A.R.S. § 15-382 and § 15-387 and other applicable law;

WHEREAS, the District established that certain Declaration of Trust for Scottsdale Unified School District, Arizona, Self-Insurance Trust Fund dated February 20, 2001 ("2001 Trust Agreement") and reserved the right and power to amend the 2001 Trust Agreement in whole or in part.

WHEREAS, the District hereby amends and completely restates the 2001 Trust Agreement to read in its entirety as set forth herein; and the District does not intend to create a new trust, and the trust established by the District is continued as restated and provided herein, with all references to the Trust Agreement of this Agreement meaning the Trust Agreement as provided herein, as the same may be amended by the District pursuant to the provisions hereof;

WHEREAS, the District and/or employees will contribute monies to the Trustees, which will constitute a Trust Fund (as further defined below) to be held for the benefit of the employees and the District, as applicable for the type of insurance, in accordance with this Trust Agreement;

WHEREAS, the District desires the Trustees to accept, hold, preserve, protect, invest, and make payments from the Trust Fund, and the Trustees are willing to accept, hold, preserve, protect, invest and make payments from such Trust Fund pursuant to the terms of this Trust Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the District and the Trustees hereby agree as follows:

1. **ESTABLISHMENT.**

1.1 **Definitions.** The following capitalized terms shall have the meanings stated below for all purposes of this Trust Agreement unless the context clearly requires otherwise:

- a. "Administrator" means the individual appointed by the Board to oversee the day to day operations of the Trust.
- b. "District" means the Scottsdale Unified School District of Maricopa County, Arizona.
- c. "District Board" or "Board" or "Board Members of the District" means the Governing Board of the Scottsdale Unified School District of Maricopa County, Arizona.
- d. "Employees" means all employees and Board Members of the District.
- e. "External Auditor" means the independent certified public accountant then retained by the District.
- f. "State" means the State of Arizona.
- g. "Trust Agreement" means this Agreement for the Scottsdale Unified School District of Maricopa County, Arizona.
- h. "Trust Fund" means the trust fund created by this instrument, and shall mean the monies, property, contracts, or things of value received and held by the Trustees for the uses and purposes set forth herein, and those things of value which comprise the corpus and additions to the trust.
- i. "Trustee" means each individual appointed by the District, through its Board, as provided herein and holding office, and "Trustees" means all of Trustees, the individuals appointed and then in office, and any successors individually collectively as provided for in this Trust Agreement.

1.2 **Purpose.** The purpose of this Trust is to provide for the establishment of a self-insured program and/or insurance programs by the District to cover property insurance, surety insurance, professional liability insurance, personal injury liability insurance, public liability insurance, vehicle insurance, worker's compensation insurance as well as employee medical, dental, disability and/or life insurance programs, programs that allow for participation in a cafeteria plan that meets Federal Internal Revenue Code of 1986 requirements, related employee benefits programs including wellness

programs and other fully and partially funded group insurance plan programs, and uninsured losses, claims, defense costs, costs of training designed to reduce losses and claims, costs of administration and other related expenses, as the District may elect to self-insure from time to time, and to authorize the management, funding and administration of the Trust for the purpose herein, including without limitation the payment of insurance premiums. The Trustees accept the Trust and declare they will receive and hold the Trust Fund by virtue of this Trust Agreement and for the uses and purposes and with the powers and duties set forth herein and none other. The insurance programs shall be stated in Exhibit A, which may be amended from time to time to reflect the current insurance programs.

- 1.3 **Trust Fund.** The District hereby establishes the Scottsdale Unified School District, Maricopa County, Arizona Self-Insurance Trust. All appropriations from the District, and all other funds, earnings and assets of the Trust, shall be placed in the Trust Fund in a separately maintained bank account designated as a trust account, immediately upon receipt, shall be held in trust and used solely for the purposes permitted herein, shall not be co-mingled with other funds of the District nor used to secure any obligations of the District other than is expressly provided herein, and shall not lapse at the close of the fiscal year, except that any cash balance remaining after termination of the self-insurance program and settlement of all outstanding claims shall be used for reduction of District taxes for the budget year. The Trustees shall properly account for the amounts contributed by the District Employees and the District. ~~for the different types of self-insurance. The Trust shall maintain separate bank accounts for each type of insurance program.~~ The Trustees may jointly invest certain amounts held the Trust Fund if the Trustees and any investment advisor deems it a prudent investment strategy. Any income from any joint investments shall be allocated between the insurance funds in a reasonable and prudent manner and in accordance with a written policy and procedures that conform to generally accepted accounting principles. Any monies recovered by the District pursuant to litigation, recovery, salvage value of damaged property, proportionate share monies from any other existing District funds or otherwise, or for damages related to either a liability or property loss for which monies from the Trust have been paid, shall be returned to the Trust Fund.

- 1.4 **Reservation of Authority.** Nothing herein shall modify or restrict the legal obligations of the District to administer and operate appropriate risk management and insurance programs for the District. The District shall retain the sole and absolute right and authority to direct and authorize the establishment, management and administration of an overall insurance program for the District, and shall determine from time to time whether it is in the best interests of the District to procure insurance from any insurer authorized to do business in the State, to establish self-insured programs, to combine self-insured programs and procurement of insurance from third

parties, or any combination of the foregoing for various types and dollar amounts of risks, including without limitation deductibles, reinsurance, and joint or participation insurance. Specifically, without limitation, the District may from time to time, for any period, elect to purchase insurance for any or all of the risks otherwise covered by this Trust, and Trust Funds may be used to purchase such insurance. The District shall provide stop-loss coverage and determine the amounts thereof, provided that the excess liability coverage for liability losses may include an annual aggregate limit of no more than three million dollars, and the maximum retention per occurrence shall be one-half of one percent of the District's maintenance and operations budget as may be amended by law.

2. TRUST MANAGEMENT

- 2.1 **Appropriations.** The District shall appropriate all funds in amounts it determines to be necessary to pay the benefits, losses, claims, and expenses described in Section 1.2, subject to District budgetary requirements, including that the funds shall be budgeted within the maintenance and operation section and the budget limitation on increases as prescribed in A.R.S. § 15-905. Should monies in the Trust Fund be deemed inadequate at any time to meet current expenditures, a special appropriation may be requested by the Trustees from the District for the remainder of the year or any part thereof.
- 2.2 **Management and Disbursement of Funds.** Subject to limitations prescribed in the Arizona Revised Statutes and this Agreement, the Trustees agree to manage and disburse Trust assets as follows:
- a. To invest and reinvest Trust monies as provided by law and consistent with prudent investment practices and the need for funds in the amounts and at the times reasonably anticipated for the purposes of this Trust;
 - b. To evaluate current and potential insurance plans and coverage, to establish adequate and appropriate reserves for any and all claims against the District covered by this Trust, to recommend the types of plans, programs, deductible amounts, premiums and other insurance provisions for District Employees based on actuarial reports, any District committee recommendations or other consultants that the Trust Board determines are necessary in order to meet the level of recommended reserves, all subject to District Board approval;
 - c. To pay upon such terms and conditions as deemed appropriate and proper, the legal claims, settlements or judgments (including interest thereon required by law) against the District covered by the self-insured retention program and this Trust;

- d. To reject, in whole or in part, settle or compromise any claims made by an Employee or third party against the District;
- e. To pay all reasonable costs and expenses of claims administration;
- f. To pay all reasonable legal fees, expenses and costs incurred in connection with the administration of the Trust and the defense of any claims that may arise thereunder or related thereto against the District and the Employees;
- g. To pay all reasonable costs of investigations of claims;
- h. To procure all necessary and appropriate bonds required of the Trustees and otherwise, whether fidelity, surety, performance, legal or other;
- i. To pay all reasonable actuary expenses and costs incurred in connection with the administration of this Trust;
- j. To pay all reasonable consultant expenses and costs incurred in connection with the administration of this Trust;
- k. To pay all reasonable audit expenses and costs incurred in connection with the administration of this Trust;
- l. To pay all other reasonable expenses and costs of approved agents and advisors retained by the Trustees;
- m. To pay the expenses of organization and establishment of this Trust, including without limitation all legal and other expenses in connection with its formation, establishment and initial funding; and
- n. To pay such other reasonable and appropriate Trust expenses as may be necessary in connection with the administration and management of this Trust, including without limitation insurance premiums, risk management consultation and the costs of preventative programs designed to reduce claims.

2.3 Limitations on Expenditures.

- a. **Illegal Acts.** No expenditures shall be made from the Trust Fund except for authorized purposes as permitted under applicable law and this Agreement. Expenditures from the Trust Fund shall not, under any circumstances, be made for uninsured losses that arise out of, and are directly attributable to an act or omission determined by any court to be a criminal act committed by an Employee.

- b. **Claims Not Covered.** Claims which are not covered by the self-insured program established hereunder shall not be paid from this Trust. All questions relating to the nature, scope and amount of losses and risks covered by this Trust shall be determined by the Trustees, but, in the event of a dispute, shall be determined by the Board of the District.

2.4 **Claims Procedure.**

- a. **Notification.** The Trustees shall establish the reporting procedures for accidents and incidents for which claims could be made under this Trust. The Trustees shall establish the claims procedure, including requiring the investigation of all reported claims and the notification of the appropriate insurance carrier(s), if applicable.
- b. **Disputed Benefits Claim.** The Trustees and the Administrator are hereby authorized to compromise or settle any disputed benefits claim covered by this Trust in the following amounts other than for Administrative Practices Liability Claims, subject to any limitations set forth in this Agreement, the claims procedures established by the Trustees and the District Board: Trust Administrator up to \$10,000; Trustees (by majority vote, not individually) \$10,000 to \$150,000; above \$150,000 shall be subject to District Board approval. Settlement of any amount of Administrative Practices Liability claims shall be subject to District Board approval. Claim payments are not subject to State or District procurement requirements, but shall conform to statutory and industry claim adjusting standards.

- 2.5 **Records and Audit.** The Trustees shall keep or cause to be kept accurate accounts of all investments, receipts, disbursements and other transactions, and all accounts, books and records relating thereto shall be open at all reasonable times to inspection and audit by the District or persons designated by the District Board. The Vice President of the Board (or such designee as the District Board determines) shall review the expenditures of the Trust. The accounting and reporting system adopted by the Trustees shall conform to and be integrated with the existing accounting procedures of the District. An annual audit of the Trust Fund shall be performed as an administrative expense of the Trust by the External Auditor each year in connection with the District's audit and copies provided to the Trustees and the District Board. The Trustees shall review the audit report in a timely fashion but in any event within two months of the audit report being provided by the auditors. If there are any material changes in the audit report from the annual report provided to the Governing Board or from the prior period's audit report, the Trustees shall report to the Governing Board on the material changes and the reasons for the material changes. The Trustees shall maintain a summary of the administrative policies, procedures, and strategies adopted by the Trust,

including but not limited to, the following procedures: Claims procedures (Section 2.4); and Investment strategy (3.1(c)) and if joint investment is proposed, an investment income allocation (Section 1.3).

2.6 **Reports.**

- a. **Annual Reports.** Within 90 days following the close of each fiscal year of the District, the Trustees shall file with the District, and provide to the District Board copies of, a written report setting forth a report and account of the operation of the Trust during the past fiscal year. The report shall include the amount of monies held in the Trust Fund as of the fiscal year end; the value of all investments held in the Trust; all receipts and disbursements of funds and other material transactions during such year; a report on the reserves held by the Trust; an itemized list and description of the litigation involving the Trust as of the end of the fiscal year; and all other relevant matters as of the close of the fiscal year. The report shall establish the applicable losses sustained by the District during the period of the report, and the expenses and costs incurred in connection with the administration of the Trust.
- b. **Actuarial Reports.** Whenever desired by the Trustees or requested by the District, the Trustees shall retain an actuary at the expense of the Trust to report to the Trustees and the District Board upon the adequacy of the reserves held hereunder and any other appropriate matters.
- c. **Audit Report.** The audit report on the Trust Fund shall be open for public inspection during normal business hours, and a copy of the report shall be kept on file in the District office for a period of not less than five years from the date of receipt.

3. **TRUSTEES**

3.1 **Powers.** In addition to the rights and powers described elsewhere in the Agreement, the Trustees shall also have the following powers:

- a. **Trust Fund Management.** Subject only to the express limitations set forth elsewhere in this Agreement, the Trustees are authorized to enter into contracts, procure insurance policies, manage the Trust, and provide for stop-loss insurance. The Trustees are authorized to pay any insurance company the required insurance premiums in connection with such group insurance. The Administrator appointed by the Board of the District shall be responsible for the day to day operations of the Trust, subject to the provisions of this Trust

Agreement and policies implemented by the Trustees and shall report to the Trustees on actions taken by the Administrator.

- b. **Advisors.** The Trustees shall administer the Trust. The Trustees, subject to the approval of the Board, may engage, contract or employ agents, representatives, employees, and independent contractors, including attorneys, actuaries, appraisers, investment advisors, financial institutions, claims managers, experts and investigators, to provide assistance to them in administering, investing and operating the Trust. All agents, representatives, employees, advisors and independent contractors must be free of any conflicts of interest in the performance of their services. Any risk management consultant or insurance administrator employed by the District and offering services to the Trust must be licensed under Title 20, Chapter 2, Article 3 or 9 of the Arizona Revised Statutes and such license shall be verified by the District's Board prior to employment.
- c. **Trust Fund Investment.** In order to coordinate the investment of the Trust Funds with District policies, the Trustees shall delegate the handling of the day to day investment of the Trust Funds to the Chief Financial Officer of the District to act as investment manager of the Trust Fund in conjunction with the third party financial institution holding the Trust Funds or such other third party investment advisors as the Trustees may hire. Any investment shall be invested in such bonds and investments as permitted by A.R.S. § 35-313. On at least an annual basis, the investment manager shall propose an investment strategy for each type of insurance program to the Trustees for approval. The investment manager shall report to the Trustees on a monthly basis regarding the investments and holdings of the Trust Fund and shall provide the monthly reports from the third party financial institution to the Trustees. In the event of a question or dispute between the investment manager and the Trustees, the Trustees, through due action at a meeting at which there is a quorum, shall seek guidance from the District Board, whose decision shall be final.
- d. **Other Powers.** The Trustees shall have all of the powers necessary, convenient or appropriate, unless restricted hereunder or by law, to effectuate the purposes of this Trust, and may take any action which they deem reasonably necessary to administer the Trust, carry out the purpose of this Trust; or desirable to fulfill the terms, conditions and intent of this Agreement. The Trustees agree to discharge their responsibilities with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an

enterprise of a like character and with like aims, all in accordance with the provisions of this Trust Agreement and law.

3.2 **Trustees.**

- a. **Number.** The District Board shall appoint all Trustees and determine the number of Trustees, which shall be at least three. If a member of the Governing Board of the District or employee of the District is acting as Trustee, the Trust shall be administrated by at least five joint trustees, of whom no more than one may be a member of the Board of the District and no more than one shall be an employee of the District. The individuals executing this Agreement as Trustees are the original Trustees appointed by the District's Board.
- b. **Qualification.** Trustees shall be at least twenty-one (21) years of age, and bonded in an amount determined appropriate by the District. No person shall qualify as a Trustee until s/he shall have signed this Agreement. The Governing Board of the District shall determine the financial, insurance, investment, legal, accounting and/or other due qualifications that a trustee candidate should have given the current experience of the existing Trustees, the needs of the Trust and the goals of the District.
- c. **Compensation.** Trustees shall not be entitled to receive compensation for their services except, to the extent permitted by law, reimbursement for reasonable out-of-pocket costs and expenditures made in the performance of their duties upon written approval by the District's Board or in accordance with District policies.

3.3 **Term and Removal.**

- a. **Term.** The term of office for the District employee and the District's Board member serving as Trustees shall continue at the pleasure of the District's Board. The term of office for the other Trustees shall be for three years except that appointments for the remaining Trustees shall be staggered for two, three-and four year terms, as determined by the Trust Board, so that the terms of approximately one-third of the independent Trustees shall expire each year. Trustees may be reappointed for successive terms at the sole discretion of the District's Board.
- b. **Removal.** All Trustees serve at the pleasure of the District's Board and may be removed by the Board at any time, with or without cause, upon written notice thereof delivered to that Trustee removed. Trustees may be reappointed at the sole discretion of the District's Board and all other Trustees.

- 3.4 **Chairman.** The Trustees shall elect a Chairman of the Trustees, who must also be a Trustee. The Chairman shall establish the date, time and place of the meetings of the Trustees, and shall provide each Trustee and the public, at least twenty-four (24) hours prior to the meeting, an agenda of the matters to be covered during the meeting; and shall preside at all meetings of the Trustees.
- 3.5 **Resignation.** A Trustee may resign at any time by giving 30 days' notice in writing to the Board. The District's Board may waive the 30 days' notice at its sole discretion. The resignation shall be effective upon the earlier of the date stated in the notice of resignation or the appointment of a successor. Appointment of a successor automatically accepts the resignation of the resigning Trustee.
- 3.6 **Vacancies.** The resignation, incompetency, death or removal of any or all of the Trustees shall not terminate this Trust or affect its continuity. During a vacancy, the remaining Trustee or Trustees may exercise the power of the Trustees hereunder. Vacancies among the Trustees shall be filled by appointment by the District's Board and reflected in the minutes of the District's Board meeting. The determination of a vacancy among the Trustees shall be made by a majority of the remaining Trustees, and shall be stated, together with the basis for the determination, in a written document delivered to the District's Board. If, at any time, for any reason, there shall be no remaining Trustees, the District's Board shall forthwith appoint the requisite number of successor Trustees.
- 3.7 **Successor Trustees.** Legal authority held pursuant hereto shall vest automatically in each successor Trustee, upon appointment by the District's Board. Any successor Trustee shall have the same powers, duties and exemptions as though originally named as a Trustee in this Agreement.
- 3.8 **Meetings.** The Trustees shall meet at least quarterly and are authorized to meet as frequently as they shall determine necessary and appropriate. The Chairman or any three Trustees may call a meeting at any time upon no less than twenty-four (24) hour written notice to all other Trustees and the public. Notice and conduct of meetings must comply with all applicable statutes, rules and regulations otherwise pertaining to public meetings and proceedings as further described in A.R.S. § 15-382(B)(2) and in Title 38, Chapter 3, Article 3.1. All meetings shall take place in the District.
- 3.9 **Conduct of Business.** The Trustees may act only during a legally convened meeting of the Trustees except in case of an emergency, as determined by the Chairman or a majority of the Trustees, the Trustees may act with the notice appropriate under the circumstances, subject to subsequent compliance with the notice requirements of A.R.S. § 38-431.02.D. and ratification and

confirmation of their action at the next meeting of the Trustees. The presence of both (a) a majority of all Trustees appointed and serving and (b) one Trustee who is either a District employee or a member of the Governing Board (provided either has been appointed by the District), who will be counted as part of the majority required in (a), shall constitute a quorum for purposes of conducting business. Any action by a majority of the Trustees in office during any meeting at which a quorum is present shall be conclusive and binding as an action of the Trustees. All agreements, deeds, checks documents, instruments, reports and any and all other instruments approved at a lawfully convened meeting and executed by the Chairman and witnessed by another Trustee present at the meeting, shall be effective and binding on all of the Trustees.

