



# Underground Storage Tank Indemnification Fund

Financial and Operations Update

June 5, 2024

# USTIF 1Q2024 Financial Statement

**Underground Storage Tank indemnification Fund**

**Balance Sheet**

**(Unaudited)**

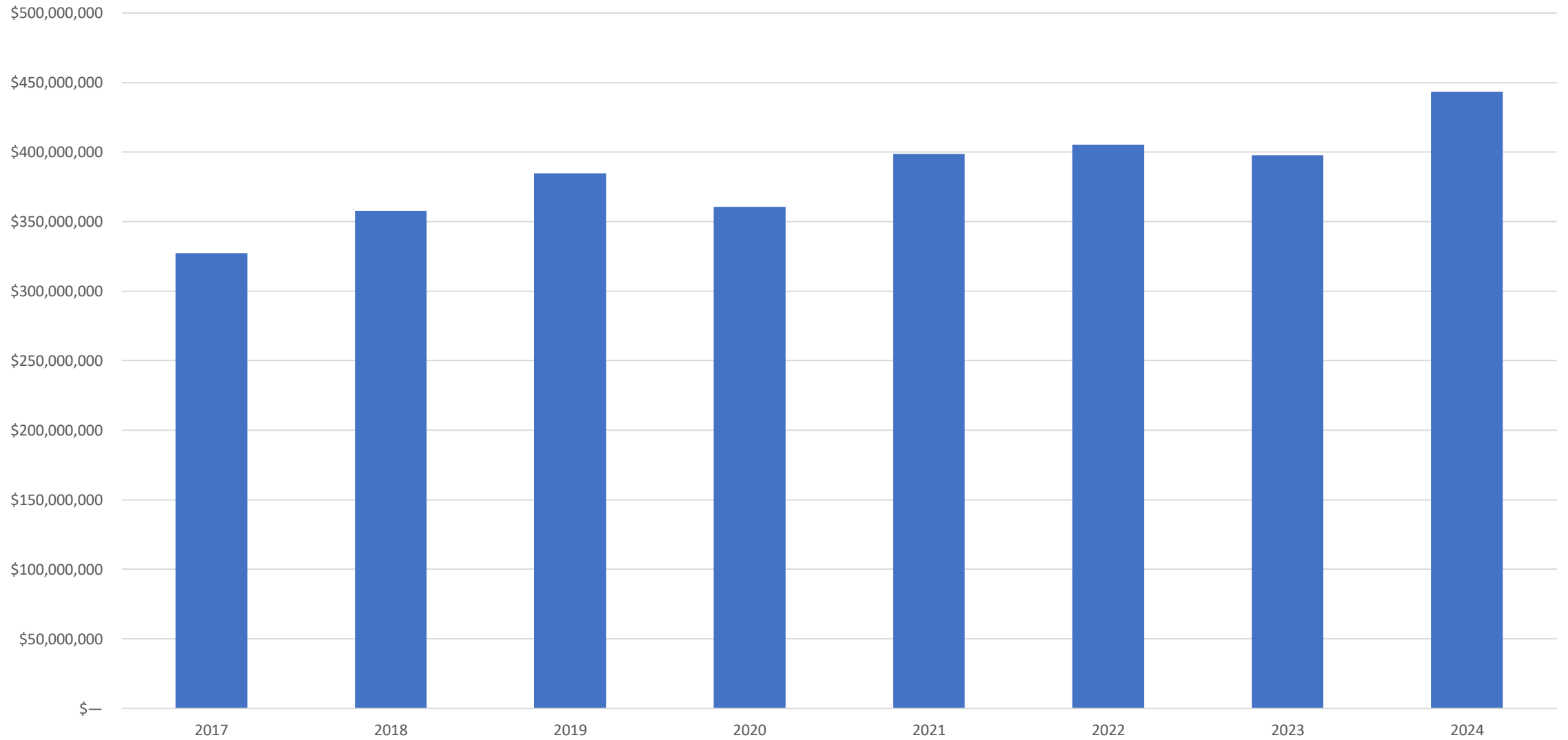
**As of March 31**

	<b>2024</b>	<b>2023</b>
<b>ASSETS:</b>		
Deposits and Investments—Note B		
Cash-In-Transit .....	\$ 1,903,543	\$ 1,544,803
Temporary Investments .....	12,138,812	16,698,671
Long-term Investments .....	444,190,366	394,787,304
Receivables—Note C		
Investments Interest and Dividends .....	1,564,044	1,343,671
Investments Sold .....	2,525,190	42,975
<b>TOTAL ASSETS .....</b>	<b><u>\$ 462,321,955</u></b>	<b><u>\$ 414,417,424</u></b>
 <b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Payables—Note D		
Accounts Payable and Accrued Liabilities .....	\$ 13,780,446	\$ 12,443,356
Invoices Payable .....	1,267,845	1,622,332
Investments Purchased Payable .....	3,678,672	2,603,991
Due to Other Obligations—Note E .....	119,254	94,591
<b>TOTAL LIABILITIES .....</b>	<b><u>\$ 18,846,217</u></b>	<b><u>\$ 16,764,270</u></b>
 <b>Fund Balance:—Note F</b>		
Nonspendable:		
Restricted .....	443,475,738	397,653,154
<b>TOTAL FUND BALANCE .....</b>	<b><u>443,475,738</u></b>	<b><u>397,653,154</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCE .....</b>	<b><u>\$ 462,321,955</u></b>	<b><u>\$ 414,417,424</u></b>

