



# Bickmore — Actuarial

## Actuarial Review of the Excess Workers' Compensation Program

*Outstanding Liabilities as of June 30, 2023  
Forecast for Program Year 2023-24*

*Presented to*  
**Independent Cities Risk Management Authority**

April 13, 2023



## SCOPE AND SIGNATURE

The Independent Cities Risk Management Authority (“ICRMA”) has engaged Bickmore Actuarial to conduct an actuarial review of unpaid loss and loss adjustment expenses for claims that occurred on or before June 30, 2023 for its self-insured workers’ compensation program utilizing data valued as of December 31, 2022. ICRMA also seeks guidance on the appropriate funding level for claims to be incurred during the upcoming program year.

The specific objectives of the study are:

1. Estimate ICRMA’s net liability for outstanding claims as of June 30, 2023. Liabilities net of reinsurance are presented on both an undiscounted basis as well as on a discounted basis (net present value). The net liabilities are also presented at the expected level (i.e. without a risk margin) and with risk margins, which are quantified via confidence levels.

The net liabilities include provisions for loss, allocated loss adjustment expense (ALAE), and unallocated loss adjustment expense (ULAE). ALAE and ULAE are defined in the Glossary section of this report.

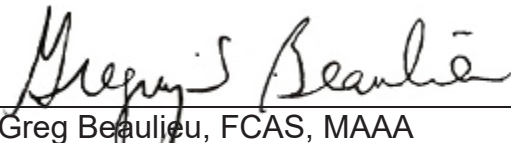
2. Project ultimate claims costs for the 2023-24 program year. Similar to the liability projections, the ultimate program year costs are presented both on undiscounted and discounted bases. Projections with and without risk margins are also included.
3. Provide a statement of compliance with Governmental Accounting Standards Board Statement #10.

We appreciate the opportunity to be of service to ICRMA in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162 or Greg Beaulieu at (916) 290-4632 with any questions you may have concerning this report.

Mike Harrington and Greg Beaulieu meet the American Academy of Actuaries’ qualification standards to sign Statements of Actuarial Opinion.

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Mike Harrington, FCAS, MAAA  
President and Principal

A handwritten signature in black ink, appearing to read "Greg Beaulieu", written over a horizontal line.

Greg Beaulieu, FCAS, MAAA  
Senior Actuarial Manager

A handwritten signature in black ink, appearing to read "York Lee", written over a horizontal line.