- 3.10 **Limitation of Duties.** The duties and responsibilities of the Trustees shall be only those which are expressly imposed upon them by the provisions of this Agreement. The Trustees shall have no duty to enforce the payment of any appropriation to the Trust. The funding of the insurance programs and all benefits shall be the sole responsibility of the District and/or its eligible employees. The fiduciary operation of the Trust shall be the sole responsibility of the Trustees.
- 3.11 **Reliance upon Documents.** The Trustees may act upon any written notice, resolution, request, consent, order, certificate, report, opinion or document reasonably believed by them to be genuine and to have been signed and presented by the proper party or parties.
- 3.12 **Limitation of Liability.** Except as provided below or as otherwise provided by law, no Trustee shall be liable individually for any act or omission of any Trustee or agent or representative of the Trustees, or for negligence, error in judgment, or any act or omission, except his/her own willful breach of the provisions of this Trust Agreement, and/or gross negligence, and/or bad faith in the performance of his/her duties. Every act or thing done or omitted, and every power exercised or obligation incurred by the Trustees, or any of them, required by law, resort shall be had solely to the property of the Trust, and not against the Trustees, jointly or individually, for any debt, claim, demand, judgment, decree or obligation. The act of any Trustee in the administration of this Trust, or in connection with its business or property, in their capacity as Trustees, shall be deemed done, omitted, exercised or incurred by the Trustees, as Trustees, and not as individuals. No Trustee shall be liable individually for any act or omission of any Trustee, including himself, or agent or representative of the Trustees, constituting negligence, error in judgment or mistake. Nothing contained in this Agreement, however, shall protect the Trustees or their agents or representatives against liability for his/her own willful breach of the provisions of this Trust Agreement, and/or gross negligence, and/or bad faith or intentional misconduct in the performance of his/her duties.

- 3.13 **Indemnification.** The District agrees, to the extent permitted by law, to defend and indemnify and hold the Trustees harmless from and against any liability, including but not limited to legal fees, judgments, penalties and amounts paid in settlement or compromise, that the Trustees may incur while acting in good faith and in the proper conduct and scope of their office in the administration of the Trust Fund, unless arising from the Trustee's own willful breach of the provisions of this Trust Agreement, and/or gross negligence, and/or bad faith. Notwithstanding any other provision of this Trust Agreement to the contrary, any agreement by the District to indemnify the Trustees shall be limited to, and be payable only from the District's contractually assume liability insurance coverage, if any, available as part of its general liability insurance policy.

4. AMENDMENT AND TERMINATION

- 4.1 **Amendments.** This Agreement may be supplemented or amended, in whole or in part, at any time by the District, through due action by the District Board. All such supplements and amendments must be in writing, and approved and executed by the District.
- 4.2 **Termination.** This Trust may be terminated at any time, upon thirty (30) days prior notice, by an instrument in writing executed by the District, through due action by the District Board. Upon termination of this Trust, the District shall notify all employees, the Trustees, and any other necessary parties. The Trustees shall continue as Trustees for the purpose of winding up the affairs of the Trust. Upon termination of this or a successor Trust, after all outstanding claims and expenses are paid, any balance remaining shall be used for reduction of District taxes for the applicable budget year.
- 4.3 **Final Accounting.** At such time as the Trust is terminated, the Trustees shall render a final accounting of the Trust Fund balance to the District, and thereafter the Trustees shall have no further responsibility or duties and shall be discharged.

5. GENERAL PROVISIONS.

- 5.1 **Applicable Law.** This Agreement is executed and delivered in Arizona, and the laws of Arizona shall govern the construction, validity and effect of this Agreement and the administration of the Trust hereby created.
- 5.2 **Headings.** Headings have been inserted solely for convenience and reference, and shall not affect the meaning, construction or effect of this Agreement.
- 5.3 **Severability.** Should any provision or term in this Trust Agreement be deemed or held to be unlawful or invalid for any reason, such fact shall not

adversely affect the other provisions herein contained unless such invalidity or illegality shall make impossible or impractical the functioning of the Trust. In such case, the appropriate parties shall immediately adopt a new provision to take the place of the illegal or invalid provision.

- 5.4 **Counterparts.** This Trust Agreement may be executed in counterparts, each of which shall constitute an original but all of which shall constitute one and the same agreement.

[SIGNATURES ON FOLLOWING PAGE]

Approved at a lawfully convened meeting this _____ day of _____ 2026.

GOVERNING BOARD OF SCOTTSDALE UNIFIED SCHOOL DISTRICT OF
MARICOPA COUNTY, ARIZONA

By: _____
Dr. Donna W. Lewis, President

Mike Sharkey, Vice President

Amy Carney, Member

Carine Werner, Member

Matthew Pittinsky, Member

IN WITNESS WHEREOF, the undersigned hereby accept the foregoing Agreement and agree to be bound by the provisions thereof.

TRUSTEES OF THE SCOTTSDALE UNIFIED SCHOOL DISTRICT OF
MARICOPA COUNTY, ARIZONA SELF-INSURANCE TRUST

Mike Sharkey, Trustee

Date

Shannon Crosier, Trustee

Date

Regan Butcher, Trustee

Date

Erika Miller Coombs, Trustee

Date

Jake Seltzer, Trustee

Date

Action:**Authorization to use Wellness Credits****Submitted by:**

Shannon Crosier, Chairperson and Administrator

Recommendation:

It is recommended that the Self-Insurance Trust Board approve the use of wellness credits from Blue Cross Blue Shield for up to \$60,000 for wellness challenge rewards, a 0.5 FTE Wellness Coordinator, and the WHEN Wellness Program.

BACKGROUND:

As a part of the Blue Cross Blue Shield RFP proposal for medical insurance, the district was allotted \$200,000 per year for the next five years for wellness credits. The district would like to use \$7,500 to purchase gift cards for wellness challenge rewards, approximately \$40,000 for a 0.5 FTE Wellness Coordinator, and \$12,500 for the WHEN Wellness Program.

Information/Discussion:

Property/Casualty/Worker's Comp Claims Report (ARRT)

Submitted by:

Shannon Crosier, Administrator

BACKGROUND:

Financial reports and presentations concerning Property/Casualty and Worker's Compensation from The Trust – Jessica Schuler, Kendra Callaghan, or Lily Leonard.

Scottsdale Unified School District Trust Board Meeting

Trust and Alliance

September 17, 2026



Note: Approval of membership in the two pools may be granted by the Scottsdale Governing Board.

Scottsdale USD Governing Board

Scottsdale USD Trust



**Property and liability coverage
A.R.S. 11-952.01(A)**

Coverages provided:

- General Liability
- Professional Liability
- Auto Liability
- Excess Liability
- Administrative Practices Liability
- Cyber Liability
- Auto Physical Damage
- All-Risk Property
- Commercial Crime
- Equipment Breakdown
- Storage Tank Liability
- Pre-Paid Legal Services
- Unemployment Insurance

**Workers' compensation coverage
A.R.S. 11-952.01(B)**

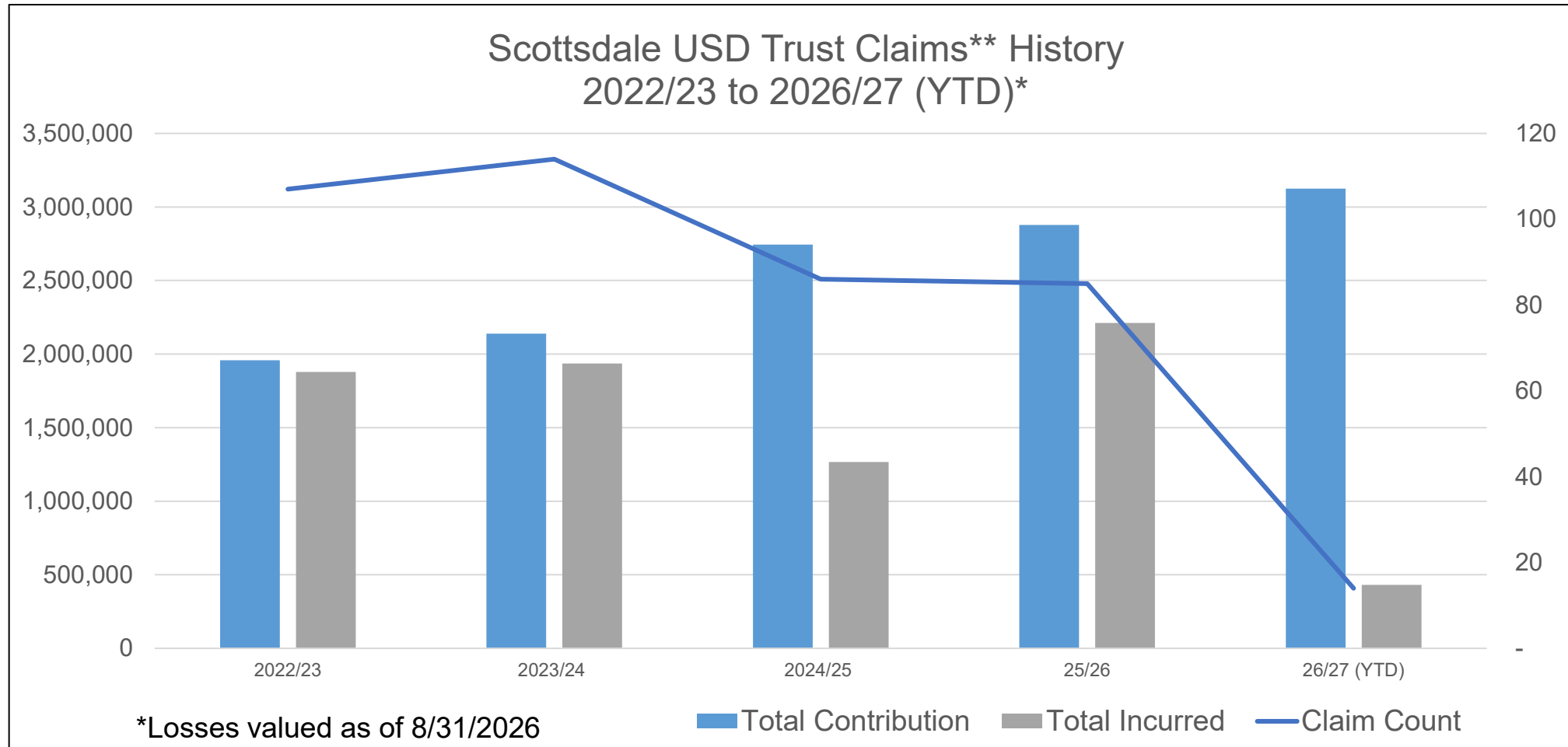
Coverages provided:

- Workers' Compensation
- Employer's Liability

26/27 premium: \$3,124,423

26/27²⁸ premium: \$896,298 (est)

Trust Claims



**Does not include Prepaid Legal



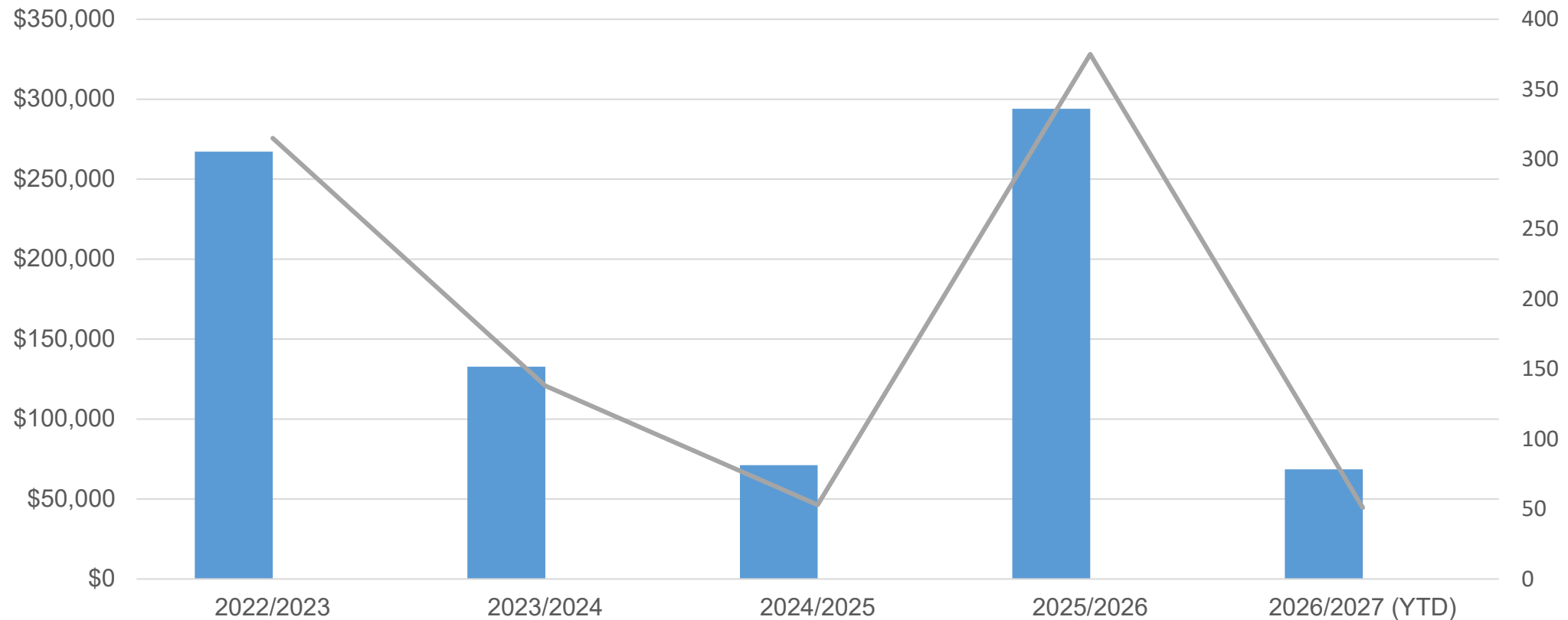
Trust Claims Summary for 2026/2027

- Total number of claims processed as of 8/31/2026: 14
- Total incurred as of 8/31/2026: \$431,761



Trust Pre-Paid Legal Overview

2022/23 to 2026/27 (YTD)*



*Valued as of 8/31/2026

■ Paid — PPL File Count



Alliance Rating Retrospective Plan

- Scottsdale joined retro plan effective July 1, 2019
- Designed for members with a higher appetite for risk
- Member pays for losses and various expenses (admin, excess insurance, tax, contribution to surplus)

Alliance Rating Retrospective Plan

2026/2027 retrospective rating program contribution

• Incurred Losses*	\$622,469
• Unallocated Loss Adjustment Expense*	\$141,510
• Administrative Expense	\$67,497
• Excess Insurance and Tax Expense	\$46,350
• Contribution to Net Position	<u>\$18,472</u>
• Total	\$896,298

*Loss rated at 90%



Alliance Rating Retrospective Plan

Rating Element	Estimate	Actual (as of 8/31/2026)
Incurred Losses & ALAE	622,469	15,460
ULAE	141,510	3,514
Admin Expense*	67,497	68,236
Excess Insurance & Tax Expense*	46,350	47,378
Contribution to Net Position*	18,472	18,623
Total	896,298	153,211

*Based on actual payroll, to be reported in July 2027.



Alliance Rating Retrospective Plan

- As of 8/31/2026, the district is trending at 17% of estimates.
- Alliance staff will continue to provide quarterly updates on Scottsdale's performance.
- A final adjustment based on actual losses and payroll will be conducted in July 2027.



Alliance Contribution History

Year	Rating Model	Contribution: Valued as of 6/30/2026	Retro Contribution: Original Estimate
2025/2026	Retrospectively Rated	681,900*	877,384
2024/2025	Retrospectively Rated	1,226,876*	969,337
2023/2024	Retrospectively Rated	759,894*	913,306
2022/2023	Retrospectively Rated	761,868*	914,446
2021/2022	Retrospectively Rated	876,697*	927,440

*Estimated contribution. Loss elements are adjusted for 5 years.