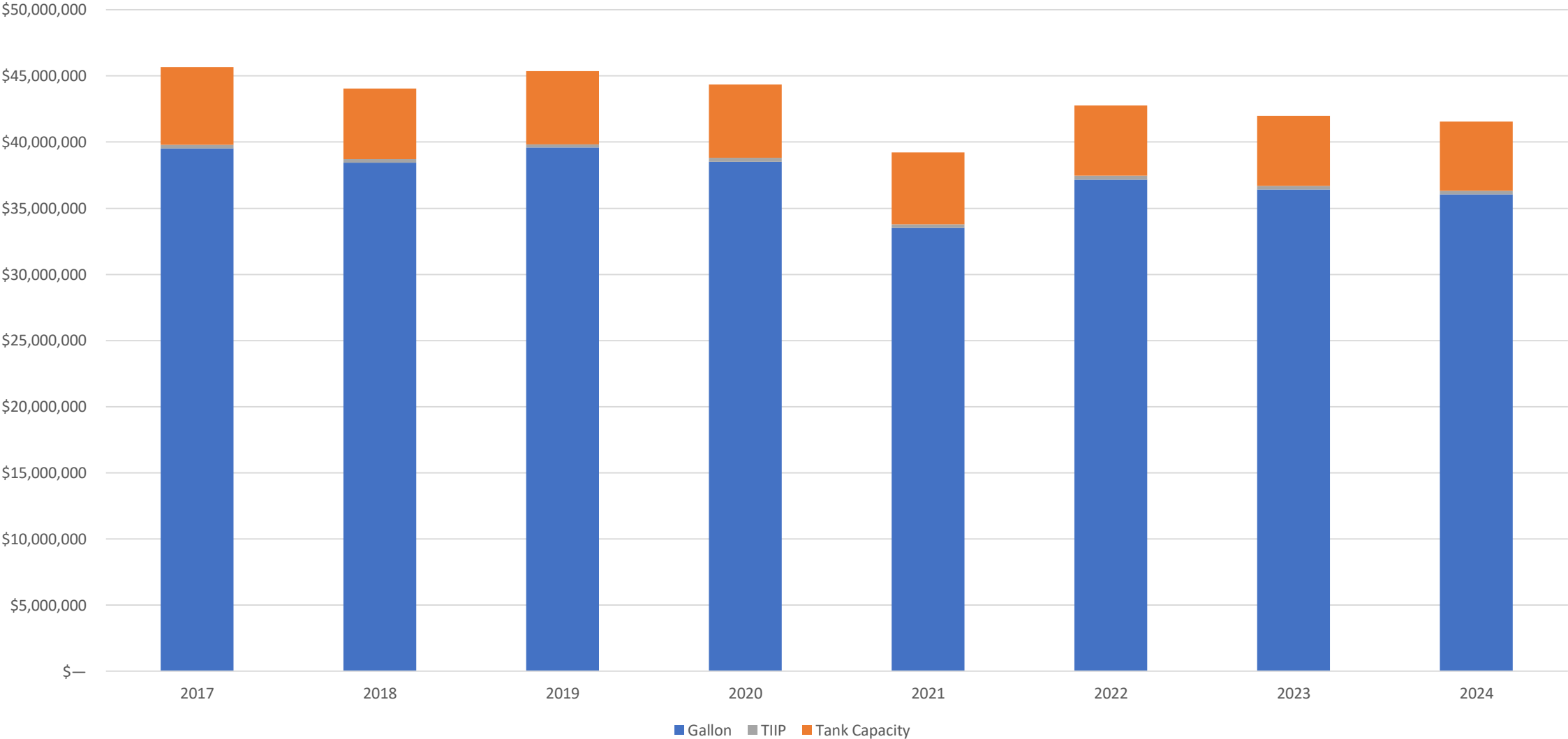
**Underground Storage Tank Indemnification Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**(Unaudited)**  
**For the Nine Months Ended March 31**

	2024	2023
<b>REVENUES—Note H</b>		
Fees:		
Gallon .....	\$ 36,052,663	\$ 36,405,941
Tank Capacity .....	5,249,696	5,318,081
TIIP .....	249,127	278,153
Investment Income:		
Interest and Dividend Income .....	9,889,582	7,415,397
Net Increase (Decrease) in Fair Value of Investments .....	20,947,028	9,131,866
Other .....	—	800
<b>TOTAL REVENUES</b> .....	<b>\$ 72,388,096</b>	<b>\$ 58,550,238</b>
<b>EXPENDITURES—Note H</b>		
Administrative:		
Insurance Department Personnel and Other Charges .....	584,435	618,196
Third Party Administrator .....	2,347,846	2,676,562
Professional Services .....	627,755	727,194
<b>Total Administrative</b> .....	<b>3,560,036</b>	<b>4,021,952</b>
Claims Indemnification: .....		
Losses .....	21,347,863	19,984,015
Loss Expenses - Non-Legal .....	823,292	826,273
Loss Expenses - Legal .....	51,015	89,876
<b>Total Claims Indemnification</b> .....	<b>22,222,170</b>	<b>20,900,164</b>
Allocations - Funds Released:		
Environmental Cleanup Program .....	2,344,436	2,260,259
Pollution Prevention Program .....	—	9,750
Investigation and Closure Costs .....	4,208,726	4,848,103
<b>Total Allocations - Funds Released</b> .....	<b>6,553,162</b>	<b>7,118,112</b>
Interest Expense .....	5,205	5,790
<b>TOTAL EXPENDITURES</b> .....	<b>\$ 32,340,573</b>	<b>\$ 32,046,018</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>40,047,523</b>	<b>26,504,220</b>
<b>NET CHANGE IN FUND BALANCES</b> .....	<b>40,047,523</b>	<b>26,504,220</b>
<b>FUND BALANCE, JULY 1 (restated) —Note G</b> .....	<b>403,428,215</b>	<b>371,148,934</b>
<b>FUND BALANCE, MARCH 31</b> .....	<b>\$ 443,475,738</b>	<b>\$ 397,653,154</b>