York Lee  
Senior Actuarial Analyst

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## EXECUTIVE SUMMARY

### Net Claim Liabilities

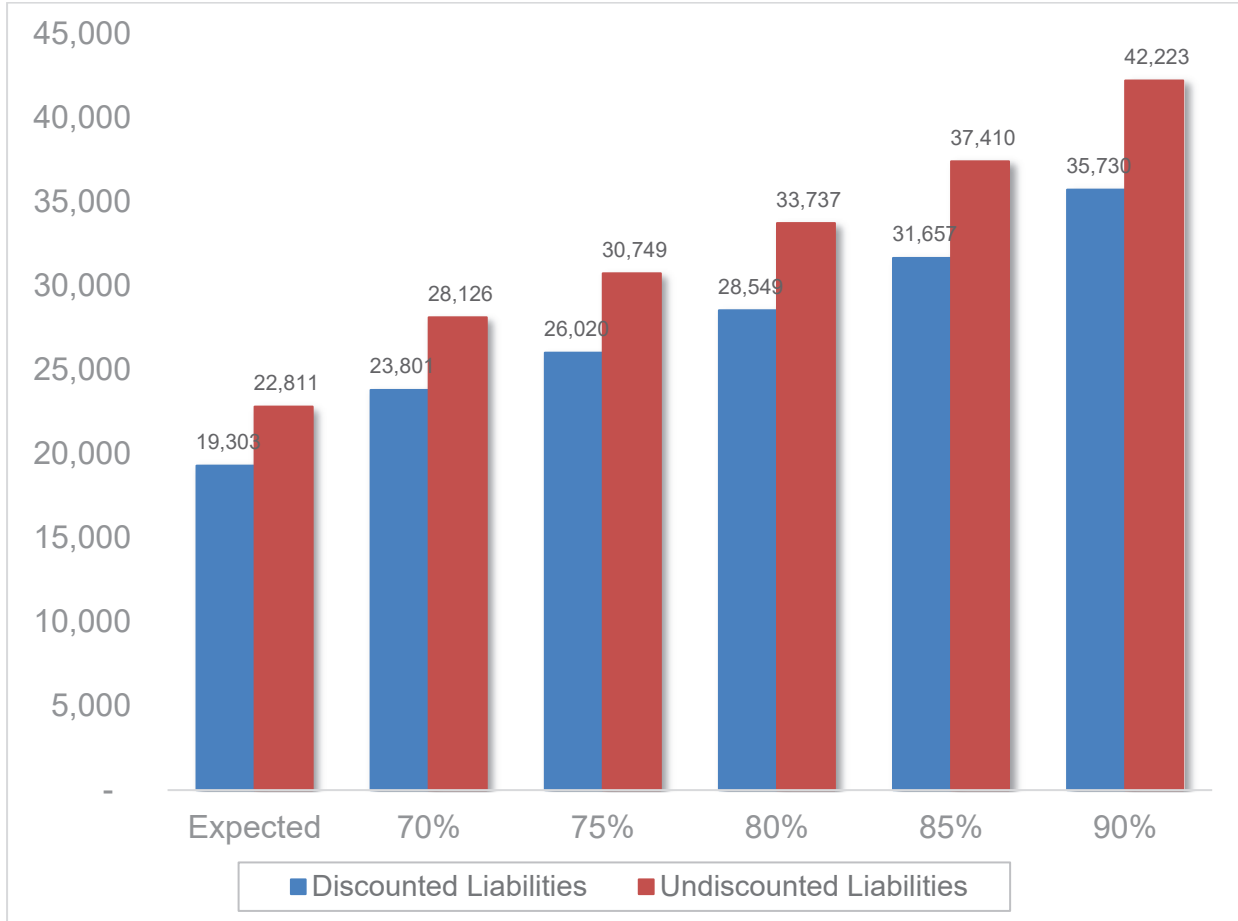
The following table presents our conclusions regarding ICRMA's net claim liabilities.

Loss & LAE Claim Liabilities  
As of June 30, 2023, Net of Reinsurance

<u>Confidence Level</u>	<u>Undiscounted</u>	<u>2.0% Discount</u>
Expected	\$22,811,000	\$19,303,000
70%	28,126,000	23,801,000
75%	30,749,000	26,020,000
80%	33,737,000	28,549,000
85%	37,410,000	31,657,000
90%	42,223,000	35,730,000

The following graph displays the program's net claim liabilities as of June 30, 2023 as shown on the prior page.

**Loss & LAE Claim Liabilities  
As of June 30, 2023, Net of Reinsurance  
(\$000s)**



The discount for net present value is based on an annual discount rate of 2.0%.

We generally recommend that risk pools maintain assets for historical liabilities at no less than the 90% confidence level. However, we understand that each entity is unique, and that proper funding levels can vary based on issues such as the organization's risk tolerance, financial circumstances, and priorities.

Per CAJPA accreditation requirements, the 98% confidence level discounted outstanding liabilities are \$56,087,000.

## Funding Projections

The following tables present our estimates of ultimate costs for the upcoming program year, displayed as rates per \$100 of payroll and total loss funding. Estimates are provided at the current \$1 million pool limit, as well as additional options at \$1.5 million and \$2.0 million.

### Funding Guidelines for Claims Incurred in 2023-24

#### \$1,000,000 Pool Limit, Undiscounted

<u>MRL</u>	<u>Expected</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
\$350K	1.261	1.654	1.854	2.090	2.386	2.790
\$500K	0.702	0.921	1.032	1.164	1.329	1.553
\$750K	0.277	0.363	0.407	0.459	0.524	0.613
\$1M	0.000	0.000	0.000	0.000	0.000	0.000
Loss Funding*	662,000	868,000	973,000	1,098,000	1,253,000	1,464,000

#### \$1,000,000 Pool Limit, Discounted at 2.0%

<u>MRL</u>	<u>Expected</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
\$350K	1.016	1.331	1.493	1.683	1.921	2.247
\$500K	0.565	0.741	0.831	0.937	1.070	1.251
\$750K	0.223	0.293	0.328	0.370	0.422	0.494
\$1M	0.000	0.000	0.000	0.000	0.000	0.000
Loss Funding*	533,000	699,000	784,000	884,000	1,009,000	1,180,000