PPA/TIP Balances

- Trust Prepaid Account Balance as of 7/30/2026
 - (\$75,797)
 - \$300,000 deposit on 8/3/26
- Trust Investment Pool Balance as of 7/30/2026
 - \$48,236



Contact Information

Jessica Schuler

jschuler@the-trust.org

602.200.2405



Information/Discussion:

Medical Claims and Financial Report

Submitted by:

Shannon Crosier, Chairperson and Administrator

BACKGROUND:

Presentation of financial and health reports -Blue Cross Blue Shield/CapFi

SCOTTSDALE USD

Employee Benefit Trust Meeting
September 17, 2026



»»» *Insurance guidance that
improves your company's health.*



2026/2027 RENEWAL DECISIONS: MEDICAL

-\$16.93

Combined Admin + Stop Loss PEPM
\$132.65 → \$115.72

+10.3%

Total Plan Cost Change
\$17,286,097 → \$19,070,982

\$300,000

Specific Stop Loss
No aggregate · no lasers

BCBSAZ

New TPA, Network and PBM
Kairos contract terminated

Cost Comparison: Current (Kairos / UMR) vs. Sold Option (BCBSAZ)

Component	Current (Kairos / UMR)	Sold Option (BCBSAZ)	Est. Annual	% Chg
Third-Party Administration (PEPM)	\$61.39 · UMR	\$31.09 · BCBSAZ TPA	\$592,824*	n/a
Stop Loss (\$300K specific, no aggregate)	\$71.26 PEPM	\$84.63 PEPM (Opt. 1b, bundled)	\$1,613,725	+18.8%
Combined Admin + Stop Loss (PEPM)	\$132.65	\$115.72	-\$16.93	-12.8%
Total Plan Cost (admin + stop loss + claims)	\$17,286,097	\$19,070,982	+\$1,784,885	+10.3%

*Estimated annual TPA spend at the sold BCBSAZ PEPM.

Program Structure Effective 7/1/2026

Component	2026-27 Selection
Third-Party Administrator	BCBSAZ, replacing UMR under the terminated Kairos contract
Pharmacy Benefit Manager	OptumRx, accessed through BCBSAZ
Network	BCBSAZ, with BlueCard for out-of-Arizona claims
Prosano Network Assignment	Statewide for PPO 2000, HDHP 1700, HDHP 3400 and HDHP 5000 · Alliance for PPO 7000
Stop Loss	Bundled with BCBSAZ · \$300,000 specific · no aggregate coverage · no lasers

2026/2027 RENEWAL DECISIONS: ANCILLARY

Employer-Paid Ancillary Lines: Annual Cost Comparison

Benefit Line	2025-26 Carrier	2026-27 Carrier	Current Annual	New Annual	% Chg
Dental DHMO	Kairos (TDA)	AHP / EMI Health (TDA)	\$30,089	\$34,382	+14.3%
Dental PPO	Kairos (Delta Dental)	Delta Dental	\$946,109	\$917,439	-3.0%
Vision	Kairos (VSP)	EyeMed	\$139,362	\$125,412	-10.0%
Basic Life / AD&D	Kairos (MetLife)	Prudential	\$144,405	\$88,644	-38.6%
Voluntary Short-Term Disability	Kairos (MetLife)	Prudential	\$242,522	\$211,842	-12.7%
Employee Assistance Program	Kairos (ComPsych)	ComPsych	\$26,004	\$28,344	+9.0%
HSA Administration	Kairos (HealthEquity)	BCBSAZ (HealthEquity)	Incl. in medical	\$45,212	n/a
FSA / POP Administration	Kairos (HealthEquity)	Inspira Financial	\$4,840	\$3,597	-25.7%
COBRA Administration	Kairos	Inspira Financial	\$7,801	\$6,501	-16.7%
Total Employer-Paid Ancillary			\$1,541,132	\$1,461,373	-5.2%

Voluntary (Employee-Paid) Lines

Voluntary Line	2026-27 Carrier	Notes
Voluntary Life / AD&D	Prudential	Employee-paid · spouse guarantee issue raised from \$30,000 to \$100,000
Voluntary Accident	Prudential	Employee-paid · annual volume approximately \$25,004
Voluntary Hospital Indemnity	Prudential	Employee-paid · annual volume approximately \$30,712
Voluntary Critical Illness	Prudential	Employee-paid · rates confirmed at finalist stage
Prepaid Legal / ID Theft / Pet	Unchanged	ARAG-type legal, Aura, United Pet Care and Nationwide · fully voluntary

SELF-FUNDED VS. FULLY INSURED EQUIVALENT: 2026/2027

63.5%

Of Maximum Liability
Year to date, Jul-Aug 2026

\$2,139,129

YTD Total Plan Paid
Fixed costs plus net claims

\$2,161,895

YTD Fully Insured Equivalent
Same enrollment and tiers

-\$22,766

Self-Funding Advantage
YTD vs. fully insured

Monthly Funding Detail: Plan Year 7/1/2026 – 6/30/2027

Month	Admin	HSA	Stop Loss	Total Fixed	Net Claims	Total Paid	Max Cost	% of Max	PEPM	FI Equivalent
Jul-26	46,410	3,164	130,923	180,497	724,808	905,305	1,686,555	53.7%	\$585.20	\$1,081,647
Aug-26	46,350	3,078	130,753	180,181	1,053,643	1,233,824	1,684,374	73.3%	\$798.59	\$1,080,249
Sep-26	—	—	—	—	—	—	—	—	—	—
Oct-26	—	—	—	—	—	—	—	—	—	—
Nov-26	—	—	—	—	—	—	—	—	—	—
Dec-26	—	—	—	—	—	—	—	—	—	—
Jan-27	—	—	—	—	—	—	—	—	—	—
Feb-27	—	—	—	—	—	—	—	—	—	—
Mar-27	—	—	—	—	—	—	—	—	—	—
Apr-27	—	—	—	—	—	—	—	—	—	—
May-27	—	—	—	—	—	—	—	—	—	—
Jun-27	—	—	—	—	—	—	—	—	—	—
Total YTD	\$92,760	\$6,242	\$261,676	\$360,678	\$1,778,451	\$2,139,129	\$3,370,929	63.5%	\$450.25	\$2,161,895

Based on fully insured / COBRA equivalent rates and enrollment. Does not include run-out claims paid in FY27.

SELF-FUNDED VS. FULLY INSURED EQUIVALENT: 2025/2026

111.1%

Of Maximum Liability
FY 2025-26, all 12 months

\$20,990,347

Total Plan Paid
Jul 2025 – Jun 2026

\$1,006.92

Average PEPM
Total paid per employee

+\$2,093,311

vs. Fully Insured Equivalent
Above the FI comparison

Monthly Funding Detail: Plan Year 7/1/2025 – 6/30/2026

Month	Admin	HSA	Stop Loss	Total Fixed	Net Claims	Total Paid	Max Cost	% of Max	PEPM	FI Equivalent
Jul-25	101,171	—	117,436	218,607	1,852,249	2,070,856	1,493,995	138.6%	\$1,256.59	\$1,493,995
Aug-25	106,327	—	123,422	229,750	1,186,181	1,415,931	1,570,145	90.2%	\$817.51	\$1,570,145
Sep-25	107,064	—	124,277	231,342	1,249,695	1,481,037	1,581,023	93.7%	\$849.22	\$1,581,023
Oct-25	107,862	—	125,204	233,066	1,352,872	1,585,938	1,592,809	99.6%	\$902.64	\$1,592,809
Nov-25	108,231	—	125,631	233,862	1,095,293	1,329,155	1,598,248	83.2%	\$753.92	\$1,598,248
Dec-25	108,108	—	125,489	233,597	1,570,712	1,804,309	1,596,435	113.0%	\$1,024.59	\$1,596,435
Jan-26	106,819	—	123,992	230,811	1,714,558	1,945,369	1,577,397	123.3%	\$1,118.03	\$1,577,397
Feb-26	106,819	—	123,992	230,811	1,189,481	1,420,292	1,577,397	90.0%	\$816.26	\$1,577,397
Mar-26	106,819	—	123,992	230,811	1,523,407	1,754,218	1,577,397	111.2%	\$1,008.17	\$1,577,397
Apr-26	106,819	—	123,992	230,811	1,554,171	1,784,982	1,577,397	113.2%	\$1,025.85	\$1,577,397
May-26	106,819	—	123,992	230,811	1,923,623	2,154,434	1,577,397	136.6%	\$1,238.18	\$1,577,397
Jun-26	106,819	—	123,992	230,811	2,013,015	2,243,826	1,577,397	142.2%	\$1,289.56	\$1,577,397
Total FY	\$1,279,675	—	\$1,485,415	\$2,765,089	\$18,225,258	\$20,990,347	\$18,897,033	111.1%	\$1,006.92	\$18,897,036

Based on fully insured / COBRA equivalent rates and enrollment. Does not include run-out claims paid in FY27.

2026/2027 MEDICAL SPEND: IBNR AND RUN-OUT

\$1,660,000

Medical IBNR
Incurred but not reported

\$140,000

Pharmacy IBNR
Incurred but not reported

\$1,800,000

Total Reserve Estimate
Including 10% margin

Run-Out Reserve Estimate: Claims Incurred Before 7/1/2026

Component	Reserve Estimate	Basis
Medical	\$1,660,000	Includes 10% margin
Pharmacy	\$140,000	Includes 10% margin
Total Run-Out Estimate	\$1,800,000	Including 10% margin
Total Without Margin	\$1,620,000	Margin removed

2026/2027 MEDICAL PLAN VALIDATION

\$114,408

Total Dollars at Risk
Across all performance guarantees

21

Performance Guarantees
In the 2026-27 contract

40%

Weighted to Clinical Outcomes
\$45,763 tied to Prosano Health

Programs to Move the Needle

1

Prosano

Primary/preventive care and network steerage
451 registrations / 51 members engaged

2

Teladoc Chronic Care Management

Ongoing condition support
1 member registered – Prediabetes Management Solutions

3

Telehealth by AZ Blue

24/7 virtual access

4

Hinge Health

MSK and physical therapy virtual care
25 engaged members

Clinical-Weighted Performance Guarantees

Category	# PGs	\$ at Risk	Per Guarantee
Onboarding / Implementation	6	\$22,882	\$3,814 each
Account Management	3	\$17,161	\$5,720 / \$5,720 / \$5,721*
Operational	6	\$28,602	\$4,767 each
Clinical (Prosano Health)	6	\$45,763	\$7,627 each, one at \$7,628*
Total	21	\$114,408	

*Rounding applied to the final guarantee in the category.

WELLNESS PROGRAM DESIGN (SAMPLE)

A two-step design: complete the health risk assessment, then earn four activity points in the same window.

STEP 1

Complete the HRA

Members complete a Health Risk Assessment at azblue.com any time between September 2026 and April 2027.

COMPLETION REWARD

10 × \$100

Amazon gift cards, drawn from members who finish the program by April 30, 2027.

STEP 2

Earn 4 Activity Points

Same window, any combination from the menu below.

Activity	Points	Detail
Biometric screening	2 pts	Provided on-site or through the member's PCP
Wellness challenge	2 pts	One fall, one spring
Preventive exams	1 pt	Physical, vision, dental cleaning, mammogram, prostate exam, colonoscopy
Digital health engagement	1 pt	Telemedicine, Hinge Health, Prosano or EAP registration

Maximum available: 6 points · Member cost share may apply; the exams listed are no-cost at HCERA age guidelines.

***Sample only:** Timelines, prizes and point requirements shown here are illustrative and subject to district review; likely press toward mid-year program start.

WELLNESS PROGRAM METRICS

Tie wellness activity to the metrics the district already reports quarterly.

Measurement Framework

Focus Area	What Gets Measured	Where the Data Comes From	Cadence
Preventive care utilization	Physical, screening and immunization completion rates	Carrier reporting · Healthy 2 4 point tracking	Quarterly
Chronic condition management	Program enrollment and engagement among identified members	Carrier and care management reporting	Quarterly
Resource utilization	Visit and case volume by resource	Prosano · Teladoc · Hinge Health · EAP	Quarterly
Employee engagement	Challenge registration, HRA and biometric completion	Wellness reporting site · coordinator scorecards	Quarterly
Site-level participation (wellness challenges)	Participation against the 5% site threshold	Coordinator scorecards · event sign-in	Per event
Program feedback	Interest survey and year-end survey results	District survey distribution	Twice yearly

Health Plan Experience Report

Scottsdale Unified School District

Current: July 2026 – August 2026 (**IMMATURE**)
Prior: N/A



**BlueCross
BlueShield**
Arizona

An Independent Licensee of the Blue Cross Blue Shield Association

Summary

Measure	Prior	Current	% Change
Membership			
Subscribers		1,722	
Dependents		588	
Total Members		2,310	
Overall Medical			
Allowed Amount		\$3,442,612	
Visits			
Claimants		1,207	
% Allowed In Network		99.3%	
Inpatient			
Allowed Amount		\$295,567	
Admits		14	
Claimants		10	
Outpatient			
Allowed Amount		\$562,754	
Visits		172	
Claimants		124	
Professional			
Allowed Amount		\$2,500,234	
Visits			
Claimants		1,177	

50

Measure	Prior	Current	% Change
Pharmacy			
Allowed Amount		\$891,823	
Scripts		1,759	
Claimants		624	
Emergency Room			
Allowed Amount		\$46,156	
Visits		48	
Claimants		45	
Urgent Care			
Allowed Amount		\$8,302	
Visits		45	
Claimants		42	
Convenience Care			
Allowed Amount			
Visits			
Claimants			
BlueCare Anywhere			
Allowed Amount		\$29,599	
Visits		236	
Claimants		158	

Summary Rates

Measure	Prior	Current	% Change	Benchmark	% Variance
Membership					
Average Contract Size		1.3		1.9	-32%
Average Age		41.2		34.6	19%
Prospective Risk Score		0.82		0.91	-10%
Overall Medical					
Allowed PMPM		\$745		\$498	50%
Visits/1000 Members		1,296.1		10,763.2	-88%
Allowed/Visit		\$574		\$555	3%
Inpatient					
Allowed PMPM		\$64		\$119	-46%
Admits/1000 Members		3.0		45.2	-93%
Allowed/Admit		\$21,112		\$31,557	-33%
Outpatient					
Allowed PMPM		\$122		\$160	-24%
Visits/1000 Members		37.2		1,061.3	-96%
Allowed/Visit		\$3,272		\$1,809	81%
Professional					
Allowed PMPM		\$541		\$219	147%
Visits/1000 Members		1,195.9		9,656.7	-88%
Allowed/Visit		\$453		\$272	67%

51

Measure	Prior	Current	% Change	Benchmark	% Variance
Pharmacy					
Allowed PMPM		\$193		\$135	43%
Scripts/1000 Members		380.7		8,098.3	-95%
Generic Dispensing Rate		86%		83%	3%
Emergency Room					
Allowed PMPM		\$10		\$43	-77%
Visits/1000 Members		10.4		201.3	-95%
Allowed/Visit		\$962		\$2,569	-63%
Urgent Care					
Allowed PMPM		\$2		\$1	100%
Visits/1000 Members		9.7		62.8	-85%
Allowed/Visit		\$184		\$215	-14%
Convenience Care					
Allowed PMPM					
Visits/1000 Members					
Allowed/Visit					
BlueCare Anywhere					
Allowed PMPM		\$6		—	—
Visits/1000 Members		51.1		—	—
Allowed/Visit		\$125		—	—

Medical Key Findings

**Allowed PMPM
\$745**

Prior: 
Benchmark: \$498  50%

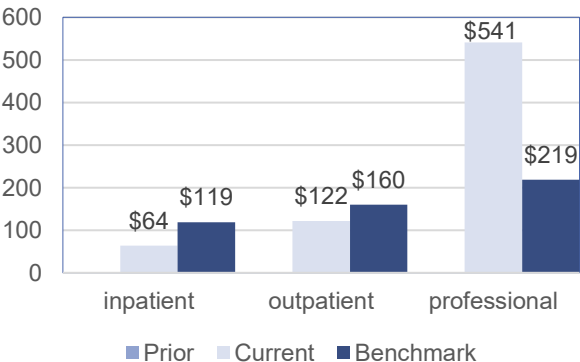
**Visits/1000
1,296.1**

Prior: 
Benchmark: 10,763.2  -88%

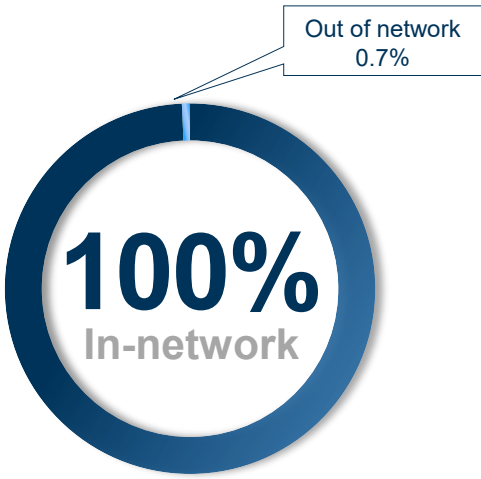
**Allowed/Visit
\$574**

Prior: 
Benchmark: \$555  3%

Allowed PMPM by Medical Service Category



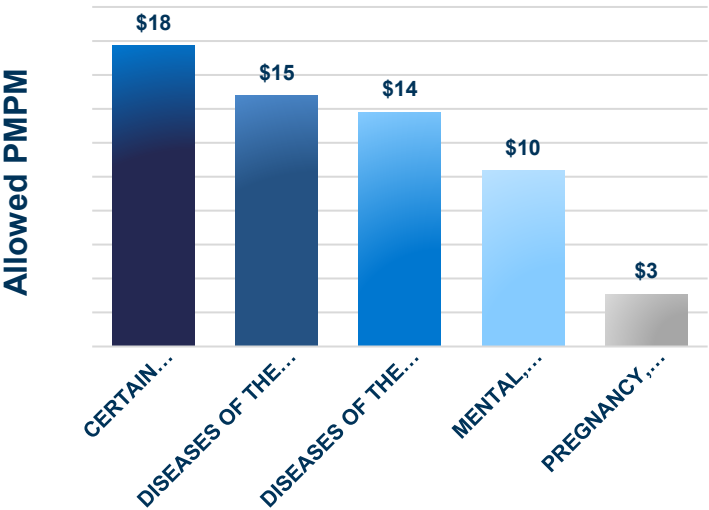
\$3,442,615
Allowed



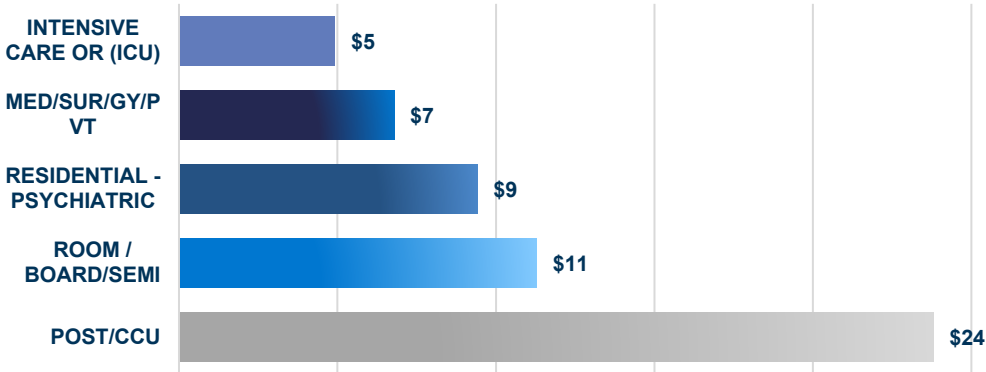
Inpatient Summary



Top 5 Diagnostic Categories



Allowed PMPM by Service Type



\$295,567

Allowed

▲ Prior

Inpatient Detail

Top Diagnoses	Allowed PMPM	Admits /1000
CERTAIN INFECTIOUS AND PARASITIC DISEASES	\$18	0.43
DISEASES OF THE CIRCULATORY SYSTEM	\$15	0.22
DISEASES OF THE DIGESTIVE SYSTEM	\$14	0.22
MENTAL, BEHAVIORAL AND NEURODEVELOPMENTAL DISORDERS	\$10	1.30
PREGNANCY, CHILDBIRTH AND THE PUERPERIUM	\$3	0.22
SYMPTOMS, SIGNS, AND ABNORMAL CLINICAL AND LAB FINDINGS	\$2	0.22
FACTORS INFLUENCING HEALTH STATUS AND CONTACT WITH HEALTH SERVICES	\$2	0.43
Total	\$64	3.03