Total Fund Balance as of 1Q



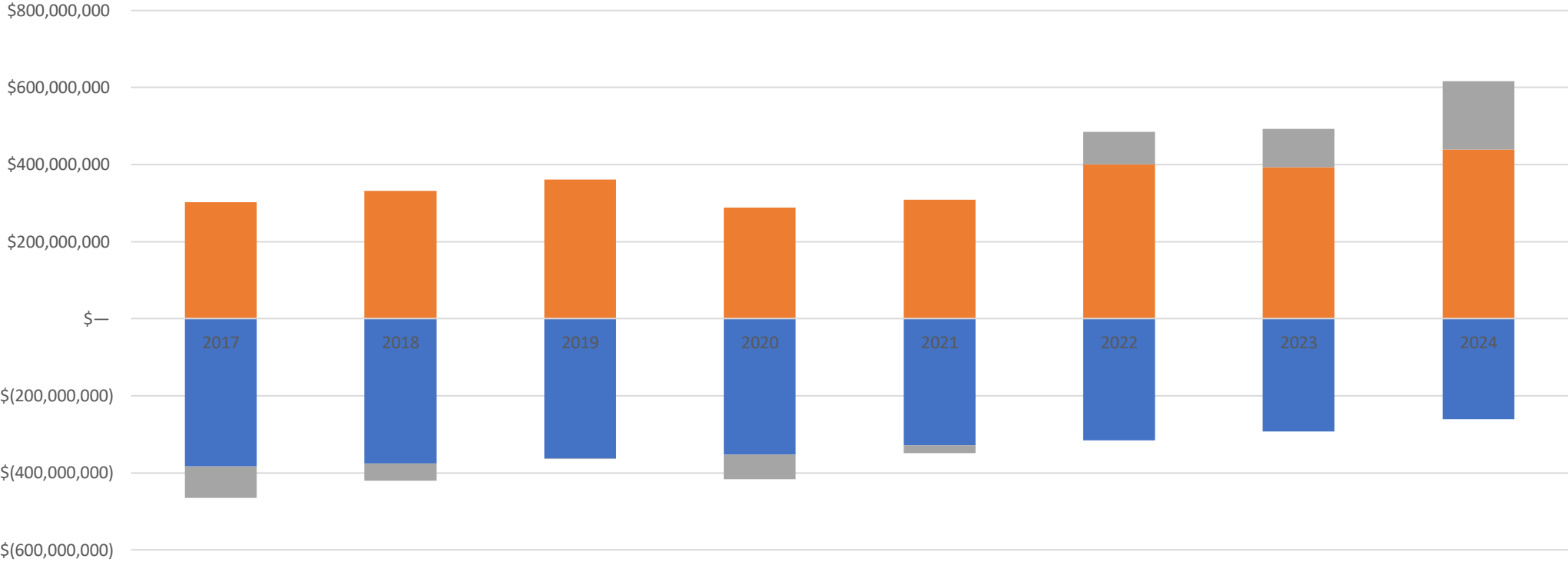
USTIF Fee Income by Source as of 1Q



**Underground Storage Tank indemnification Fund**  
**Statement of Actuarial Claims Liability**  
**(Unaudited)**  
**As of March 31**

	<b>2024</b>	<b>2023</b>
Actuarial liability for estimated unpaid claims .....	\$ (260,269,799)	\$ (293,084,323)
Funds Balance restricted for Underground Storage Tank Indemnification.....	438,222,066	392,593,194
<b>Fund Balance Available (Unavailable) for Future Claims .....</b>	<b><u>\$ 177,952,267</u></b>	<b><u>\$ 99,508,871</u></b>

Fund Balance as of 1Q



■ Actuarial liability for estimated unpaid claims

■ Funds Balance restricted for Underground Storage Tank Indemnification

■ Fund Balance Available (Unavailable) for Future Claims



# 2024 YTD Claim Summary

As of 5/31/2024

**Table 1 - Tank Owners & Operators By Calendar Year**

	As of May 31, 2024	2023	2022	2021	2020
New Claims Received	63	168	194	172	204
Claims Reopened	2	4	2	5	10
Total New & Reopened Claims	65	172	196	177	214
Claims Closed Eligible with Payments*	68	166	185	157	155
Claims Closed Eligible without Payments*	6	2	3	6	7
Claims Denied	4	24	17	13	14
Claims Withdrawn	15	24	42	48	60
Total Claims Closed	93	216	247	224	236
Total Open Claims	761	789	833	884	931

**Table 2 - Tank Owners & Operators Average Cost Per Closed Claim by Calendar Year**

	As of May 31, 2024	2023	2022	2021	2020
Claims Closed by Payment	68	166	185	157	155
Dollars Paid	\$15,992,699.58	\$42,897,211.04	\$41,944,183.21	\$36,669,153.42	\$46,216,340.05
Avg. Cost/Paid Claims	\$235,186.76	\$258,416.93	\$226,725.31	\$233,561.49	\$298,169.94

**Table 3 - Tank Owners & Operators Cost for All Claims (Includes Closed Claims) by Calendar Year**

	As of May 31, 2024	2023	2022	2021	2020
Dollars Paid	\$11,403,358.88	\$29,936,091.49	\$27,941,800.05	\$30,560,377.61	\$29,942,349.72
Remaining Reserves	\$76,801,417.79	\$78,705,574.45	\$81,033,664.14	\$85,932,860.14	\$93,486,087.40