**Funding Guidelines for Claims Incurred in 2023-24**

**\$1,500,000 Pool Limit, Undiscounted**

<u>MRL</u>	<u>Expected</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
\$350K	1.381	1.812	2.030	2.289	2.613	3.056
\$500K	0.822	1.079	1.208	1.363	1.556	1.819
\$750K	0.397	0.521	0.583	0.658	0.751	0.879
\$1M	0.120	0.158	0.176	0.199	0.227	0.266
Loss Funding*	858,000	1,127,000	1,261,000	1,423,000	1,624,000	1,899,000

**\$1,500,000 Pool Limit, Discounted at 2.0%**

<u>MRL</u>	<u>Expected</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
\$350K	1.113	1.458	1.634	1.843	2.103	2.461
\$500K	0.662	0.868	0.972	1.097	1.252	1.465
\$750K	0.320	0.420	0.469	0.530	0.604	0.708
\$1M	0.097	0.127	0.141	0.160	0.182	0.214
Loss Funding*	691,000	906,000	1,014,000	1,145,000	1,306,000	1,529,000

**Funding Guidelines for Claims Incurred in 2023-24**

**\$2,000,000 Pool Limit, Undiscounted**

<u>MRL</u>	<u>Expected</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
\$350K	1.487	1.951	2.186	2.465	2.814	3.290
\$500K	0.928	1.218	1.364	1.539	1.757	2.053
\$750K	0.503	0.660	0.739	0.834	0.952	1.113
\$1M	0.226	0.297	0.332	0.375	0.428	0.500
Loss Funding*	1,031,000	1,354,000	1,515,000	1,710,000	1,952,000	2,281,000

**\$2,000,000 Pool Limit, Discounted at 2.0%**

<u>MRL</u>	<u>Expected</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
\$350K	1.198	1.570	1.760	1.985	2.265	2.649
\$500K	0.747	0.980	1.098	1.239	1.414	1.653
\$750K	0.405	0.532	0.595	0.672	0.766	0.896
\$1M	0.182	0.239	0.267	0.302	0.344	0.402
Loss Funding*	830,000	1,089,000	1,220,000	1,377,000	1,571,000	1,836,000

\* Assumes all members at \$500K MRL except Inglewood at \$1M, Adelanto at \$350K and Santa Ana at \$2M.

Our funding guidelines in the tables above do not include any provision for excess insurance premiums, claims administration fees, and other administrative costs associated with the program.

**Statement of Compliance with GASB #10**

The outstanding liabilities presented in this section that include claims administration costs comply with the requirements promulgated by GASB #10.



## **BACKGROUND**

The Independent Cities Risk Management Authority's Pooled Excess Workers' Compensation program became effective February 1, 2003. AdminSure provides claims administration services for all members in the pool.

The program offers insurance up to \$1,000,000 with each member electing a member retained limit (MRL) between \$350,000 and \$2,000,000. ICRMA's \$1,000,000 retention is on a ground up basis, and so the MRLs of individual members lower ICRMA's net retention. ICRMA purchases excess insurance above \$1,000,000.

Eight members currently participate in the program year 2023-24:

<u>Member</u>	<u>MRL</u>
City of Adelanto	\$350,000
City of El Segundo	500,000
City of Glendora	500,000
City of Huntington Park	500,000
City of Inglewood	1,000,000
City of Lynwood	500,000
City of San Fernando	500,000
City of Santa Ana	2,000,000

**Independent Cities Risk Management Authority  
Workers' Compensation Actuarial Study**

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The following table shows a history of ICRMA's self-insured retentions (SIRs) by year. These are ground up SIRs, and so the MRLs of individual members lower ICRMA's net retention.