Provider Name	Admits	Claimants	Allowed	Admits/ 1000	Allowed/ Admit	Allowed PMPM
HONORHEALTH SCOTTSDALE SHEA MEDICAL CENTER	3	3	\$84,736	0.6	\$28,245	\$18
HONORHEALTH JOHN C LINCOLN MEDICAL CENTER	1	1	\$68,216	0.2	\$68,216	\$15
HONORHEALTH SCOTTSDALE OSBORN MEDICAL CENTER	1	1	\$50,519	0.2	\$50,519	\$11
ALSANA	4	1	\$39,906	0.9	\$9,977	\$9
MAYO CLINIC HOSPITAL	1	1	\$31,340	0.2	\$31,340	\$7
HONORHEALTH SCOTTSDALE THOMPSON PEAK MEDICAL CENTER	1	1	\$11,320	0.2	\$11,320	\$2
VIA LINDA BEHAVIORAL HOSPITAL	1	1	\$4,325	0.2	\$4,325	\$1
VIEWPOINT CENTER LLC	1	1	\$3,582	0.2	\$3,582	\$1
SANTE OF NORTH SCOTTSDALE	1	1	\$1,624	0.2	\$1,624	\$0
Total	14	11	\$295,567	3.0	\$21,112	\$64

Outpatient Summary

Allowed PMPM
\$122

Prior: \$0 ▲
Benchmark: \$160 ▼ -24%

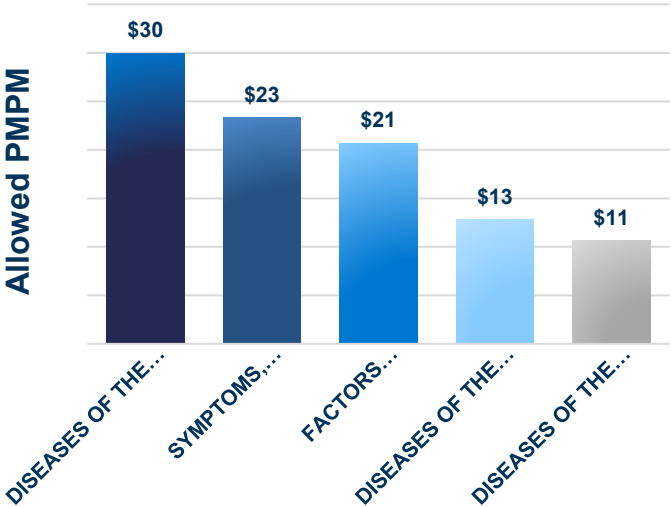
Visits/1000
37.2

Prior: ▲
Benchmark: 1,061.3 ▼ -96%

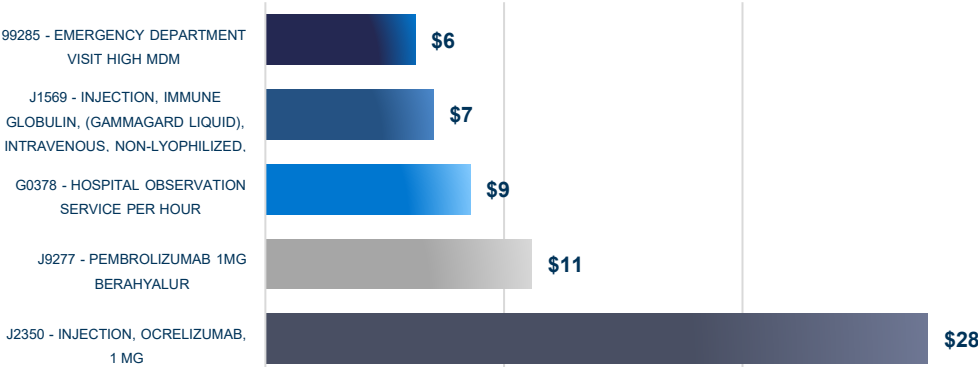
Allowed/Visit
\$3,272

Prior: ▲
Benchmark: \$1,809 ▲ 81%

Top 5 Diagnostic Drivers



Top Procedure Drivers



\$1,250,047
Allowed

▲ Prior

Outpatient Detail

Top Diagnoses	Allowed PMPM	Visits / 1000
DISEASES OF THE NERVOUS SYSTEM	\$30	7
FACTORS INFLUENCING HEALTH STATUS AND CONTACT WITH HEALTH SERVICES	\$21	34
SYMPTOMS, SIGNS, AND ABNORMAL CLINICAL AND LABORATORY FINDINGS	\$19	26
DISEASES OF THE DIGESTIVE SYSTEM	\$11	16
DISEASES OF THE MUSCULOSKELETAL SYSTEM AND CONNECTIVE TISSUE	\$10	14
DISEASES OF THE GENITOURINARY SYSTEM	\$8	14
DISEASES OF THE CIRCULATORY SYSTEM	\$7	3
NEOPLASMS	\$6	12
PREGNANCY, CHILDBIRTH AND THE PUERPERIUM	\$2	15
DISEASES OF THE SKIN AND SUBCUTANEOUS TISSUE	\$2	2
Others	\$6	29
Total	\$122	37.2

Provider Name	Visits	Claimants	Allowed	Visits/ 1000	Allowed/ Visit	Allowed PMPM
MAYO CLINIC HOSPITAL	26	20	\$201,360	5.6	\$7,745	44
HONORHEALTH SCOTTSDALE OSBORN MEDICAL CENTER	13	12	\$62,065	2.8	\$4,774	13
HONORHEALTH JOHN C LINCOLN MEDICAL CENTER	5	4	\$61,493	1.1	\$12,299	13
HONORHEALTH SCOTTSDALE SHEA MEDICAL CENTER	34	21	\$58,642	7.4	\$1,725	13
BANNER DESERT MEDICAL CENTER	3	3	\$23,806	0.6	\$7,935	5
Others	91	75	\$155,387	19.7	\$1,708	34
Total	172	135	\$562,754	37.2	\$3,272	\$122

Professional Summary

Allowed PMPM
\$541

Prior: \$0 ▲
Benchmark: \$219 ▲ 147%

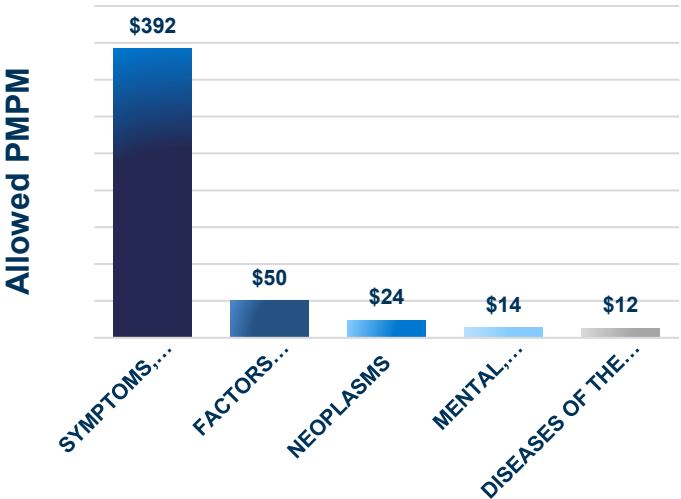
Visits/1000
1,195.9

Prior: ▲
Benchmark: 9,656.7 ▼ -88%

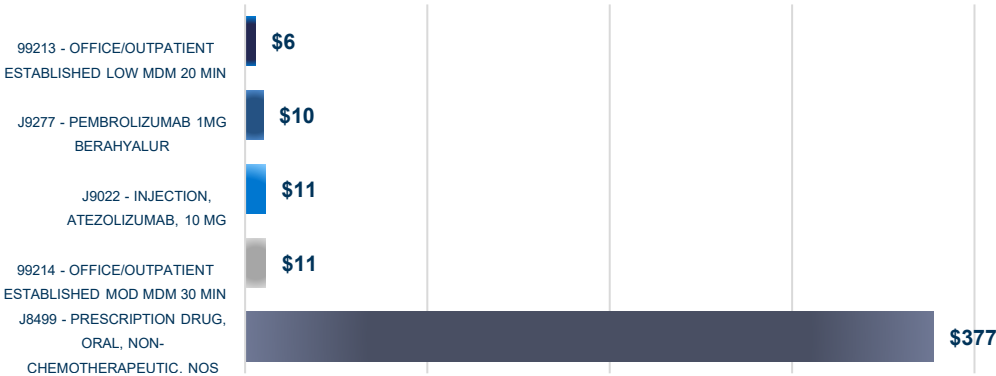
Allowed/Visit
\$453

Prior: ▲
Benchmark: \$272 ▲ 67%

Top 5 Service Types



Top 5 RBCS Subcategories



\$2,500,234

Allowed

▲ Prior

Pharmacy Summary

Allowed PMPM

\$193

Prior: ▲

Benchmark: \$135 ▲ 43%

Scripts/1000

380.7

Prior: ▲

Benchmark: 8,098.3 ▼ -95%

Allowed/Script

\$507

Prior: ▲

Benchmark: \$199 ▲ 154%

Scripts by Retail/Mail Order

Mail Order
3%

97%

Retail

\$891,823
Allowed

Scripts by Generic Fill Rate

Non -
Generic,
14%

86%

Generic

Pharmacy Detail

Top 15 Cost by Drug Name

Drug Name		Drug Group	Allowed/Script	Scripts/1000
1	SPINRAZA	SPINAL MUSCULAR ATROPHY AGENTS (SMA)**	\$294,355	0.22
2	SKYRIZI PEN	ANTIPSORIATICS**	\$23,385	0.22
3	KESIMPTA	MULTIPLE SCLEROSIS AGENTS**	\$39,976	0.43
4	IBRANCE	ANTINEOPLASTIC ENZYME INHIBITORS**	\$34,488	0.43
5	VENCLEXTA	ANTINEOPLASTIC - BCL-2 INHIBITORS**	\$33,459	0.43
6	TREMFYA	ANTIPSORIATICS**	\$15,087	0.22
7	KISQALI	ANTINEOPLASTIC ENZYME INHIBITORS**	\$30,163	0.43
8	POMALIDOMIDE	ANTINEOPLASTIC - IMMUNOMODULATORS**	\$27,592	0.43
9	LIVDELZI		\$26,971	0.43
10	LYNPARZA	ANTINEOPLASTIC ENZYME INHIBITORS**	\$28,593	0.65
11	WAKIX		\$18,550	0.43
12	ENBREL SRCLK	SOLUBLE TUMOR NECROSIS FACTOR RECEPTOR AGENTS**	\$25,362	0.65
13	RINVOQ	ANTIRHEUMATIC - ENZYME INHIBITORS**	\$20,867	0.65
14	TOFACITINIB	ANTIRHEUMATIC - ENZYME INHIBITORS**	\$5,896	0.22
15	OTEZLA	PHOSPHODIESTERASE 4 (PDE4) INHIBITORS**	\$5,527	0.22

Top 5 Claimants Based on Paid Amount

Leading Clinical Conditions per Contract

Member	Relationship	Member State	Employee Status	Leading Clinical Category	Paid	IP Paid	OP Paid	PR Paid
1	Subscriber	AZ	Active	DISEASES OF THE GENITOURINARY SYSTEM DISEASES OF THE NERVOUS SYSTEM ENDOCRINE, NUTRITIONAL AND METABOLIC DISEASES SYMPTOMS, SIGNS, AND ABNORMAL CLINICAL AND LABORATORY FINDINGS	\$122,612	\$0	\$122,536	\$77
2	Subscriber	AZ	Active	DISEASES OF THE CIRCULATORY SYSTEM DISEASES OF THE MUSCULOSKELETAL SYSTEM AND CONNECTIVE TISSUE MENTAL, BEHAVIORAL AND NEURODEVELOPMENTAL DISORDERS SYMPTOMS, SIGNS, AND ABNORMAL CLINICAL AND LABORATORY FINDINGS	\$65,377	\$63,583	\$0	\$1,794
3	Subscriber	AZ	Active	DISEASES OF THE CIRCULATORY SYSTEM DISEASES OF THE DIGESTIVE SYSTEM FACTORS INFLUENCING HEALTH STATUS AND CONTACT WITH HEALTH SERVICES SYMPTOMS, SIGNS, AND ABNORMAL CLINICAL AND LABORATORY FINDINGS	\$65,329	\$62,719	\$0	\$2,611
4	Subscriber	AZ	Active	DISEASES OF THE DIGESTIVE SYSTEM NEOPLASMS SYMPTOMS, SIGNS, AND ABNORMAL CLINICAL AND LABORATORY FINDINGS	\$59,822	\$0	\$4,462	\$55,359
5	Subscriber	AZ	Active	DISEASES OF THE RESPIRATORY SYSTEM FACTORS INFLUENCING HEALTH STATUS AND CONTACT WITH HEALTH SERVICES MENTAL, BEHAVIORAL AND NEURODEVELOPMENTAL DISORDERS NEOPLASMS SYMPTOMS, SIGNS, AND ABNORMAL CLINICAL AND LABORATORY FINDINGS	\$58,189	\$0	\$0	\$58,189

Information:

Scottsdale Unified School District Trust Financial Update

Submitted by:

Shannon Crosier, Chief Financial Officer/ Trust Administrator

RECOMMENDATION:

Shannon Crosier, Chief Financial Officer/ Trust Administrator will present a review of the investment accounts for Fiscal Year 2025-2026 as of June 30, 2026, and Trust Balances as of August 31, 2026. Wells Fargo will then follow up with a financial market forecast.