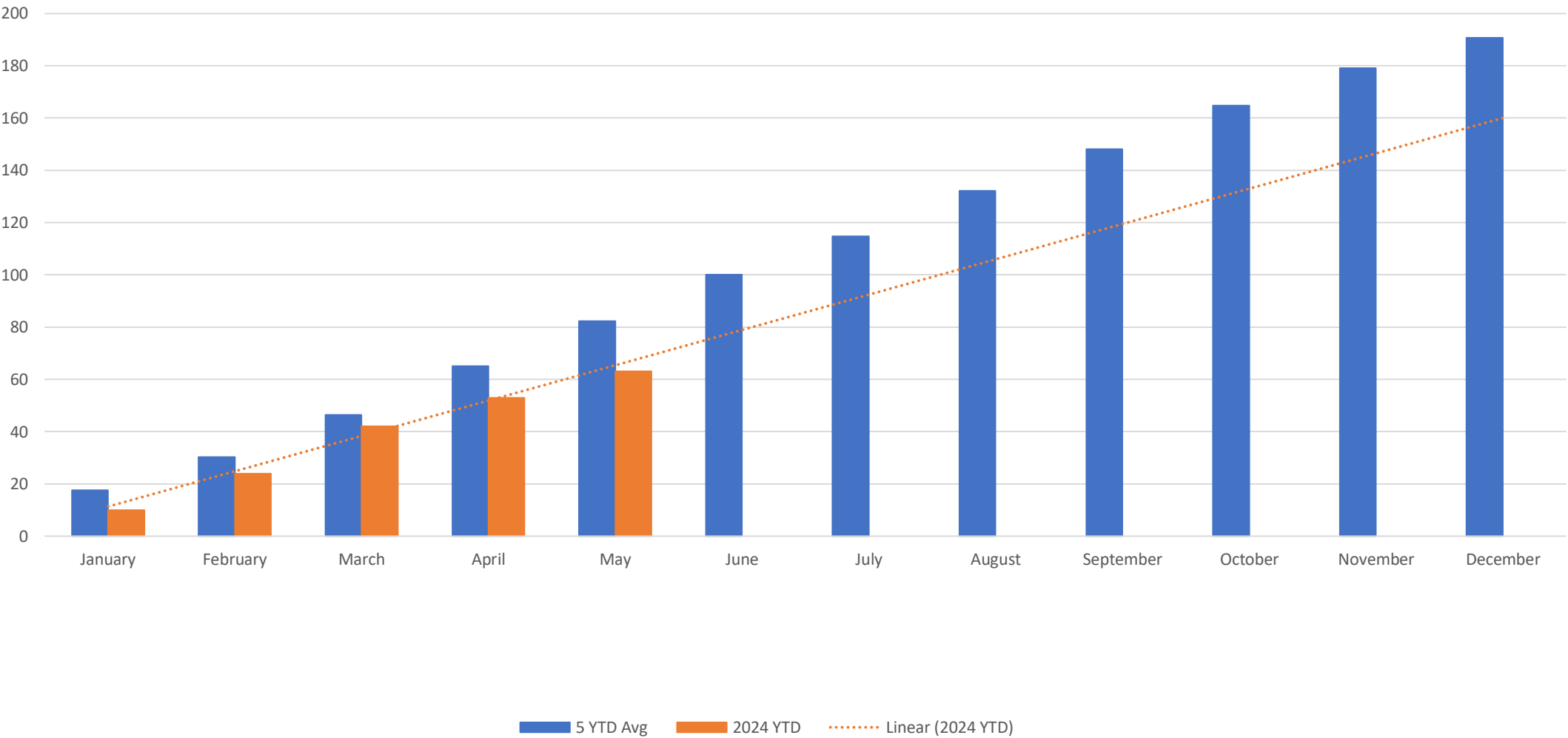
**Table 4 - TIIP by Calendar Year**

	As of May 31, 2024	2023	2022	2021	2020
New Claims Received	0	1	2	1	1
Claims Reopened	0	0	0	0	0
Total New & Reopened Claims	0	1	2	1	0
Claims Closed Eligible with Payments*	0	0	0	0	0
Claims Closed Eligible without Payments*	0	2	0	0	1
Claims Denied	0	0	0	0	0
Claims Withdrawn	0	0	1	0	0
Total Claims Closed	0	2	1	0	1
Total Open Claims	2	2	3	2	1

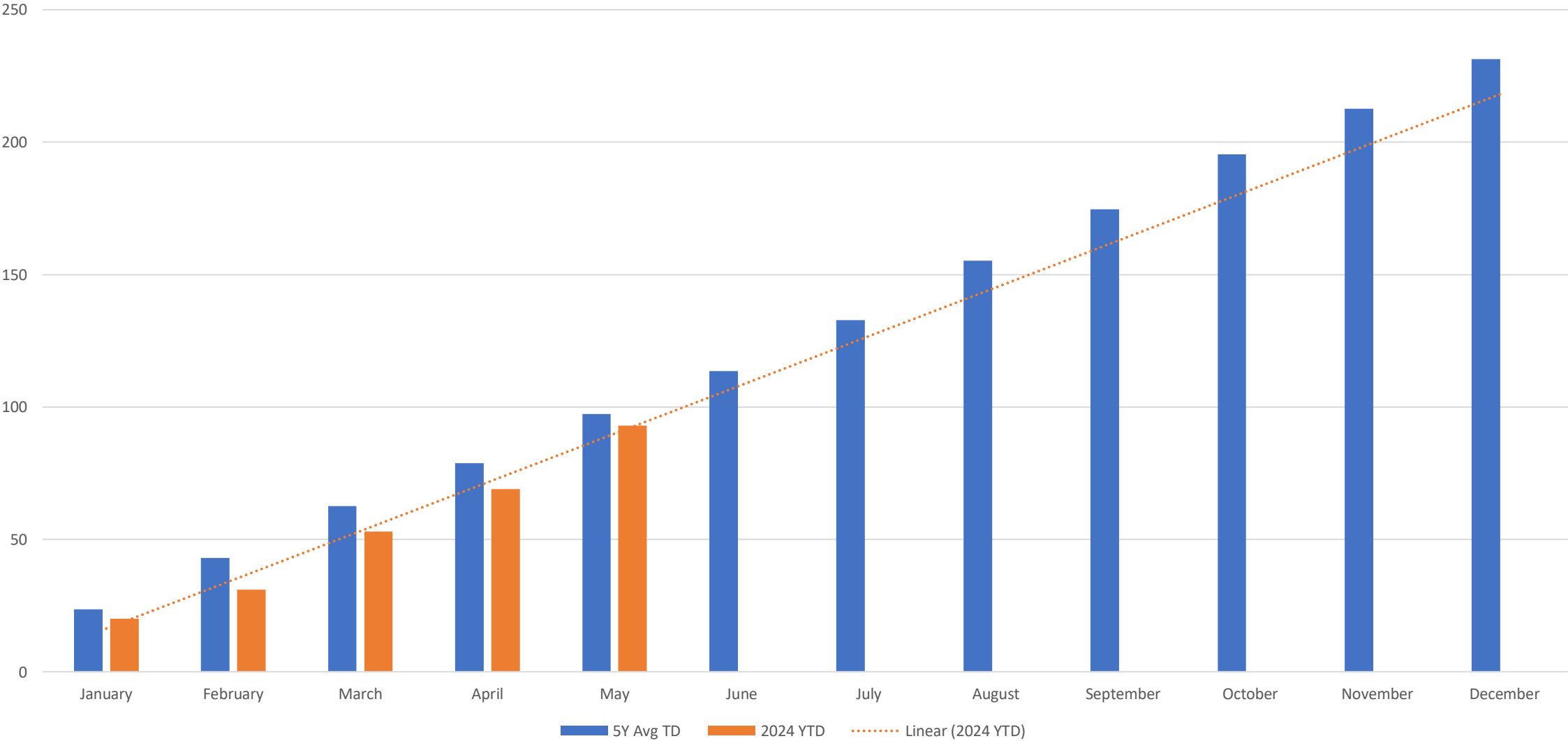
**Table 5 - TIIP Average Cost Per Claim by Calendar Year**

	As of May 31, 2024	2023	2022	2021	2020
Claims Closed by Payment	0	0	0	0	0
Dollars Paid	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Avg. Cost/Paid Claims	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Reserves	\$1,200,000.00	\$1,200,000.00	\$1,150,000.00	\$375,000.00	\$125,000.00