Policy Year Start Date	Policy Year End Date	Per Occurrence Retention	Aggregate Retention
7/1/2002	6/30/2003	\$1,000,000	(none)
7/1/2003	6/30/2004	1,000,000	(none)
7/1/2004	6/30/2005	1,000,000	(none)
7/1/2005	6/30/2006	1,000,000	(none)
7/1/2006	6/30/2007	1,000,000	(none)
7/1/2007	6/30/2008	5,000,000	(none)
7/1/2008	6/30/2009	5,000,000	(none)
7/1/2009	6/30/2010	5,000,000	(none)
7/1/2010	6/30/2011	5,000,000	(none)
7/1/2011	6/30/2012	5,000,000	(none)
7/1/2012	6/30/2013	5,000,000	(none)
7/1/2013	6/30/2014	5,000,000	(none)
7/1/2014	6/30/2015	5,000,000	(none)
7/1/2015	6/30/2016	5,000,000	(none)
7/1/2016	6/30/2017	3,000,000	(none)
7/1/2017	6/30/2018	2,000,000	(none)
7/1/2018	6/30/2019	2,000,000	(none)
7/1/2019	6/30/2020	1,500,000	(none)
7/1/2020	6/30/2021	1,500,000	(none)
7/1/2021	6/30/2022	1,250,000	(none)
7/1/2022	6/30/2023	1,000,000	(none)
7/1/2023	6/30/2024	1,000,000	(none)

## OBSERVATIONS AND ANALYSIS

In this section, we present a comparison to the prior analysis. The prior report for ICRMA was dated May 19, 2022 and relied on data evaluated as of December 31, 2021. The current analysis relies on data evaluated as of December 31, 2022.

### Comparison of Actual versus Expected Activity

The following table describes how reported losses have emerged between the two points in time referenced above. We also compare how our projected ultimate loss & ALAE amounts have changed between these two points in time.

Actual Versus Expected Incurred Loss & ALAE<sup>1</sup>  
Prior vs. Current Reports

Fiscal Year	Expected Emergence	Actual Emergence	Actual Minus Expected Emergence
2002-03	\$2,585	(\$99,274)	(\$101,860)
2003-04	23,096	(213,881)	(236,977)
2004-05	2,665	15,262	12,597
2005-06	3,544	(136,869)	(140,413)
2006-07	4,883	(183,114)	(187,997)
2007-08	5,556	1,880,399	1,874,843
2008-09	9,851	(22,154)	(32,005)
2009-10	11,324	1,007,365	996,041
2010-11	35,482	6,577	(28,905)
2011-12	68,181	484,524	416,343
2012-13	28,859	225,067	196,208
2013-14	63,503	(53,190)	(116,693)
2014-15	72,845	(238,407)	(311,252)
2015-16	56,464	(1,231)	(57,695)
2016-17	87,956	(132,516)	(220,473)
2017-18	80,266	(125,386)	(205,652)
2018-19	105,058	0	(105,058)
2019-20	176,557	0	(176,557)
2020-21	346,127	0	(346,127)
2021-22	288,567	0	(288,567)
Total	\$1,473,370	\$2,413,172	\$939,802

<sup>1</sup> Loss & ALAE limited to ICRMA's self-insured retention and net of member MRLs.

**Independent Cities Risk Management Authority  
Workers' Compensation Actuarial Study**

Change in Projected Ultimate Loss & ALAE<sup>1</sup>  
Prior vs. Current Reports

Fiscal Year	Prior Ultimate	Current Ultimate	Change in Ultimate	Percent Change
2002-03	\$164,000	\$138,000	(\$26,000)	-15.9%
2003-04	1,175,000	945,000	(230,000)	-19.6%
2004-05	1,018,000	1,003,000	(15,000)	-1.5%
2005-06	1,022,000	846,000	(176,000)	-17.2%
2006-07	1,136,000	951,000	(185,000)	-16.3%
2007-08	1,088,000	2,594,000	1,506,000	138.4%
2008-09	1,304,000	1,271,000	(33,000)	-2.5%
2009-10	1,249,000	2,062,000	813,000	65.1%
2010-11	2,597,000	2,485,000	(112,000)	-4.3%
2011-12	3,992,000	4,652,000	660,000	16.5%
2012-13	1,340,000	1,374,000	34,000	2.5%
2013-14	2,213,000	2,150,000	(63,000)	-2.8%
2014-15	2,047,000	1,968,000	(79,000)	-3.9%
2015-16	1,497,000	1,377,000	(120,000)	-8.0%
2016-17	1,685,000	1,629,000	(56,000)	-3.3%
2017-18	1,263,000	1,222,000	(41,000)	-3.2%
2018-19	1,039,000	972,000	(67,000)	-6.4%
2019-20	1,437,000	1,186,000	(251,000)	-17.5%
2020-21	1,581,000	1,191,000	(390,000)	-24.7%
2021-22	1,705,000	928,000	(777,000)	-45.6%
Total	\$30,552,000	\$30,944,000	\$392,000	1.3%

<sup>1</sup> Projected ultimate loss & ALAE limited to ICRMA's self-insured retention and net of member MRLs, at expected (no risk margin), not discounted to reflect net present value.