Self-Insurance Trust Balances

Fiscal Year 2025-2026

As of June 30, 2026

Checking

	Medical Insurance	Property/Casualty	Workmans Comp	Total
Beginning Balance (July 1, 2025)	\$ 2,788,882.43	\$ 1,363,475.34	\$ 662,783.63	\$ 4,815,141.40
Revenue YTD	\$ 21,000,198.02	\$ 1,881,945.00	\$ 293,424.87	\$ 23,175,567.89
Expenditures YTD	\$ 23,284,046.72	\$ 3,245,420.00	\$ 877,348.00	\$ 27,406,814.72
Ending Balance	\$ 505,033.73	\$ 0.34	\$ 78,860.50	\$ 583,894.57
Medical Insurance Premium paid through Sept.				\$ 6,391,463.91

Investment Accounts

	Medical Insurance	Property/Casualty	Workmans Comp	Total
Beginning Balance (July 1, 2025)	\$ 17,597,449.31	\$ 2,859,315.19	\$ 7,368,176.05	\$ 27,824,940.55
Deposits & Withdraws	\$ (1,212,392.78)	\$ (1,331,771.86)	\$ (230,125.70)	\$ (2,774,290.34)
Interest	\$ 334,371.34	\$ 3,125.00	\$ 89,250.01	\$ 426,746.35
Mutal Funds Dividends	\$ 285,592.05	\$ 61,833.79	\$ 148,679.33	\$ 496,105.17
Ending Balance	\$ 17,005,019.92	\$ 1,592,502.12	\$ 7,375,979.69	\$ 25,973,501.73

Total All Accounts	\$ 17,510,053.65	\$ 1,592,502.46	\$ 7,454,840.19	\$ 26,557,396.30
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Year-Over-Year Balance Change	\$ (2,876,278.09)	\$ (2,630,288.07)	\$ (576,119.49)	\$ (6,082,685.65)
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Balance as of 7-1-2021	\$ 32,154,972.34	\$ 9,643,730.58	\$ 8,265,738.96	\$ 50,064,441.88
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Change as of 7-1-2026	\$ (14,644,918.69)	\$ (8,051,228.12)	\$ (810,898.77)	\$ (23,507,045.58)
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Premium	\$ 20,151,811.00	\$ 2,877,769.00	\$ 877,348.00	
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Minimum	\$ 12,000,000	\$ 1,000,000	\$ 877,348	
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Maximum	\$ 26,551,703	\$ 5,755,538	\$ 1,754,696	
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Minimum Regulation	\$ 12,000,000	\$ 1,000,000	1 Year Premium	
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Maximum Regulation	1.5 X Yearly Premium	2 Year Premium	2 Year Premium	
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Self-Insurance Trust Balances

Fiscal Year 2026-2027

As of August 31, 2026

Checking

	Medical Insurance	Property/Casualty	Workmans Comp	Total
Beginning Balance (July 1, 2026)	\$ 505,033.73	\$ 0.34	\$ 78,860.50	\$ 583,894.57
Revenue YTD	\$ 3,525,044.76	\$ 1,038,090.00	\$ 1,124,364.28	\$ 5,687,499.04
Expenditures YTD	\$ 2,659,896.81	\$ 1,038,090.00	\$ 896,298.00	\$ 4,594,284.81
Ending Balance	\$ 1,370,181.68	\$ 0.34	\$ 306,926.78	\$ 1,677,108.80
Medical Insurance Premium paid through Sept.				\$ 6,391,463.91

Investment Accounts

	Medical Insurance	Property/Casualty	Workmans Comp	Total
Beginning Balance (July 1, 2026)	\$ 17,005,019.92	\$ 1,592,502.12	\$ 7,375,979.69	\$ 25,973,501.73
Deposits & Withdraws	\$ (1,997,505.08)	\$ (1,038,090.00)	\$ (898,247.52)	\$ (3,933,842.60)
Interest	\$ 83,852.41	\$ -	\$ 87,500.00	\$ 171,352.41
Mutal Funds Dividends	\$ 46,763.44	\$ 7,094.14	\$ 17,926.47	\$ 71,784.05
Ending Balance	\$ 15,138,130.69	\$ 561,506.26	\$ 6,583,158.64	\$ 22,282,795.59

Total All Accounts	\$ 16,508,312.37	\$ 561,506.60	\$ 6,890,085.42	\$ 23,959,904.39
--------------------	------------------	---------------	-----------------	------------------

Year-Over-Year Balance Change	\$ (1,001,741.28)	\$ (1,030,995.86)	\$ (564,754.77)	\$ (2,597,491.91)
-------------------------------	-------------------	-------------------	-----------------	-------------------

Balance as of 7-1-2021	\$ 32,154,972.34	\$ 9,643,730.58	\$ 8,265,738.96	\$ 50,064,441.88
------------------------	------------------	-----------------	-----------------	------------------

Change as of 8-31-2026	\$ (15,646,659.97)	\$ (9,082,223.98)	\$ (1,375,653.54)	\$ (26,104,537.49)
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Premium		\$ 3,124,423.00	\$ 896,298.00	
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Minimum	\$ 12,000,000	\$ 1,000,000	\$ 896,298	
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Maximum	\$ 26,551,703	\$ 6,248,846	\$ 1,792,596	
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Minimum Regulation	\$ 12,000,000	\$ 1,000,000	1 Year Premium	
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Maximum Regulation	1.5 X Yearly Premium	2 Year Premium	2 Year Premium	
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Fixed Income Strategy

WELLS
FARGO

Scottsdale USD Medical

Analysis Date: 9/3/2026
Portfolio as of: 8/31/2026
Market Data as of: 8/31/2026

Tyler Tayrien
602-378-4006
tyler.tayrien@wellsfargo.com

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Positions by Maturity	7		

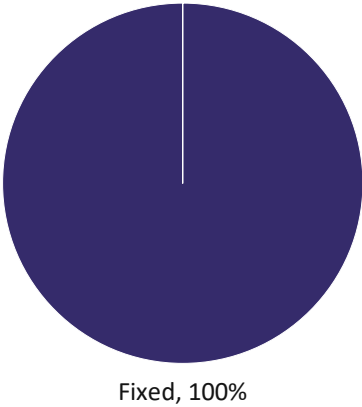
Portfolio Summary

Portfolio Snapshot	
Number of Positions	14
Par (\$000)	15,156
Book Value (\$000)	15,163
Mkt Value w/o Accrd (\$000)	15,137
Unrlzd Gain / Loss (\$000)	(26)
Coupon	3.56

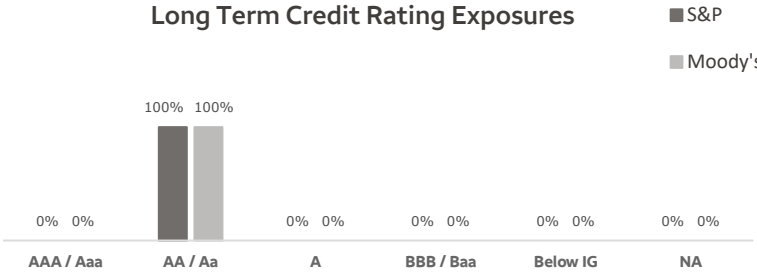
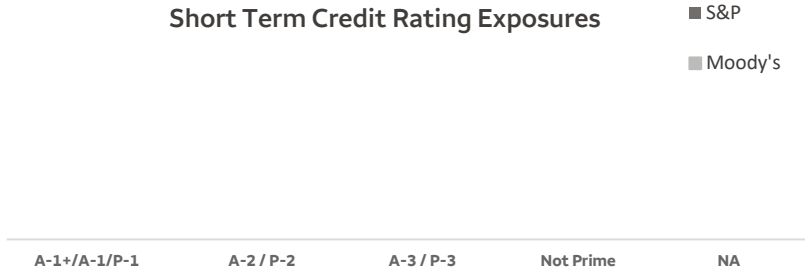
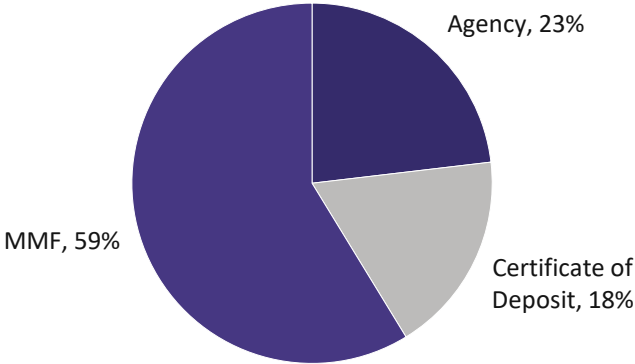
Characteristics	
Book Yield	3.51
Market Yield	3.81
Wgt Avg Maturity	0.3
Average Life	0.3
Effective Duration	0.3
Effective Convexity	0.0

12M Projected Cash Flow (\$000)	
Overnight Funds Principal	8,906
Overnight Funds Interest	1
Term Securities Principal	4,750
Term Securities Interest	194
Total Cash Flow	13,851

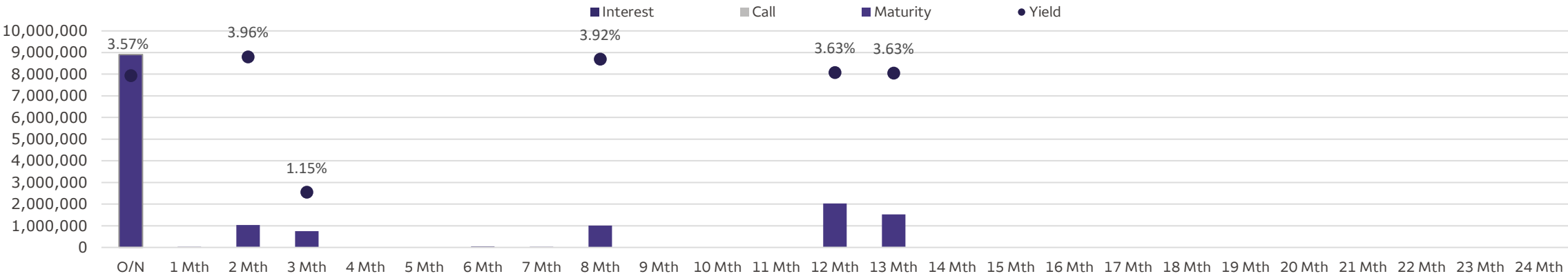
Coupon Structure



Sector Allocation



Overnight & Monthly Cash Flows and Yield Runoff

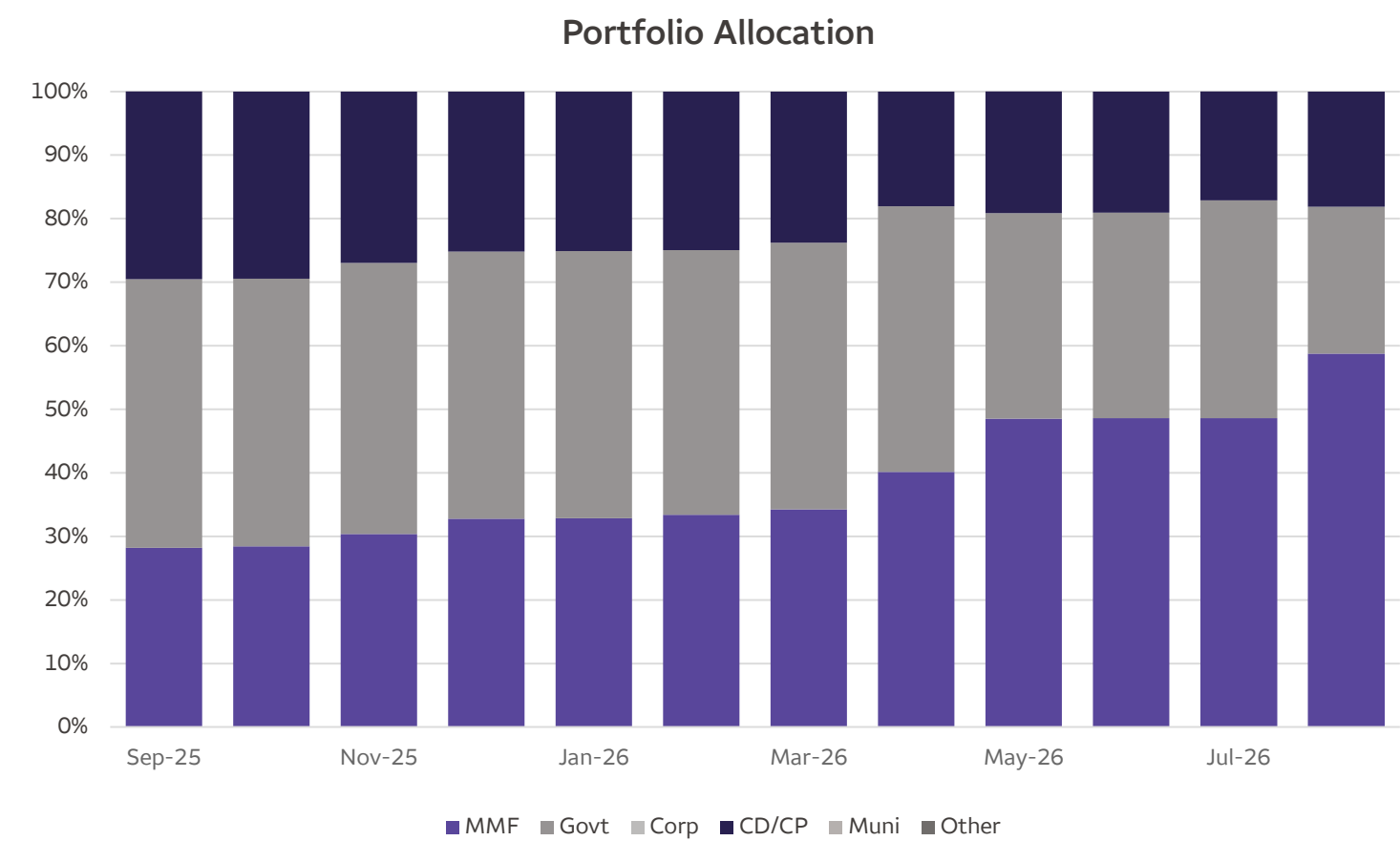
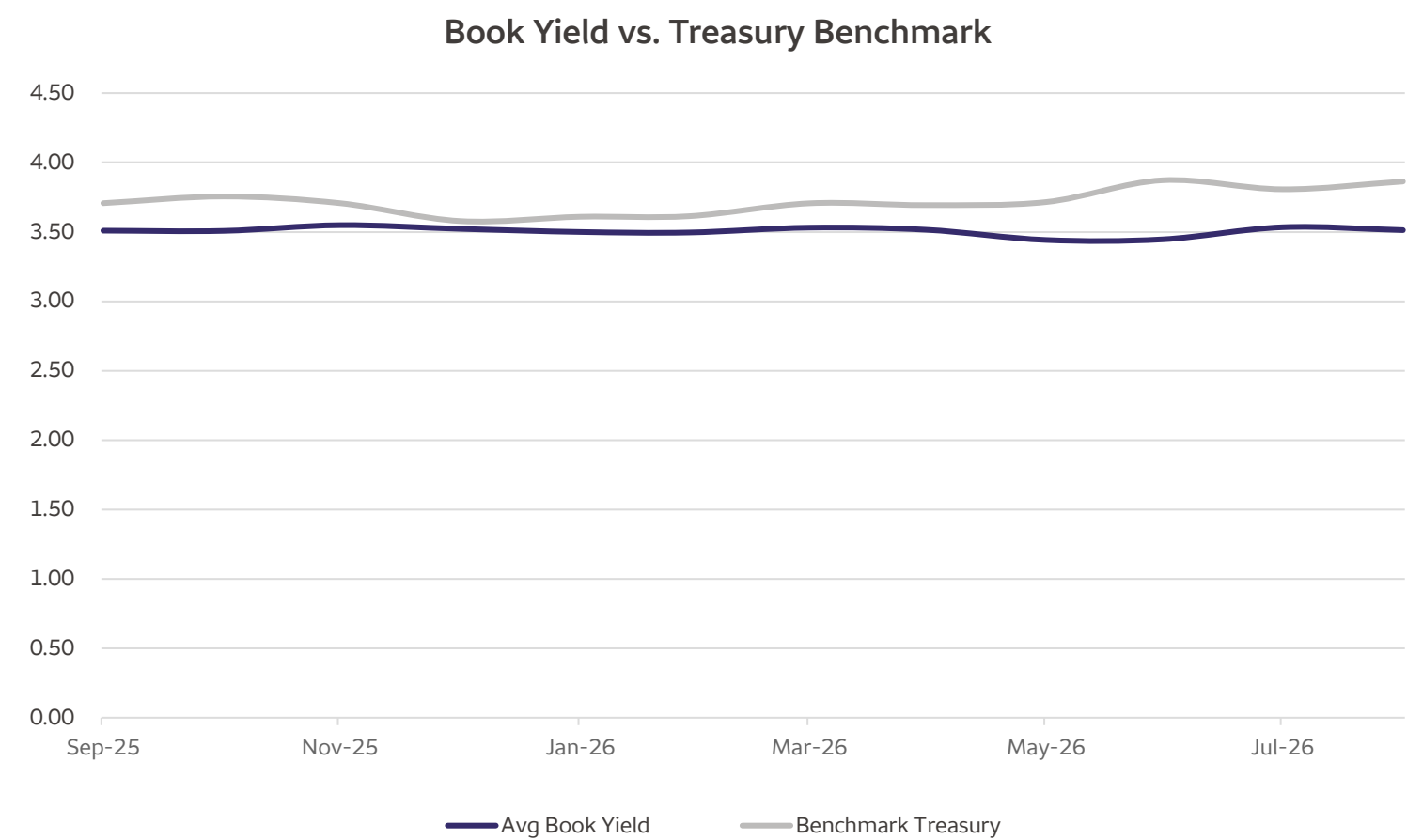


Cash Flow Projections

Time Period	Date	Interest (\$)	Call (\$)	Maturity (\$)	Run Off Yield (%)	Monthly Total (\$)	Cumulative Total (\$)
O/N		871		8,906,081	3.57%	8,906,952	8,906,952
	Sep-26	31,771	0	0	0.00%	31,771	8,938,723
	Oct-26	35,333	0	1,000,000	3.96%	1,035,333	9,974,056
	Nov-26	5,146	0	750,000	1.15%	755,146	10,729,202
	Dec-26	833	0	0	0.00%	833	10,730,036
	Jan-27	833	0	0	0.00%	833	10,730,869
	Feb-27	37,083	0	0	0.00%	37,083	10,767,952
	Mar-27	31,771	0	0	0.00%	31,771	10,799,723
	Apr-27	15,396	0	1,000,000	3.92%	1,015,396	11,815,119
	May-27	0	0	0	0.00%	0	11,815,119
	Jun-27	0	0	0	0.00%	0	11,815,119
	Jul-27	0	0	0	0.00%	0	11,815,119
Year 1	Aug-27	36,250	0	2,000,000	3.63%	2,036,250	13,851,369
	Sep-27	30,938	0	1,500,000	3.63%	1,530,938	15,382,306
	Oct-27	0	0	0	0.00%	0	15,382,306
	Nov-27	0	0	0	0.00%	0	15,382,306
	Dec-27	0	0	0	0.00%	0	15,382,306
	Jan-28	0	0	0	0.00%	0	15,382,306
	Feb-28	0	0	0	0.00%	0	15,382,306
	Mar-28	0	0	0	0.00%	0	15,382,306
	Apr-28	0	0	0	0.00%	0	15,382,306
	May-28	0	0	0	0.00%	0	15,382,306
	Jun-28	0	0	0	0.00%	0	15,382,306
	Jul-28	0	0	0	0.00%	0	15,382,306
Year 2	Aug-28	0	0	0	0.00%	0	15,382,306