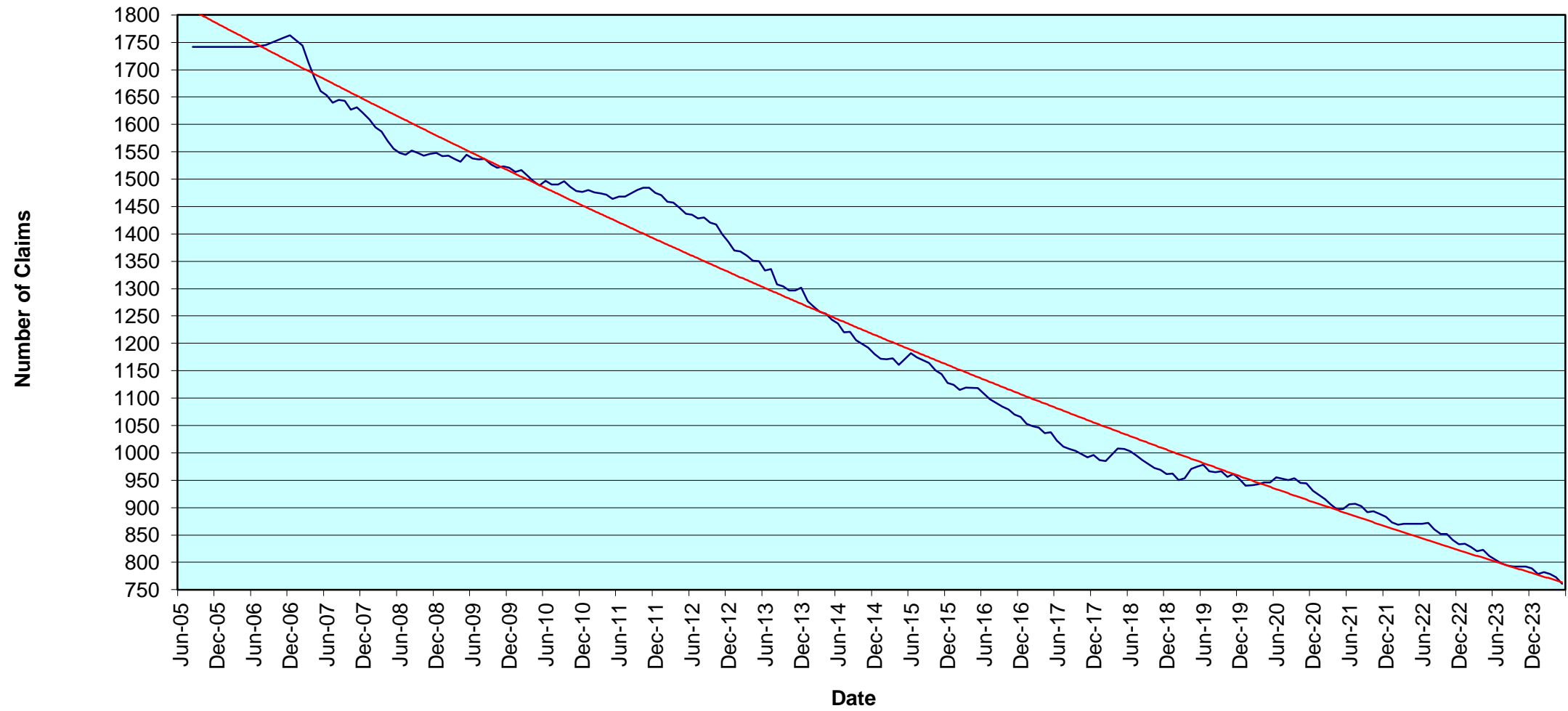
2024 Claims YTD v. 5 YTD Average



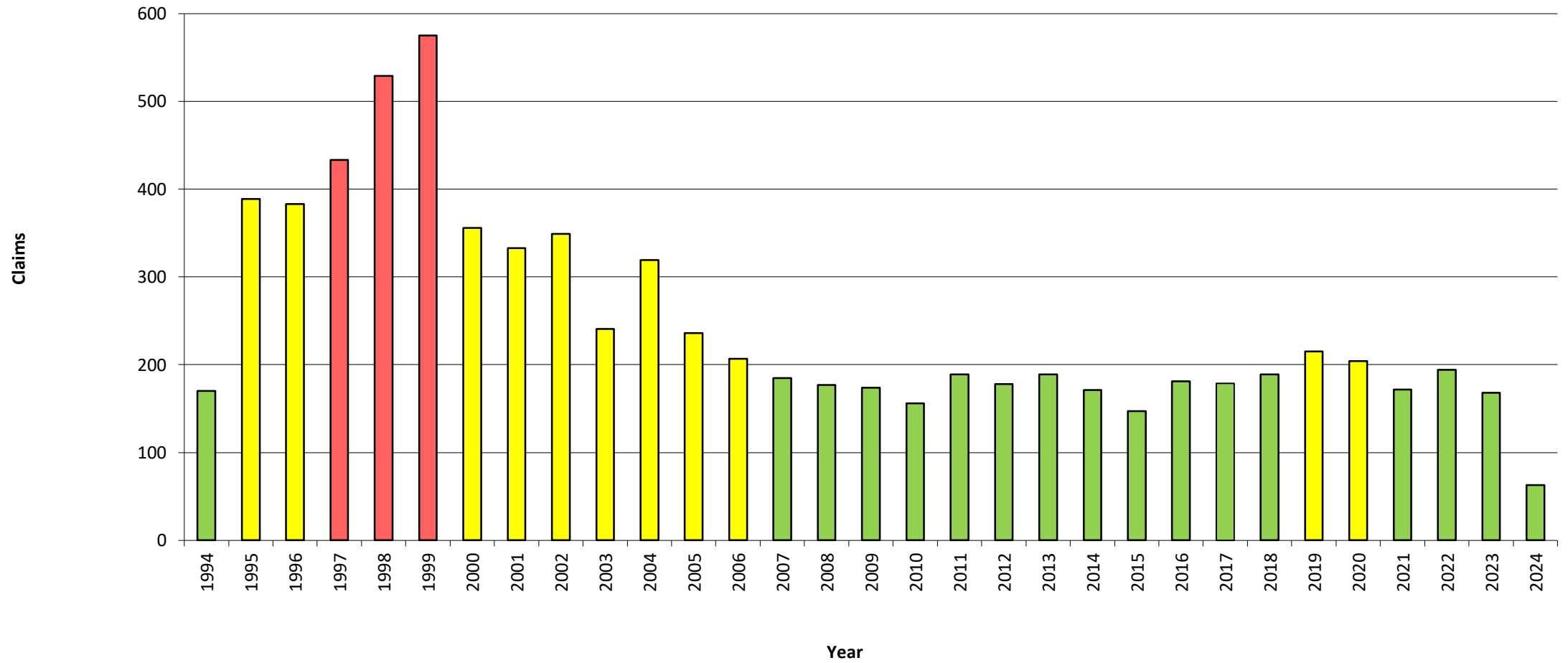
2024 YTD v. 5 Year Average - Closed Claims