On both this page and the previous one, we can see generally favorable development in virtually every year with two notable exceptions. The large increase in 2007-08 was due to claim # AD-08-66304-WC. The increase in 2009-10 was due to claim # AD-2010107078-WC.

**Comparison of Liabilities: Prior vs. Current Reports**

The table below compares our prior report's estimated liability for outstanding claims by component as of June 30, 2022 to our current report's estimated liability for outstanding claims as of June 30, 2023.

**Outstanding Claim Liabilities for Loss and LAE**

	Prior Report at June 30, 2022	Current Report at June 30, 2023	Change
Loss and ALAE Reserves:	\$21,931,000	\$22,584,000	\$653,000
ULAE Reserves:	243,000	227,000	(16,000)
Total Reserves:	\$22,174,000	\$22,811,000	\$637,000
Offset for Investment Income at 2%:	(3,358,000)	(3,508,000)	(150,000)
Discounted Claim Liabilities:	\$18,816,000	\$19,303,000	\$487,000

**Comparison of Funding Projections: Prior vs. Current Reports**

The following table compares our funding estimate for the 2022-23 year from our prior report to our funding estimate of the 2023-24 year from our current report.

**Comparison with Prior Review  
Discounted, 75% Confidence Level Funding Rates**

Layer	Last Review 2022-23 2.0% Disc 75% CL Loss Rate	This Review 2023-24 2.0% Disc 75% CL Loss Rate	% Change From Prior
\$350K-\$1.00M	1.503	1.493	-0.7%
\$500K-\$1.00M	0.838	0.831	-0.8%
\$750K-\$1.00M	0.330	0.328	-0.6%

**Loss and LAE Liabilities by Category**

The following table shows the categories that compose our ultimate loss & LAE liability estimates.

Loss & ALAE Liabilities by Category and Year<sup>1</sup>  
As of June 30, 2023, Net of Reinsurance

