

Attachment F

Financial Position of Service Cooperatives' RSR and Other Reserves as of FY 2003					
Service Cooperatives	Calculated Amount of Fully Funded Reserves as of Year Endⁱ	Actual RSR	(Under) Over Funding of RSR Year End	Service Cooperative Unrestricted Reserves (Net Assets) as Reflected in Service Cooperative Audits	Remaining Reserves After RSR is Funded
Lakes Country SC:					
School Pool	\$1,583,565.38	\$1,569,362.50	(\$14,202.88)		
CCOGA Pool ⁱⁱⁱ	\$1,656,702.53	\$173,428.48	(\$1,483,274.05)		
SUBTOTAL			(\$1,497,476.93)	\$8,282,854.00ⁱⁱⁱ	\$6,785,377.07
North Central SC:					
School Pool	\$1,096,615.60	(\$196,922.55)	(\$1,293,583.15)		
CCOGA Pool	\$303,750.40	\$180,896.90	(\$122,853.50)		
SUBTOTAL			(\$1,416,436.65)	\$4,989,813.00^{iv}	\$3,573,376.35
Northeast SC:					
School Pool	\$2,993,049.04	\$937,376.24	(\$2,055,672.80)		
CCOGA Pool ^v	\$2,931,386.75	\$2,371,746.97	(\$559,639.78)		
SUBTOTAL			(\$2,615,312.58)	\$6,571,670.00^{vi}	\$3,956,357.42
Northwest SC:					
School Pool ^{vii}	\$2,458,899.40	\$3,765,477.81	\$1,306,579.41		
CCOGA Pool	\$1,447,717.70	(\$28,304.34)	(\$1,476,022.04)		
SUBTOTAL			(\$169,442.63)	\$967,968.00^{viii}	\$798,525.37
Resource Training & Solutions:					
School Pool ^{ix}	\$6,441,557.14	\$5,621,914.96	(\$819,642.18)		
CCOGA Pool ^x	\$1,133,824.80	\$1,704,279.11	\$570,454.31		
SUBTOTAL			(\$249,187.87)	\$3,854,804.00^{xi}	\$3,605,616.13
South Central SC					
School Pool	\$12,238,759.08	(\$4,196,765.92)	(\$16,435,525.00)		
CCOGA Pool ^{xii}	\$808,682.33	\$320,288.60	(\$488,393.73)		
SUBTOTAL			(\$16,923,918.73)	\$10,009,791.00^{xiii}	(\$6,914,127.73)
Southeast SC					
School Pool	\$2,842,936.40	(\$743,470.74)	(\$3,586,407.14)		
CCOGA Pool	\$1,036,861.00	(\$705,142.20)	(\$1,742,003.20)		
SUBTOTAL			(\$5,328,410.34)	\$921,587.00^{xiv}	(\$4,406,823.34)
Southwest/West Central SC					
School Pool	\$3,172,806.40	\$1,836,400.46	(\$1,336,405.94)		
CCOGA Pool	\$3,675,039.86	\$3,362,915.85	(\$312,124.01)		
SUBTOTAL			(\$1,648,529.95)	\$7,893,349.00^{xv}	\$6,244,819.05

Source: The information for columns 2 through 4 was obtained from BCBSM 2003 year-end settlements provided to the service cooperatives. The year-end for the CCOGA pools was December 31, 2003 and the year-end for the schools was either June 30, August 31, or September 30, 2003. The information for

column 5 was from the service cooperatives' financial statements for FY 2003. We used FY 2003 information because FY 2004 Year End Settlements for the CCOGA Pools have not been completed.

ⁱ This column is the "Aggregate % Reserve" as determined by BCBSM.

ⁱⁱ See also Lakes Country SC CCOGA Minimum Premium Funding Plan Notes to the Financial Statements December 31, 2003 and 2002, Note 4, page 5. The RSR amount can also be found on the service cooperative's CCOGA Minimum Premium Funding Plan Statement of Net Assets Available For Benefits and Benefit Obligations December 31, 2003 and 2002, page 2.

ⁱⁱⁱ See Lakes Country Service Cooperative Combined Balance Sheet Fund Types and Account Groups June 30, 2003, Unreserved Fund Balances 2003 Total, pages 2 and 3.

^{iv} See NCSC Combined Balance Sheet All Fund Types and Account Groups June 30, 2003, page 3 (Retained Earnings \$3,791,164 + Unreserved, Undesignated Fund Balance \$1,198,649 = \$4,989,813.00).

^v See also NESCCCOGA Minimum Premium Funding Plan Notes to the Financial Statements December 31, 2003 and 2002, page 5. The RSR can also be found on NESCCCOGA Minimum Premium Funding Plan Statements of Net Assets Available for Benefits December 31, 2003 and 2002, page 2.

^{vi} See NESCC Statement of Net Assets June 30, 2003, page 10, Unrestricted Net Assets.

^{vii} It appears that the RSR numbers on the NWSC Minimum Premium Funding Plan School District Pool Audit June 30, 2004 and 2003 contained BCBSM settlement numbers from June 30, 2002 and June 30, 2003 – a one year lag. See page 5 of the plan audit in comparison to BCBSM Settlement documents.

^{viii} See NWSC Combined Balance Sheet – All Fund Types and Account Groups June 30, 2003, Unreserved Fund Balance, page 4.

^{ix} See also RST Minimum Premium Funding Plan Notes to the Financial Statements September 30, 2003 and 2002, Note 4, page 5. The RSR can also be found on RST's Minimum Premium Funding Plan Statements of Net Assets Available for Benefits and Benefit Obligations September 30, 2003 and 2002, page 2.

^x See also RTS CCOGA Minimum Premium Funding Plan Notes to the Financial Statements December 31, 2003 and 2002, page 5. The RSR can also be found on RTS's CCOGA Minimum Premium Funding Plan Statements of Net Assets Available For Benefits and Benefit Obligations December 31, 2003 and 2002, page 2.

^{xi} See RTS Statement of Net Assets June 30, 2003, page 12. School District MPFP and CCOGA Restricted for Benefit Obligations \$1,748,180 + \$57,467 + Unrestricted Net Assets \$2,049,157 = \$3,854,804.00.

^{xii} See also SCSC CCOGA Minimum Premium Funding Plan Notes to the Financial Statements December 31, 2003 and 2002, Note 4, page 5. The RSR can also be found on SCSC's CCOGA Minimum Premium Funding Plan Statements of Net Assets Available For Benefits and Benefit Obligations December 31, 2003 and 2002, page 2 for the RSR.

^{xiii} See SCSC Combined Balance Sheet June 30, 2003, pages 3 and 4, total Unreserved – undesignated Fund Balance.

^{xiv} See SESC Balance Sheet June 30, 2003 Unrestricted Net Assets, page 10.

^{xv} See SW/WC Statement of Net Assets June 30, 2003 Governmental Activities Unrestricted Net Assets, page 10 \$1,873,346.95 + Reserved Fund Balance, Notes to the Financial Statements, Note 4.H., page 27 \$6,020,003.00 = \$7,893,349. Does not include amounts that may be available from Appletree Inc.