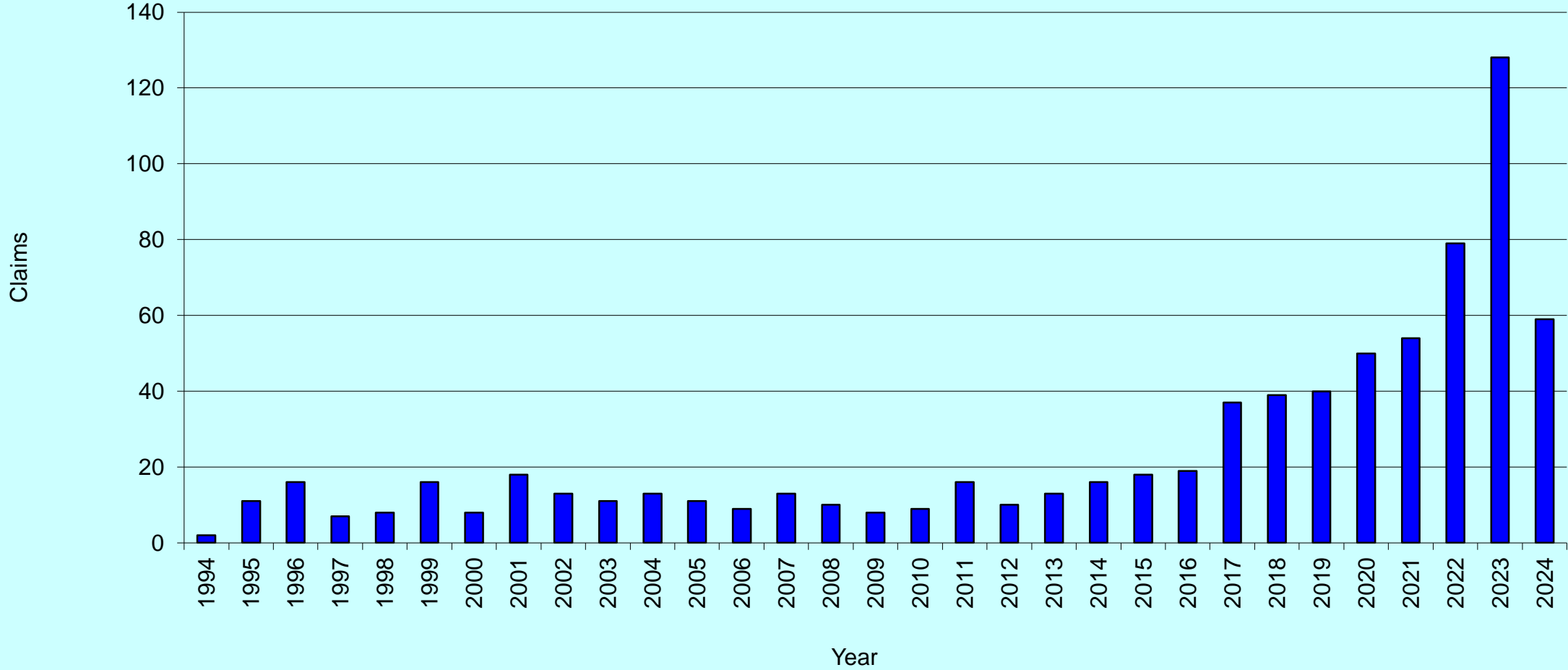
Open USTIF Claims



# Total USTIF Claims by Year



Open  
USTIF Claims

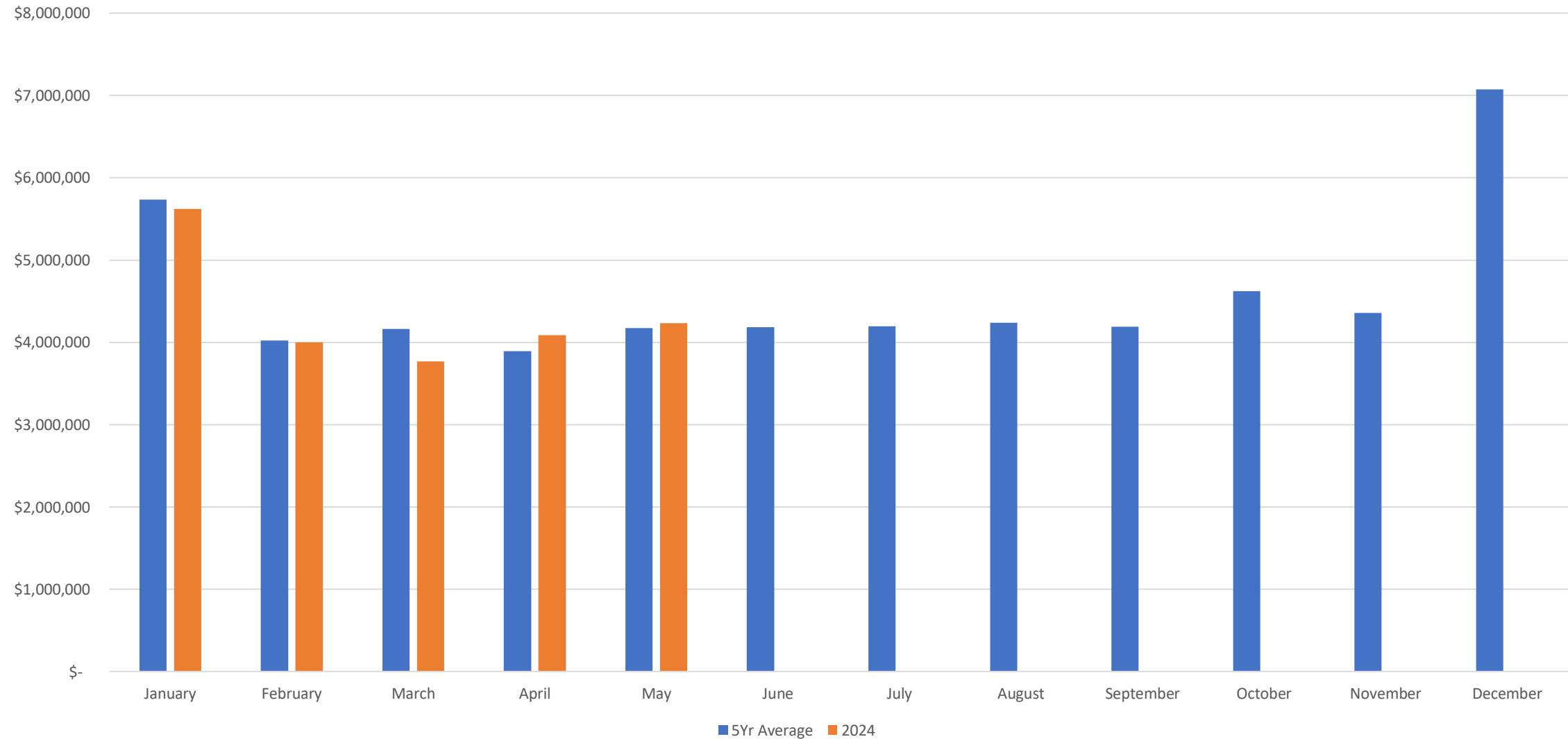


# USTIF YTD Fee Collections

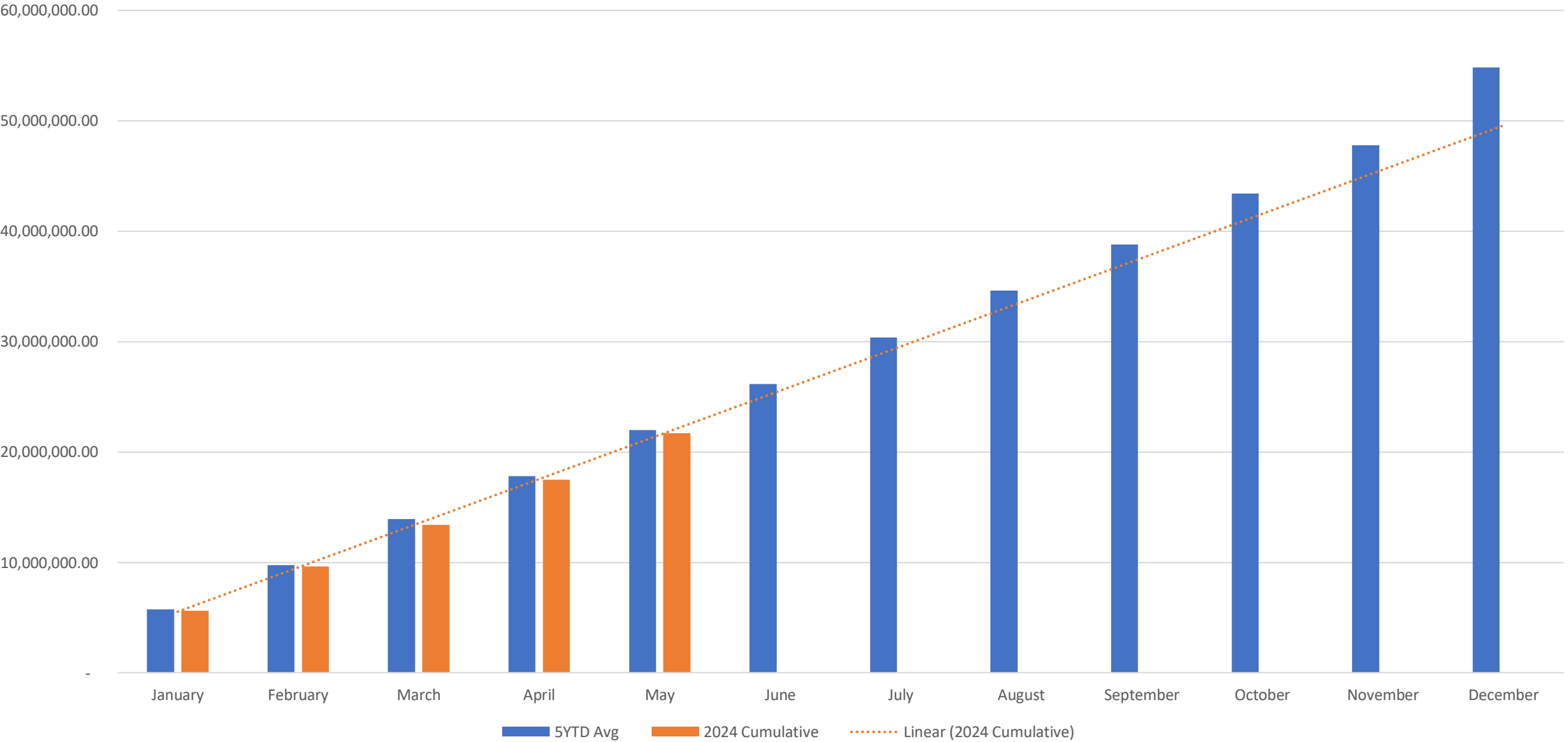
As of 5/31/2024



2024 USTIF Fee Collections v. 5 Year Average



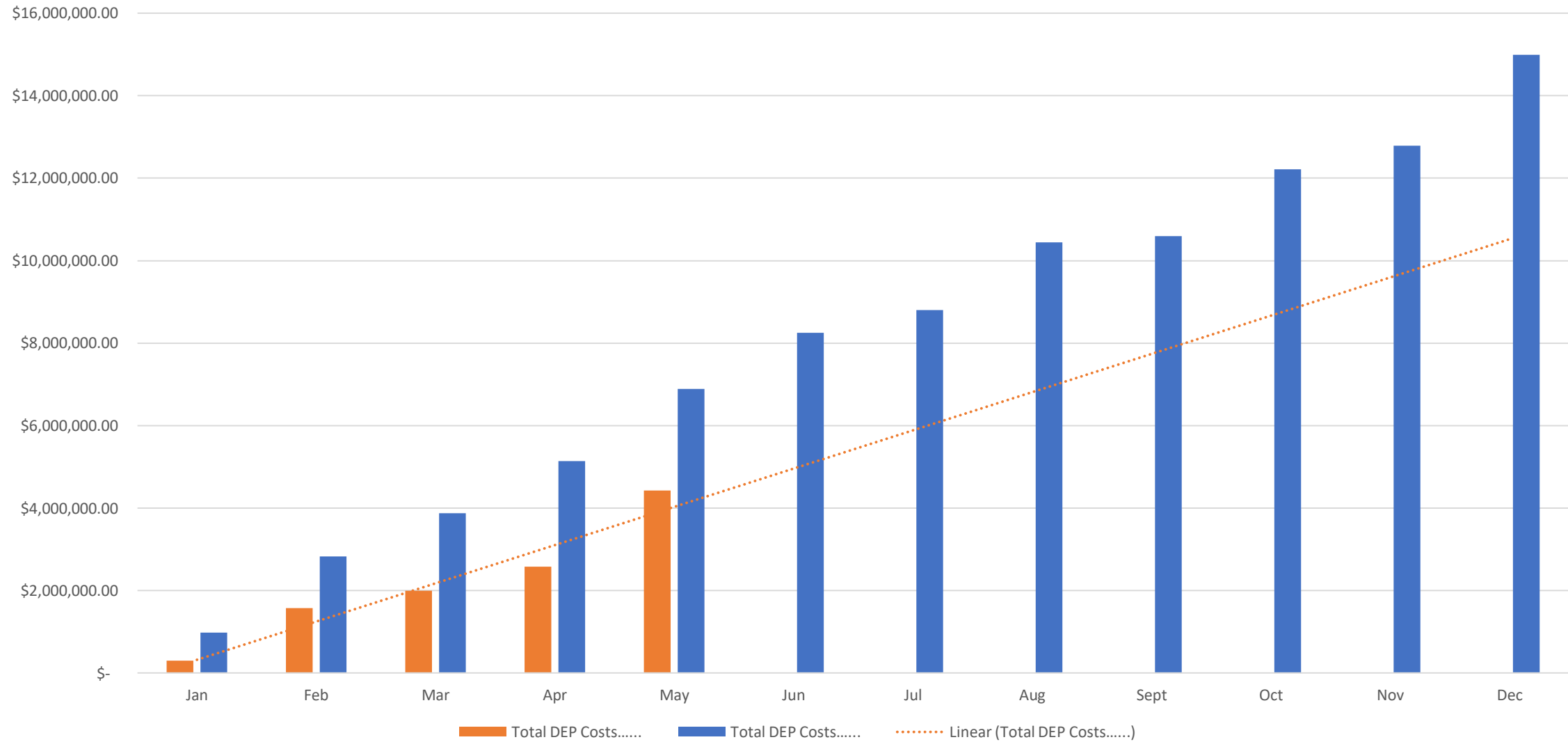
2024 USTIF Fee Collections YTD v. 5 Average YTD



# USTIF DEP Allocations YTD

As of 5/31/2024

DEP Allocations 2023-24 YTD v. 5YTD Average



# USTIF Eligibility Regulation Amendments

ANNEX A

INSURANCE DEPARTMENT

25 PA. CODE CH. 977

CHAPTER 977. UNDERGROUND STORAGE TANK INDEMNIFICATION FUND

SUBCHAPTER A. GENERAL PROVISIONS

§ 977.4. Definitions.

*Site-UST facility* – *For purposes of § 977.31 (relating to eligibility requirements), the term means ~~the property which includes the a~~ storage tank facility as defined by 25 Pa. Code § 245.1 that includes one or more USTs.*

## SUBCHAPTER C. COVERAGE AND CLAIM PROCEDURES

### § 977.31. Eligibility requirements.

To be eligible for Fund coverage, the participant shall, under section 706 of the [act] Act (35 P.S. § 6021.706) (relating to eligibility of claimants), meet the following requirements:

- (1) The claimant is the owner, operator or certified tank installer of the [tank] UST which is the subject of the claim.