Historical Performance

Date	# Line Items	Avg Coupon	Total Par (\$000)	G / L	Avg Bk Yield	Avg Mkt Yield	Bnchmrk Tsy Yield	Wgt Avg Maturity	Eff Dur	Ratings		Portfolio Allocation*					
										Moody's	S&P	MMF	Govt	Corp	CD/CP	Muni	Other
08/31/26	14	3.56	15,156	(26)	3.51	3.81	3.86	0.3	0.3	Aa1	AA+	59%	23%	0%	18%	0%	0%
07/31/26	15	3.65	16,053	(29)	3.53	3.88	3.81	0.3	0.3	Aa1	AA+	49%	34%	0%	17%	0%	0%
06/30/26	17	3.56	17,026	(31)	3.45	3.80	3.87	0.3	0.3	Aa1	AA+	49%	32%	0%	19%	0%	0%
05/31/26	17	3.55	17,002	(28)	3.44	3.75	3.72	0.4	0.4	Aa1	AA+	49%	32%	0%	19%	0%	0%
04/30/26	18	3.62	17,961	(27)	3.52	3.76	3.69	0.6	0.5	Aa1	AA+	40%	42%	0%	18%	0%	0%
03/31/26	22	3.64	17,877	(26)	3.53	3.76	3.71	0.6	0.5	Aa1	AA+	34%	42%	0%	24%	0%	0%
02/28/26	23	3.61	18,027	(10)	3.50	3.68	3.61	0.7	0.5	Aa1	AA+	33%	42%	0%	25%	0%	0%
01/31/26	23	3.61	17,887	(14)	3.50	3.68	3.61	0.7	0.6	Aa1	AA+	33%	42%	0%	25%	0%	0%
12/31/25	23	3.63	17,867	(8)	3.52	3.64	3.58	0.8	0.6	Aa1	AA+	33%	42%	0%	25%	0%	0%
11/30/25	24	3.66	17,596	(22)	3.55	3.80	3.71	0.9	0.7	Aa1	AA+	30%	43%	0%	27%	0%	0%
10/31/25	26	3.62	17,819	(30)	3.51	3.86	3.76	0.9	0.8	Aa1	AA+	28%	42%	0%	29%	0%	0%
09/30/25	26	3.62	17,770	(37)	3.51	3.87	3.71	1.0	0.8	Aa1	AA+	28%	42%	0%	30%	0%	0%



Positions by Sector

ID	CUSIP	Issuer	% Port	Cpn	Final Maturity	Ratings		Nxt Call Date	Call Type	Par	Acquired		Book Price	Market Price	G / L	Book Yield	Market Yield	WAM	Eff Dur	Eff Cvx
						Moody's	S&P				Date	Price								
13	3133ETTV9	FEDERAL FARM CREDIT BANK	13.2%	3.63	08/20/27	Aa1	AA+	-	Bullet	2,000,000	08/25/2025	99.98	99.99	99.43	(11,147)	3.63	4.23	1.0	0.9	0.0
14	3130ATHW0	FEDERAL HOME LOAN BANK	9.9%	4.13	09/10/27	Aa1	AA+	-	Bullet	1,500,000	08/25/2025	100.98	100.50	99.87	(9,447)	3.63	4.26	1.0	1.0	0.0
Agency			23.1%	3.84						3,500,000		100.41	100.21	99.62	(20,593)	3.63	4.24	1.0	1.0	0.0
2	59934MDB1	MILESTONE BANK	1.6%	3.95	10/30/26	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	99.97	(66)	3.92	4.08	0.2	0.2	0.0
3	06251FBR9	BANK HAPOALIM BM NY	1.6%	4.05	10/30/26	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	99.99	(28)	4.02	4.09	0.2	0.2	0.0
4	944298BD9	WAYNE BANK & TRUST CO	1.6%	3.90	10/30/26	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	99.97	(86)	3.87	4.08	0.2	0.2	0.0
5	61690D3N6	MORGAN STANLEY BANK NA	1.6%	4.05	10/30/26	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	99.99	(28)	4.02	4.09	0.2	0.2	0.0
6	87165HJ35	SYNCHRONY BANK	1.6%	1.15	11/19/26	-	-	-	Bullet	250,000	11/19/2021	100.00	100.00	99.38	(1,560)	1.15	4.03	0.2	0.2	0.0
7	14042TEB9	CAPITAL ONE NA	1.6%	1.15	11/24/26	-	-	-	Bullet	250,000	11/24/2021	100.00	100.00	99.34	(1,655)	1.15	4.02	0.2	0.2	0.0
8	89235MMF5	TOYOTA FINANCIAL SGS BK	1.6%	1.15	11/30/26	-	-	-	Bullet	250,000	11/30/2021	100.00	100.00	99.29	(1,769)	1.15	4.02	0.2	0.2	0.0
9	90355GVM5	UBS BANK USA	1.6%	4.00	04/30/27	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	100.00	(2)	4.03	4.04	0.7	0.6	0.0
10	06051XUN0	BANK OF AMERICA NA	1.6%	3.85	04/30/27	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	100.03	65	3.84	3.80	0.7	0.6	0.0
11	61776NRM7	MORGAN STANLEY PVT BANK	1.6%	4.05	04/30/27	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	100.00	10	4.04	4.04	0.7	0.6	0.0
12	05584CWT9	BNY MELLON NA	1.6%	3.75	04/30/27	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	99.81	(474)	3.74	4.04	0.7	0.6	0.0
Certificate of Deposit			18.1%	3.19						2,750,000		100.00	100.00	99.80	(5,593)	3.18	4.03	0.4	0.4	0.0
1	52470G791	Western Asset Institutional Go	58.7%	3.57		-	-	-	Bullet	8,906,081	08/31/2026	100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
MMF			58.7%	3.57						8,906,081		100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
Total Portfolio			100.0%	3.56						15,156,081		100.09	100.05	99.88	(26,186)	3.51	3.81	0.3	0.3	0.0

Positions by Maturity

ID	CUSIP	Issuer	% Port	Cpn	Final Maturity	Ratings		Nxt Call Date	Call Type	Par	Acquired		Book Price	Market Price	G / L	Book Yield	Market Yield	WAM	Eff Dur	Eff Cvx
						Moody's	S&P				Date	Price								
1	52470G791	Western Asset Institutional Go	59%	3.57		-	-	-	Bullet	8,906,081	08/31/2026	100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
Year 0			59%	3.57						8,906,081		100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
2	59934MDB1	MILESTONE BANK	2%	3.95	10/30/26	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	99.97	(66)	3.92	4.08	0.2	0.2	0.0
3	06251FBR9	BANK HAPOALIM BM NY	2%	4.05	10/30/26	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	99.99	(28)	4.02	4.09	0.2	0.2	0.0
4	944298BD9	WAYNE BANK & TRUST CO	2%	3.90	10/30/26	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	99.97	(86)	3.87	4.08	0.2	0.2	0.0
5	61690D3N6	MORGAN STANLEY BANK NA	2%	4.05	10/30/26	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	99.99	(28)	4.02	4.09	0.2	0.2	0.0
6	87165HJ35	SYNCHRONY BANK	2%	1.15	11/19/26	-	-	-	Bullet	250,000	11/19/2021	100.00	100.00	99.38	(1,560)	1.15	4.03	0.2	0.2	0.0
7	14042TEB9	CAPITAL ONE NA	2%	1.15	11/24/26	-	-	-	Bullet	250,000	11/24/2021	100.00	100.00	99.34	(1,655)	1.15	4.02	0.2	0.2	0.0
8	89235MMF5	TOYOTA FINANCIAL SGS BK	2%	1.15	11/30/26	-	-	-	Bullet	250,000	11/30/2021	100.00	100.00	99.29	(1,769)	1.15	4.02	0.2	0.2	0.0
9	90355GVM5	UBS BANK USA	2%	4.00	04/30/27	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	100.00	(2)	4.03	4.04	0.7	0.6	0.0
10	06051XUN0	BANK OF AMERICA NA	2%	3.85	04/30/27	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	100.03	65	3.84	3.80	0.7	0.6	0.0
11	61776NRM7	MORGAN STANLEY PVT BANK	2%	4.05	04/30/27	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	100.00	10	4.04	4.04	0.7	0.6	0.0
12	05584CWT9	BNY MELLON NA	2%	3.75	04/30/27	-	-	-	Bullet	250,000	04/30/2025	100.00	100.00	99.81	(474)	3.74	4.04	0.7	0.6	0.0
13	3133ETTV9	FEDERAL FARM CREDIT BANK	13%	3.63	08/20/27	Aa1	AA+	-	Bullet	2,000,000	08/25/2025	99.98	99.99	99.43	(11,147)	3.63	4.23	1.0	0.9	0.0
Year 1			31%	3.37						4,750,000		99.99	100.00	99.64	(16,740)	3.37	4.11	0.6	0.6	0.0
14	3130ATHW0	FEDERAL HOME LOAN BANK	10%	4.13	09/10/27	Aa1	AA+	-	Bullet	1,500,000	08/25/2025	100.98	100.50	99.87	(9,447)	3.63	4.26	1.0	1.0	0.0
Year 2			10%	4.13						1,500,000		100.98	100.50	99.87	(9,447)	3.63	4.26	1.0	1.0	0.0
Total Portfolio			100%	3.56						15,156,081		100.09	100.05	99.88	(26,186)	3.51	3.81	0.3	0.3	0.0



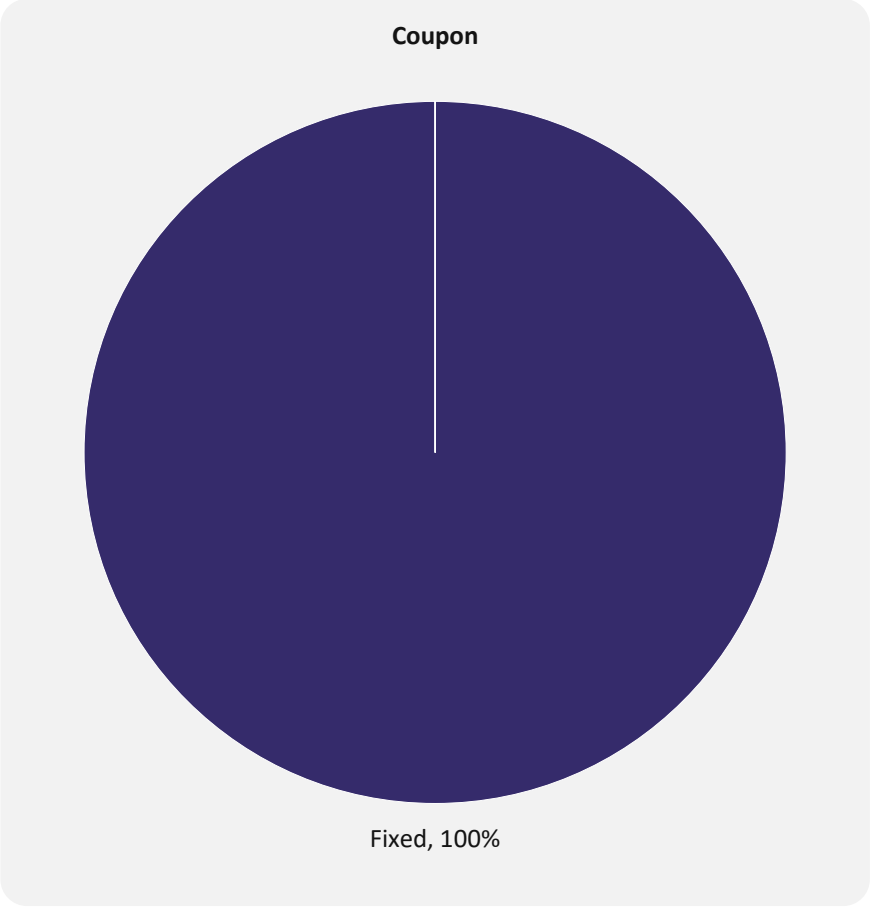
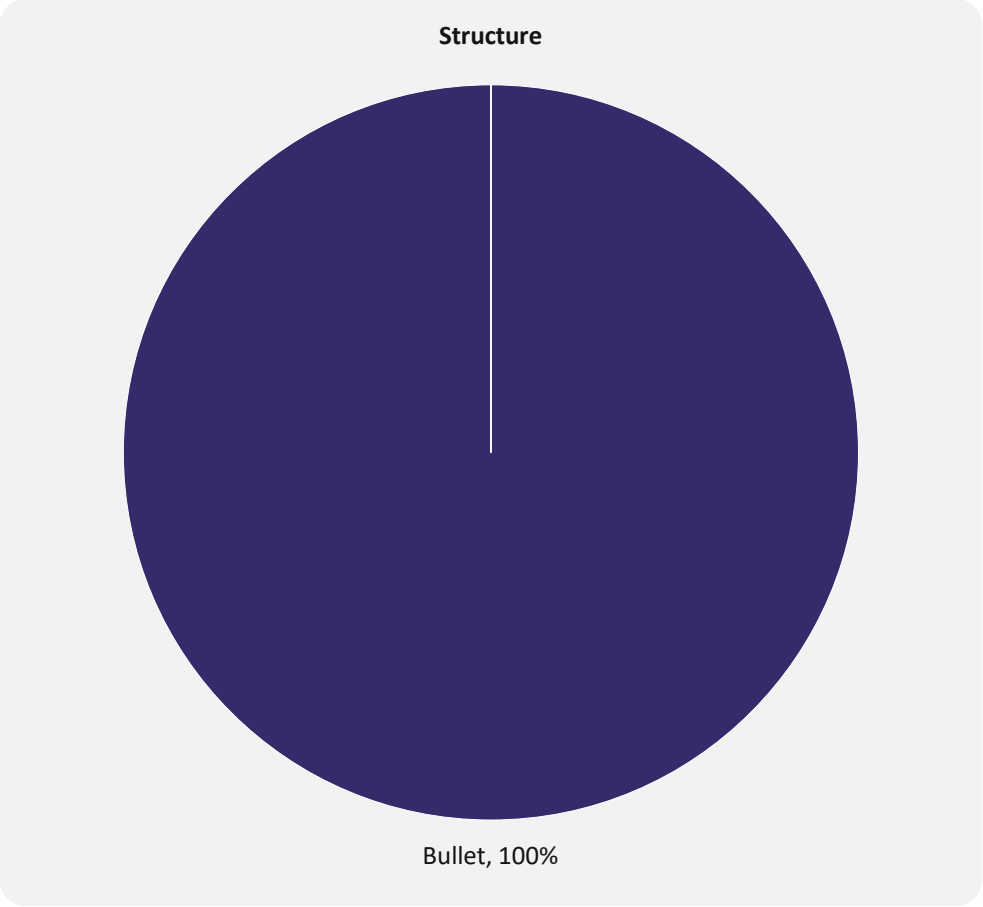
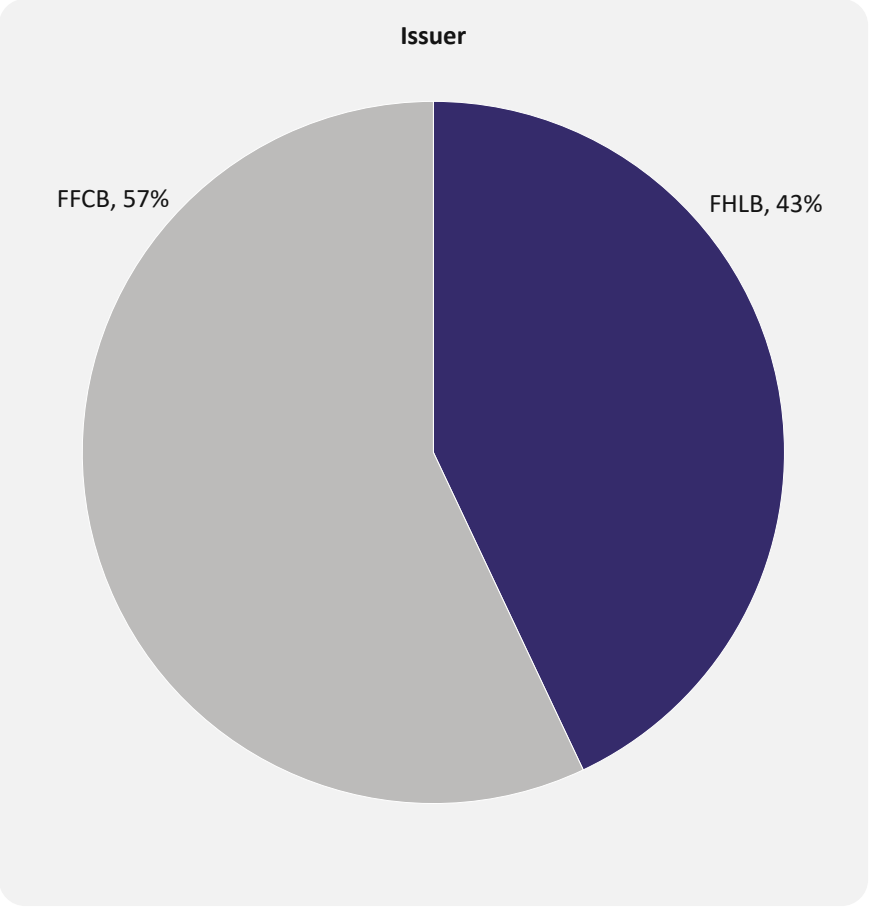
Fixed Income Strategy

Product Detail

Treasury, Agency, SSA - Summary

Issuer / Sector

Type	Line Items	% Port	% Total Sector	Par Amount	Cpn	Book Price	Market Price	Gain / Loss	Book Yield	Market Yield	WAM	Eff Dur	Eff Cvx	Coupon Type %			Call Type%			
														Fixed	Float	Step	Bullet	Amer	Euro	Berm
FHLB	1	10%	43%	1,500,000	4.13	100.50	99.87	(9,447)	3.63	4.26	1.0	1.0	0.0	43%			43%			
FFCB	1	13%	57%	2,000,000	3.63	99.99	99.43	(11,147)	3.63	4.23	1.0	0.9	0.0	57%			57%			
Sector Total	2	23%	100%	3,500,000	3.84	100.21	99.62	(20,593)	3.63	4.24	1.0	1.0	0.0	100%	0%	0%	100%	0%	0%	0%



