



## Message from the CFO

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*By Betty Lou Morrow*

The PLF Board of Directors and the OSB Board of Governors approved a return to a \$3,500 PLF assessment for 2024. This represents a \$200 (6%) increase over the 2023 assessment and is the first increase in 13 years. The last time the assessment was raised was in 2011, when it increased from \$3,200 to \$3,500.

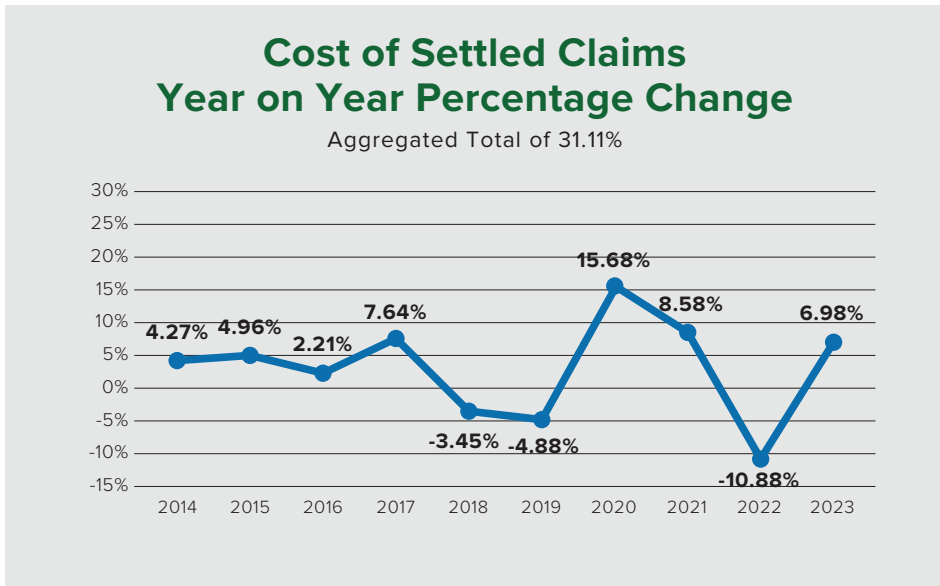
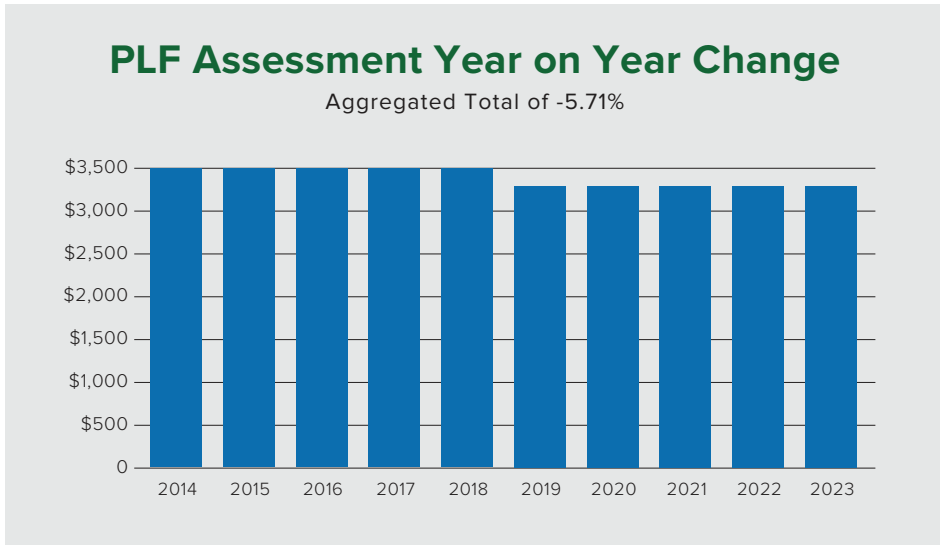
The financial sustainability of the PLF and a stable assessment are guiding principles when the PLF determines the assessment. The practical factors affecting the financial health, and therefore sustainability, of the PLF include:

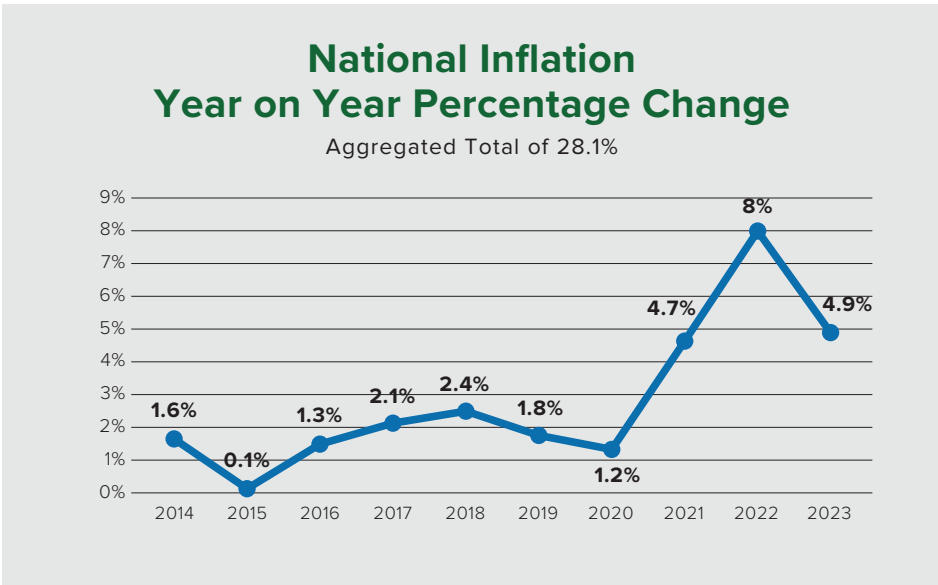
- The number of new claims;
- The need for sufficient reserves to fund the expense and settlement costs of claims;
- Investment portfolio performance; and
- Upward inflationary pressure on the cost of settled claims, and operations.

The fiduciary responsibilities of the PLF board and staff require that these factors are continually analyzed to best inform the PLF's financial needs currently and over an extended time period. Inflation and a volatile stock

market had a substantial impact on the PLF’s financial results in 2022. In 2022, the PLF recognized a loss of - \$12.4 million, reducing net position from \$30.2 million to \$17.8 million.

For an historical perspective, the following graphs indicate over the past 10 years (2014 – 2023) the cost of settled claims has kept pace with inflation, but the primary assessment has not. During this 10-year time period aggregated national inflation was 28.1% and the aggregated increase to the cost of settled claims was 31.1%. Assessments actually decreased by -5.71% during the same period.





After considering the financial results from 2022 in conjunction with PLF budget requirements for 2024, the PLF Board of Directors approved the \$3,500 assessment at its August 16, 2023, meeting. The OSB Board of Governors approved the \$3,500 assessment at its September 22, 2023, meeting.

To provide financial relief to attorneys in their first 36 months of private practice in Oregon, the PLF discounts the assessment as follows (based on the 2024 assessment):

	Full Assessment	Discount	Discounted Assessment
1-12 months in practice	\$3,500	40%	\$2,100
13-36 months in practice	\$3,500	20%	\$2,800

We also offer payment of the assessment through installments. Please visit the following links on the PLF website for details about paying your assessment through installments; and coverage qualification/exemption details. Please visit our website for details: [www.osbplf.org](http://www.osbplf.org) > Coverage.

For more details regarding the PLF’s finances and activities, we recommend you review our Annual Report: [www.osbplf.org](http://www.osbplf.org) > About > Annual Reports.

If you have further questions, please contact PLF Chief Financial Officer Betty Lou Morrow at 503.639.6911, 800.452.1639, or [bettylouw@osbplf.org](mailto:bettylouw@osbplf.org). ■



Betty Lou Morrow is the PLF Chief Financial Officer.