

COUNCIL OF SCHOOL SUPERVISORS AND ADMINISTRATORS WELFARE FUND
ANNUAL FINANCIAL SNAPSHOT (Unaudited)
SEPTEMBER 30, 2023

As management of the Council of School Supervisors and Administrators Welfare Fund (the “Fund”), we offer readers of the Fund’s financial statements this narrative overview and analysis of the financial activities of the Fund for the fiscal year ended September 30, 2023.

FINANCIAL HIGHLIGHTS

As reflected in the statement of net assets available for benefits, the assets of the Fund exceeded its liabilities as of September 30, 2023 by \$19,558,713 (net assets available for benefits).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as a summary of the Fund’s basic financial statements. These basic financial statements are comprised of the Statements of Net Assets Available for Benefits and of Benefit Obligations as of September 30, 2023 and 2022, and the related Statements of Changes in Net Assets Available for Benefits and of Changes in Benefit Obligations for the years then ended, and the related notes to the financial statements.

The Statements of Net Assets Available for Benefits and of Benefit Obligations present information on all of the Fund’s assets and liabilities, with the difference between the two reported as net assets available for benefits. Over time, increases or decreases in net assets available for benefits may serve as a useful indicator of whether the financial position of the Fund is improving or deteriorating.

The Statements of Changes in Net Assets Available for Benefits and of Changes in Benefit Obligations presents information showing how the Fund’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a Fund’s financial position. In the case of the Fund, assets exceeded liabilities by \$19,558,713 at September 30, 2023 and \$18,576,005 at September 30, 2022.

FUND’S NET ASSETS AVAILABLE FOR BENEFITS

	<u>2023</u>	<u>2022</u>	<u>Change</u>
ASSETS:			
Investments, at fair value:	\$ 13,437,138	\$ 12,958,444	\$ 478,694
Receivables	2,523,198	4,928,404	(2,405,206)
Cash and cash equivalents	3,960,037	798,070	3,161,967
Other assets	40,588	59,706	(19,118)
TOTAL ASSETS	<u>19,960,961</u>	<u>18,744,624</u>	<u>1,216,337</u>
LIABILITIES:	<u>402,249</u>	<u>168,619</u>	<u>233,630</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 19,558,712</u>	<u>\$ 18,576,005</u>	<u>\$ 982,707</u>

Investments increased by \$478,694. This increase is due primarily to favorable market conditions in 2023 as compared to 2022.

Receivables decreased from the prior year by \$2,405,206, primarily as a result of a decrease in amount due from CSA Administrative Fund.

Cash and cash equivalents increased by \$3,161,967, mainly due to collection of receivables.

Liabilities increased by \$233,630. The increase is primarily due to amounts owed to the CSA Retiree Welfare Fund.

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ADDITIONS, DEDUCTIONS AND CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Additions			
Contributions	\$ 13,180,956	\$ 14,652,935	(1,471,979)
Investment income	729,397	(2,362,004)	3,091,401
Sundry additions	9,808	9,245	563
Total additions	<u>13,920,161</u>	<u>12,300,176</u>	<u>1,619,985</u>
Deductions			
Benefit costs	11,482,872	12,653,435	(1,170,563)
Management and general expenses	1,454,582	1,408,246	46,336
Total deductions	<u>12,937,454</u>	<u>14,061,681</u>	<u>(1,124,227)</u>
Net increase (decrease)	<u>\$ 982,707</u>	<u>\$ (1,761,505)</u>	<u>\$ 2,744,212</u>

NYC Department of Education contributions accounted for approximately 94% percent of total additions in 2023 and 100% in 2022. Benefits paid to members and providers accounted for approximately 87% of total deductions in 2023 and approximately 88% in 2022.

Additions Categories:

Contributions – are determined according to the negotiated settlement between the CSA Union and the City of New York Department of Education and are funded through the Controller of the City of New York. Contributions are currently \$160.83 per member per month.

Investment income (loss) – Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends and capital gain distributions are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Fund's gains and losses on investments bought and sold as well as held during the year.

The Fund's additions increased by \$1,619,985. This increase is primarily a result of improved market conditions from 2022 to 2023.

Deductions Categories:

Benefit costs - The Fund provides life insurance, supplemental medical, dental, prescription drugs, employee assistance programs, optical and hearing aid benefits to persons employed by the New York City Department of Education for whom a contribution is made. The Fund further provides coverage for eligible surviving dependents of deceased members for supplemental medical, dental, prescription drugs, optical and hearing aid benefits for a period not to exceed five years. The Fund provides basic hospital and medical coverage similar to the city health plan for a period not to exceed twenty-four months for these surviving dependents. In addition, officers and employees of the Council and the Fund are covered by payment of the required contribution.

The Fund's deductions decreased by \$1,124,227. The decrease is attributable primarily to a savings in amounts paid to providers. The decrease was primarily for lower spending on prescription drugs.

REQUEST FOR INFORMATION

This financial report is designed to provide our members with a general overview of the Fund's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Council of School Supervisors and Administrators Welfare Fund at 40 Rector Street, 12th Floor, New York, NY 10006.