- (2) [The current fee] All fees required under [section 705 of the act (35 P.S. § 6021.705) has been paid.] Subchapter B for all USTs located at the UST facilitysite where the release occurred are paid prior to the time that the release giving rise to the claim is discovered.
- (3) [A UST] Registration and annual registration fees required under 25 Pa. Code § 245.41-42 (relating to registration and annual registration fees) for USTs located at the siteUST facility where the release occurred are current and paid [has been registered in accordance with the requirements of section 503 of the act (35 P.S. § 6021.503).] on or before 60 days of when the release giving rise to the claim is discovered.
- (4) The participant [has obtained] received the appropriate permit or certification, if required under sections 108, 501 and 504 of the [act] Act (35 P.S. [§ §] §§ 6021.108 (relating to interim certification of installers and inspectors), 6021.501 (relating to UST requirements), and 6021.504)[.] (relating to permits and plans) prior to the time that the release giving rise to the claim is discovered.

(5) The release that is the subject of the claim occurred after February 1, 1994, the date established by the Board for payment of the fee required by section 705(d) of the [act] Act (35 P.S. § 6021.705(d)) (relating to fees).

(6) The participant cooperates, as defined in § 977.32 (relating to participant cooperation), with the Fund in its eligibility determination process, claims investigation, the defense of any suit, the pursuit of a subrogation action and other matters as requested.

(7) The participant [**has**] met the notification requirements of § 977.34 (relating to claims reporting).

(8) If the claimant is a certified company, the company conducted a tank-handling activity on a UST or a HOT from which the release occurred.



# Remaining Board Meeting Dates for 2024



## **Underground Storage Tank Indemnification Board**

### **2024 Quarterly Meeting Dates**

[March 14, 2024](#)

[June 13, 2024](#)

September 19, 2024

December 12, 2024

Meetings are scheduled for the second Thursday of the last month of each quarter, unless otherwise noted. Meetings will begin at 10:00 AM.

<b>In Person Attendance</b>	<b>Virtual Participation</b>
Forster Room First Floor Conference Center Capital Associates Building 901 North 7 <sup>th</sup> Street Harrisburg, PA 17102	Via Microsoft Teams Login Instructions will be provided in advance of each meeting.

# Contact USTIF

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