Certificates of Deposit - Summary

Structure

Type	Line Items	% Port	% Total Sector	Cpn	Par Amount	Book Price	Market Price	G / L	Book Yield	Market Yield	WAM	Eff Dur	Eff Cvx
Fixed	11	18%	100%	3.19	2,750,000	100.00	99.80	(5,593)	3.18	4.03	0.4	0.4	0.0
Sector Total	11	18%	100%	3.19	2,750,000	100.00	99.80	(5,593)	3.18	4.03	0.4	0.4	0.0

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Assumptions

1. Calculation engine is ZM for all asset classes except for Money Market Funds. Money Market Fund information is provided by Crane Data.
2. Government Money Market Funds assume a book price of par (\$100.00).
3. All data provided by Bloomberg LLC., IDC Pricing Service, Crane Data, ZM and Wells Fargo Securities.
4. Cash flows are generated by Yield Book, Intex or ZM depending on sector and structure:
 - ZM – Non-prepay bullet structures including municipals, corporates, agencies, SSA, treasuries, CDs and commercial paper.
 - Yield Book – Mortgage products, including MBS passthroughs, CMOs, ARMs, agency CMBS and floating rate structures.
 - Intex – Structured products, including ABS, CLOs and non-agency RMBS and CMBS.
 - Analysis assumes all scheduled and unscheduled principal cash flows provided directly by Yield Book flow into the Maturity bucket on the Cash Flow Projections page.
5. Ratings data are provided by Moody's, S&P and Fitch. Aggregate ratings are based on a numerical scale. Available upon request.
6. Projected Call Report - Assumes OAS is held constant with market price based yield-to-worst call logic. Sorted by projected calls in the base case scenario. Base Case scenario assumes no rate changes.
7. Client provided market prices are used for the analysis. In the absence of client market data, BVAL and/or IDC pricing is used.
8. Yield Curve Shock Scenarios: instantaneous rate shocks to the static curve held constant over the life of the securities, utilizing Intex for structured products (when applicable) and Yield Book for amortizing securities.
 - Standard scenarios: parallel shifts of -100,-50,-25,0,+25,+50,+100,+200,+300, Bear Flat, Bull Steep, Bull Flat, Bear Steep.
9. Yield on tax-exempt municipals are calculated using a 21% tax rate or as directed by client.
10. Prepayment, default and severity assumptions used:
 - Bonds run through Yield Book – Yield Book Long Term Projected CPR
 - GN CMBS – 15 CPJ
 - FN/FH CMBS - 0 CPY
 - Conduit CMBS - 0 CPY, Historical CDR and SEV
 - ABS Student – 6 CPR
 - ABS Card - Historical MPR
 - ABS Auto - 1.3 ABS
 - SBAs & NGNs – 10 CPR
 - Non-agency CMOs – Yield Book if available otherwise 6mo historical VPR, CDR and SEV taken from Bloomberg.

Fixed Income Strategy

The Wells Fargo logo, consisting of the words "WELLS" and "FARGO" in white, uppercase, sans-serif font, stacked vertically within a red square.

Scottsdale USD Property & Casualty

Analysis Date: 9/3/2026
Portfolio as of: 8/31/2026
Market Data as of: 8/31/2026

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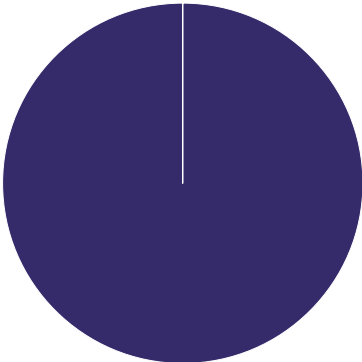
Portfolio Summary

Portfolio Snapshot	
Number of Positions	1
Par (\$000)	562
Book Value (\$000)	562
Mkt Value w/o Accrd (\$000)	562
Unrlzed Gain / Loss (\$000)	0
Coupon	3.57

Characteristics	
Book Yield	3.57
Market Yield	3.57
Wgt Avg Maturity	0.0
Average Life	0.0
Effective Duration	0.0
Effective Convexity	0.0

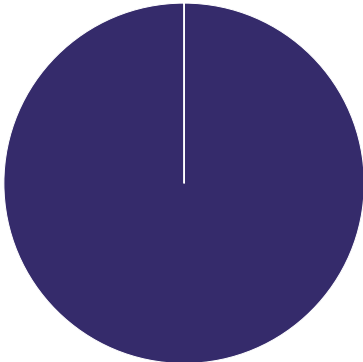
12M Projected Cash Flow (\$000)	
Overnight Funds Principal	562
Overnight Funds Interest	0
Term Securities Principal	0
Term Securities Interest	0
Total Cash Flow	562

Coupon Structure



Fixed, 100%

Sector Allocation



MMF, 100%

Short Term Credit Rating Exposures

■ S&P
■ Moody's

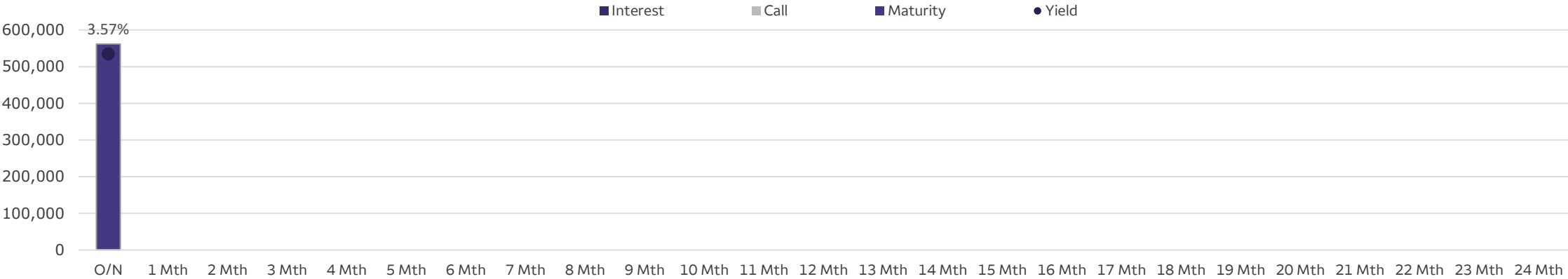
A-1+/A-1/P-1 A-2 / P-2 A-3 / P-3 Not Prime NA

Long Term Credit Rating Exposures

■ S&P
■ Moody's

AAA / Aaa AA / Aa A BBB / Baa Below IG NA

Overnight & Monthly Cash Flows and Yield Runoff

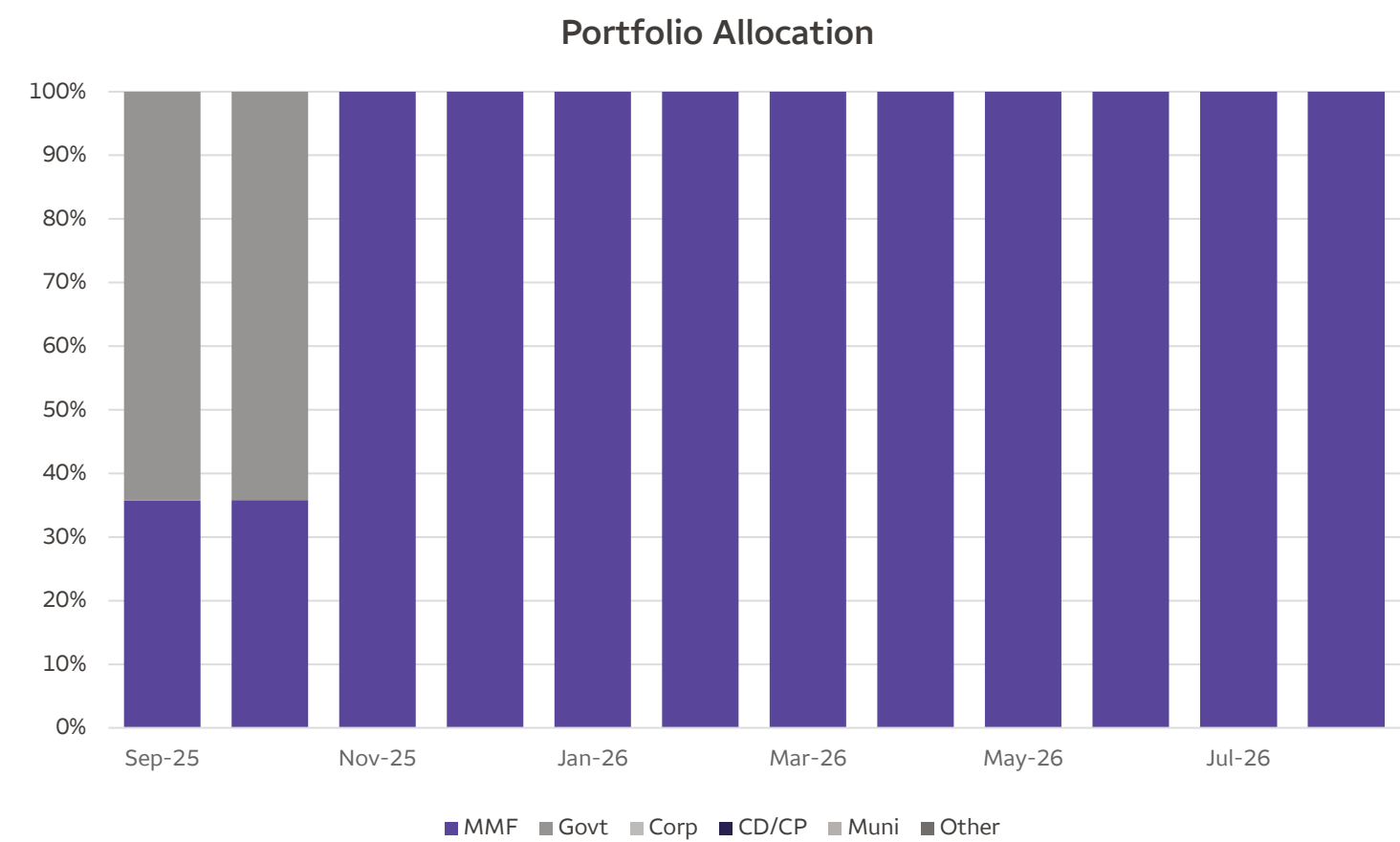
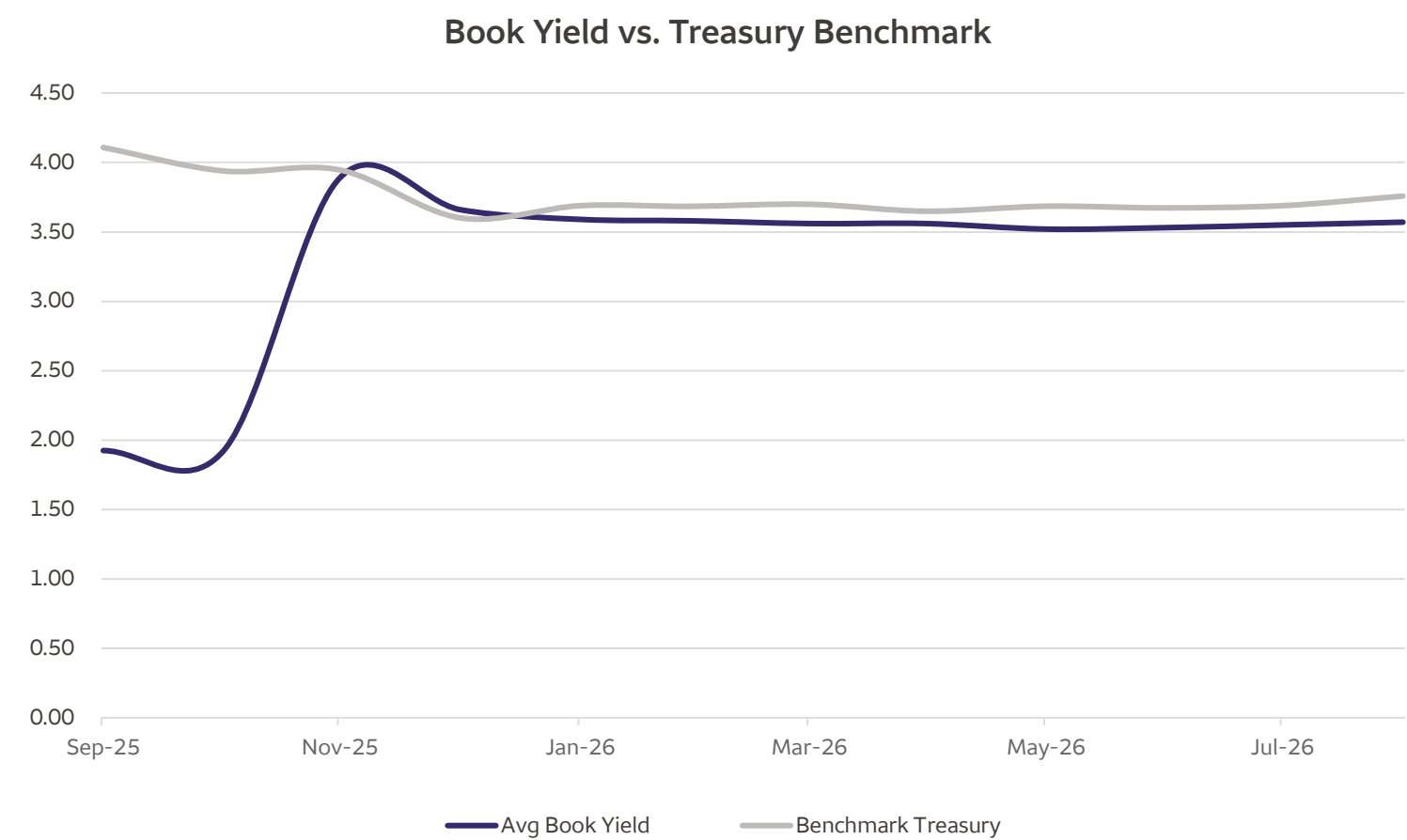


Cash Flow Projections

Time Period	Date	Interest (\$)	Call (\$)	Maturity (\$)	Run Off Yield (%)	Monthly Total (\$)	Cumulative Total (\$)
O/N		55		561,506	3.57%	561,561	561,561
Year 1							

Historical Performance

Date	# Line Items	Avg Coupon	Total Par (\$000)	G / L	Avg Bk Yield	Avg Mkt Yield	Bnchmrk Tsy Yield	Wgt Avg Maturity	Eff Dur	Ratings		Portfolio Allocation*					
										Moody's	S&P	MMF	Govt	Corp	CD/CP	Muni	Other
08/31/26	1	3.57	562	0	3.57	3.57	3.76	0.0	0.0	N/A	N/A	100%	0%	0%	0%	0%	0%
07/31/26	1	3.55	559	0	3.55	3.55	3.69	0.0	0.0	N/A	N/A	100%	0%	0%	0%	0%	0%
06/30/26	1	3.53	1,593	0	3.53	3.53	3.67	0.0	0.0	N/A	N/A	100%	0%	0%	0%	0%	0%
05/31/26	1	3.52	1,588	0	3.52	3.52	3.69	0.0	0.0	N/A	N/A	100%	0%	0%	0%	0%	0%
04/30/26	1	3.56	1,583	0	3.56	3.56	3.65	0.0	0.0	N/A	N/A	100%	0%	0%	0%	0%	0%
03/31/26	1	3.56	1,578	0	3.56	3.56	3.70	0.0	0.0	N/A	N/A	100%	0%	0%	0%	0%	0%
02/28/26	1	3.58	1,574	0	3.58	3.58	3.68	0.0	0.0	N/A	N/A	100%	0%	0%	0%	0%	0%
01/31/26	1	3.59	1,569	0	3.59	3.59	3.69	0.0	0.0	N/A	N/A	100%	0%	0%	0%	0%	0%
12/31/25	1	3.66	1,564	0	3.66	3.66	3.60	0.0	0.0	N/A	N/A	100%	0%	0%	0%	0%	0%
11/30/25	1	3.89	1,562	0	3.89	3.89	3.95	0.0	0.0	N/A	N/A	100%	0%	0%	0%	0%	0%
10/31/25	2	1.92	1,557	(2)	1.92	3.96	3.94	0.0	0.0	Aa1	AA+	36%	64%	0%	0%	0%	0%
09/30/25	2	1.92	1,555	(5)	1.92	4.10	4.11	0.1	0.1	Aa1	AA+	36%	64%	0%	0%	0%	0%



Positions by Sector

ID	CUSIP	Issuer	% Port	Cpn	Final Maturity	Ratings		Nxt Call Date	Call Type	Par	Acquired		Book Price	Market Price	G / L	Book Yield	Market Yield	WAM	Eff Dur	Eff Cvx
						Moody's	S&P				Date	Price								
1	52470G791	Western Asset Institutional Go	100.0%	3.57		-	-	-	Bullet	561,506	08/31/2026	100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
MMF			100.0%	3.57						561,506		100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
Total Portfolio			100.0%	3.57						561,506		100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0

Positions by Maturity

ID	CUSIP	Issuer	% Port	Cpn	Final Maturity	Ratings		Nxt Call Date	Call Type	Par	Acquired		Book Price	Market Price	G / L	Book Yield	Market Yield	WAM	Eff Dur	Eff Cvx
						Moody's	S&P				Date	Price								
1	52470G791	Western Asset Institutional Go	100%	3.57		-	-	-	Bullet	561,506	08/31/2026	100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
Year 0			100%	3.57						561,506		100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
Total Portfolio			100%	3.57						561,506		100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0

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Assumptions

1. Calculation engine is ZM for all asset classes except for Money Market Funds. Money Market Fund information is provided by Crane Data.
2. Government Money Market Funds assume a book price of par (\$100.00).
3. All data provided by Bloomberg LLC., IDC Pricing Service, Crane Data, ZM and Wells Fargo Securities.
4. Cash flows are generated by Yield Book, Intex or ZM depending on sector and structure:
 - ZM – Non-prepay bullet structures including municipals, corporates, agencies, SSA, treasuries, CDs and commercial paper.
 - Yield Book – Mortgage products, including MBS passthroughs, CMOs, ARMs, agency CMBS and floating rate structures.
 - Intex – Structured products, including ABS, CLOs and non-agency RMBS and CMBS.
 - Analysis assumes all scheduled and unscheduled principal cash flows provided directly by Yield Book flow into the Maturity bucket on the Cash Flow Projections page.
5. Ratings data are provided by Moody's, S&P and Fitch. Aggregate ratings are based on a numerical scale. Available upon request.
6. Projected Call Report - Assumes OAS is held constant with market price based yield-to-worst call logic. Sorted by projected calls in the base case scenario. Base Case scenario assumes no rate changes.
7. Client provided market prices are used for the analysis. In the absence of client market data, BVAL and/or IDC pricing is used.
8. Yield Curve Shock Scenarios: instantaneous rate shocks to the static curve held constant over the life of the securities, utilizing Intex for structured products (when applicable) and Yield Book for amortizing securities.
 - Standard scenarios: parallel shifts of -100,-50,-25,0,+25,+50,+100,+200,+300, Bear Flat, Bull Steep, Bull Flat, Bear Steep.
9. Yield on tax-exempt municipals are calculated using a 21% tax rate or as directed by client.
10. Prepayment, default and severity assumptions used:
 - Bonds run through Yield Book – Yield Book Long Term Projected CPR
 - GN CMBS – 15 CPJ
 - FN/FH CMBS - 0 CPY
 - Conduit CMBS - 0 CPY, Historical CDR and SEV
 - ABS Student – 6 CPR
 - ABS Card - Historical MPR
 - ABS Auto - 1.3 ABS
 - SBAs & NGNs – 10 CPR
 - Non-agency CMOs – Yield Book if available otherwise 6mo historical VPR, CDR and SEV taken from Bloomberg.

Fixed Income Strategy

WELLS
FARGO

Scottsdale USD Workers Compensation

Analysis Date: 9/2/2026
Portfolio as of: 8/31/2026
Market Data as of: 8/31/2026

Tyler Tayrien
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Tyler.Tayrien@wellsfargo.com

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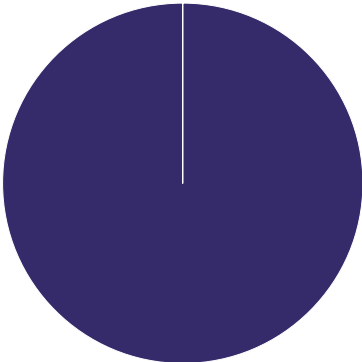
Portfolio Summary

Portfolio Snapshot	
Number of Positions	1
Par (\$000)	6,583
Book Value (\$000)	6,583
Mkt Value w/o Accrd (\$000)	6,583
Unrlzed Gain / Loss (\$000)	0
Coupon	3.57

Characteristics	
Book Yield	3.57
Market Yield	3.57
Wgt Avg Maturity	0.0
Average Life	0.0
Effective Duration	0.0
Effective Convexity	0.0

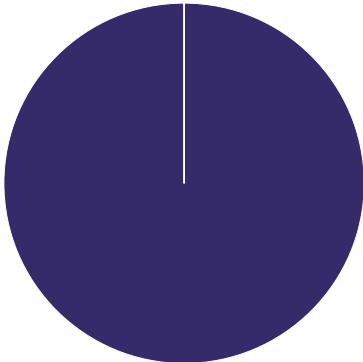
12M Projected Cash Flow (\$000)	
Overnight Funds Principal	6,583
Overnight Funds Interest	1
Term Securities Principal	0
Term Securities Interest	0
Total Cash Flow	6,584

Coupon Structure



Fixed, 100%

Sector Allocation



MMF, 100%

Short Term Credit Rating Exposures

■ S&P
■ Moody's

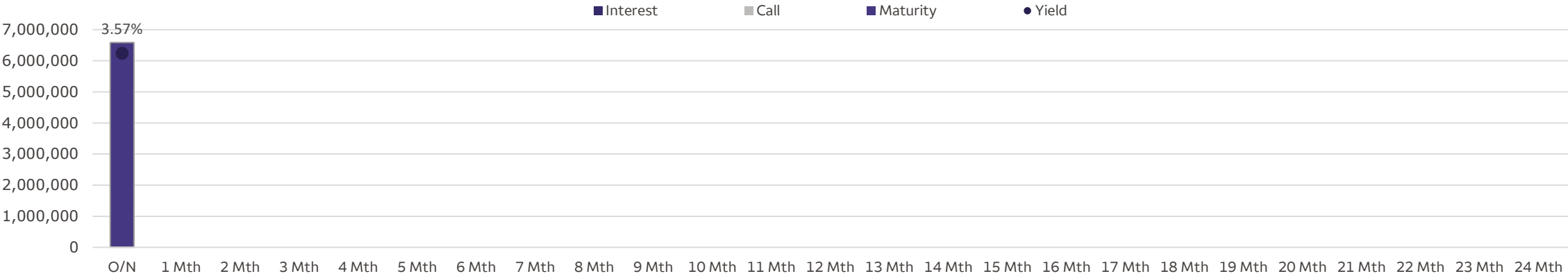
A-1+ / A-1 / P-1 A-2 / P-2 A-3 / P-3 Not Prime NA

Long Term Credit Rating Exposures

■ S&P
■ Moody's

AAA / Aaa AA / Aa A BBB / Baa Below IG NA

Overnight & Monthly Cash Flows and Yield Runoff

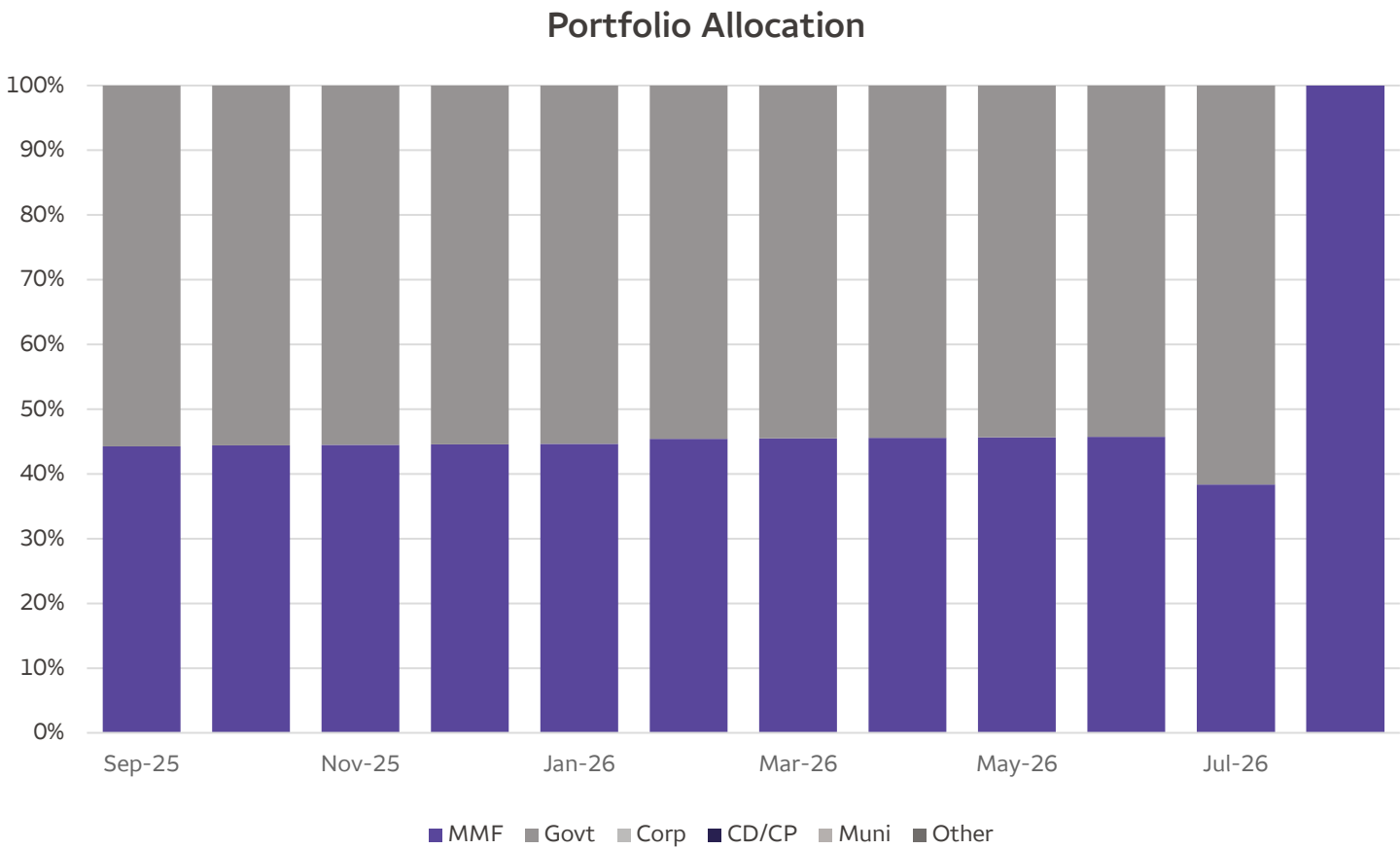
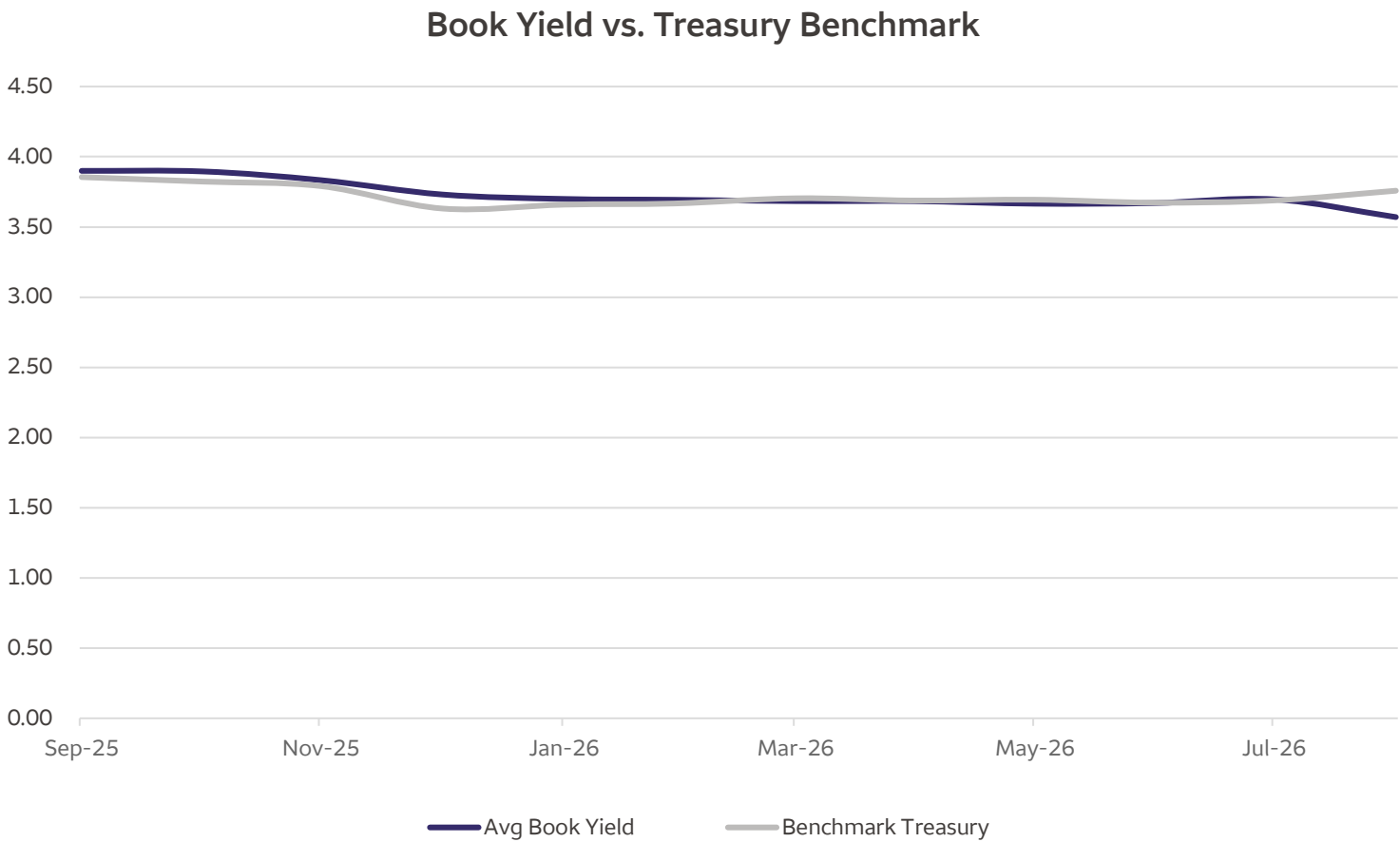


Cash Flow Projections

Time Period	Date	Interest (\$)	Call (\$)	Maturity (\$)	Run Off Yield (%)	Monthly Total (\$)	Cumulative Total (\$)
O/N		644		6,583,159	3.57%	6,583,803	6,583,803
Year 1							

Historical Performance

Date	# Line Items	Avg Coupon	Total Par (\$000)	G / L	Avg Bk Yield	Avg Mkt Yield	Bnchmrk Tsy Yield	Wgt Avg Maturity	Eff Dur	Ratings		Portfolio Allocation*					
										Moody's	S&P	MMF	Govt	Corp	CD/CP	Muni	Other
08/31/26	1	3.57	6,583	0	3.57	3.57	3.76	0.0	0.0	N/A	N/A	100%	0%	0%	0%	0%	0%
07/31/26	2	4.06	6,488	(1)	3.70	4.02	3.69	0.0	0.0	Aa1	N/A	38%	62%	0%	0%	0%	0%
06/30/26	2	3.99	7,374	0	3.67	3.72	3.67	0.1	0.1	Aa1	N/A	46%	54%	0%	0%	0%	0%
05/31/26	2	3.98	7,364	0	3.67	3.68	3.69	0.1	0.1	Aa1	N/A	46%	54%	0%	0%	0%	0%
04/30/26	2	4.00	7,354	1	3.68	3.66	3.69	0.2	0.2	Aa1	N/A	46%	54%	0%	0%	0%	0%
03/31/26	2	4.00	7,344	0	3.68	3.68	3.70	0.2	0.2	Aa1	N/A	45%	55%	0%	0%	0%	0%
02/28/26	2	4.01	7,335	2	3.69	3.63	3.67	0.3	0.3	Aa1	N/A	45%	55%	0%	0%	0%	0%
01/31/26	2	4.02	7,238	3	3.70	3.62	3.66	0.3	0.3	Aa1	N/A	45%	55%	0%	0%	0%	0%
12/31/25	2	4.06	7,228	5	3.73	3.62	3.63	0.3	0.3	Aa1	N/A	45%	55%	0%	0%	0%	0%
11/30/25	2	4.16	7,217	2	3.83	3.79	3.79	0.4	0.4	Aa1	N/A	44%	56%	0%	0%	0%	0%
10/31/25	2	4.22	7,206	1	3.90	3.89	3.82	0.4	0.4	Aa1	N/A	44%	56%	0%	0%	0%	0%
09/30/25	2	4.23	7,196	1	3.90	3.89	3.86	0.5	0.5	Aa1	N/A	44%	56%	0%	0%	0%	0%



Positions by Sector

ID	CUSIP	Issuer	% Port	Cpn	Final Maturity	Ratings		Nxt Call Date	Call Type	Par	Acquired		Book Price	Market Price	G / L	Book Yield	Market Yield	WAM	Eff Dur	Eff Cvx
						Moody's	S&P				Date	Price								
1	52470G791	Western Asset Institutional Go	100.0%	3.57		-	-	-	Bullet	6,583,159	08/31/2026	100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
MMF			100.0%	3.57						6,583,159		100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
Total Portfolio			100.0%	3.57						6,583,159		100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0

Positions by Maturity

ID	CUSIP	Issuer	% Port	Cpn	Final Maturity	Ratings		Nxt Call Date	Call Type	Par	Acquired		Book Price	Market Price	G / L	Book Yield	Market Yield	WAM	Eff Dur	Eff Cvx
						Moody's	S&P				Date	Price								
1	52470G791	Western Asset Institutional Go	100%	3.57		-	-	-	Bullet	6,583,159	08/31/2026	100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
Year 0			100%	3.57						6,583,159		100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0
Total Portfolio			100%	3.57						6,583,159		100.00	100.00	100.00	0	3.57	3.57	0.0	0.0	0.0

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Assumptions

1. Calculation engine is ZM for all asset classes except for Money Market Funds. Money Market Fund information is provided by Crane Data.
2. Government Money Market Funds assume a book price of par (\$100.00).
3. All data provided by Bloomberg LLC., IDC Pricing Service, Crane Data, ZM and Wells Fargo Securities.
4. Cash flows are generated by Yield Book, Intex or ZM depending on sector and structure:
 - ZM – Non-prepay bullet structures including municipals, corporates, agencies, SSA, treasuries, CDs and commercial paper.
 - Yield Book – Mortgage products, including MBS passthroughs, CMOs, ARMs, agency CMBS and floating rate structures.
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 - Conduit CMBS - 0 CPY, Historical CDR and SEV
 - ABS Student – 6 CPR
 - ABS Card - Historical MPR
 - ABS Auto - 1.3 ABS
 - SBAs & NGNs – 10 CPR
 - Non-agency CMOs – Yield Book if available otherwise 6mo historical VPR, CDR and SEV taken from Bloomberg.

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