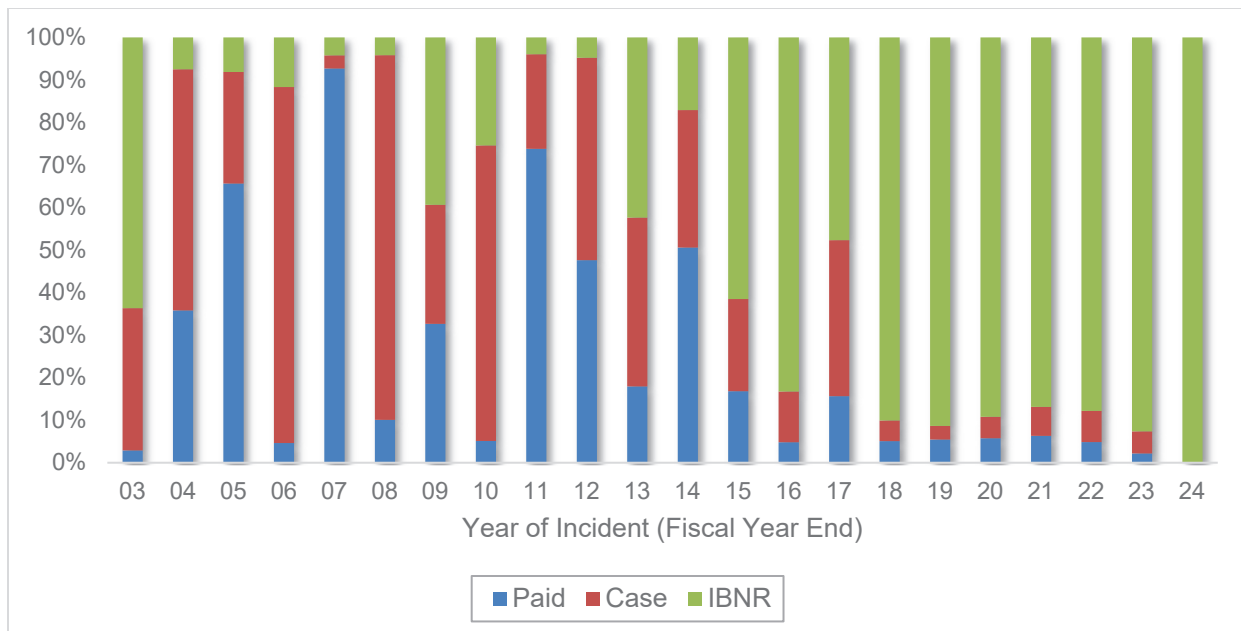
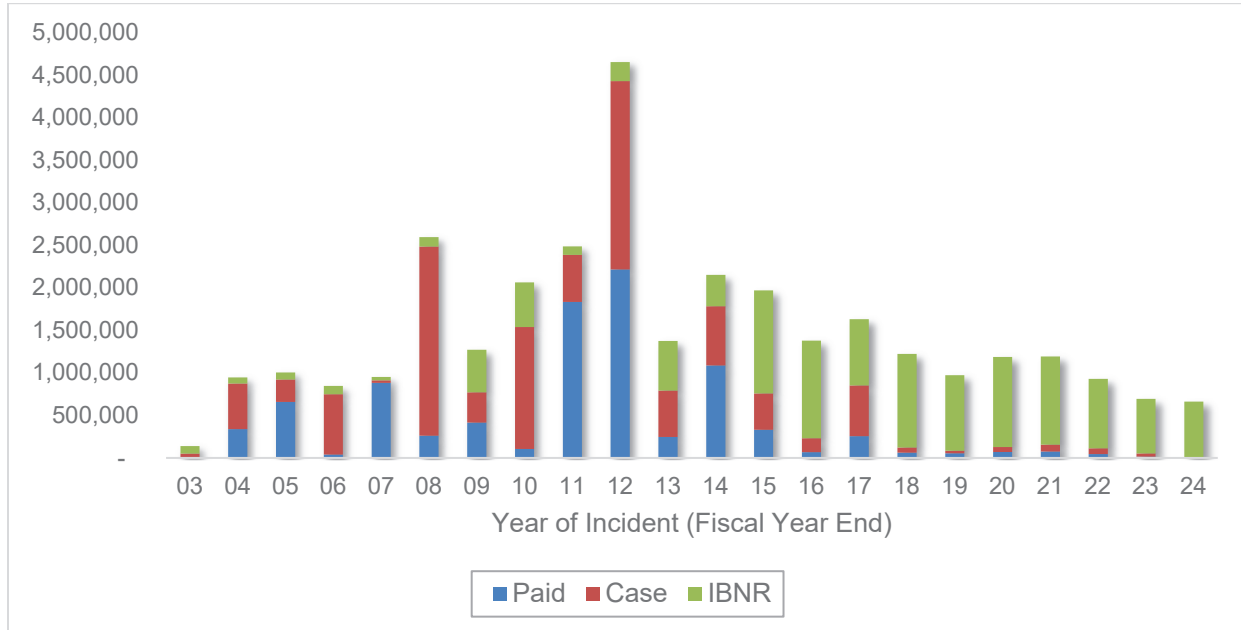
Fiscal Year	Case Reserves	Incurred but Not Reported (IBNR)	Total Liabilities
2002-03	\$46,143	\$87,857	\$134,000
2003-04	535,495	71,136	606,631
2004-05	262,849	81,796	344,645
2005-06	707,939	98,947	806,885
2006-07	29,332	40,454	69,786
2007-08	2,223,165	109,287	2,332,451
2008-09	355,876	500,444	856,320
2009-10	1,432,762	524,424	1,957,186
2010-11	552,273	99,302	651,575
2011-12	2,213,907	223,125	2,437,032
2012-13	545,060	582,636	1,127,696
2013-14	695,299	367,527	1,062,826
2014-15	426,606	1,211,048	1,637,653
2015-16	163,978	1,146,906	1,310,885
2016-17	597,291	777,032	1,374,323
2017-18	59,174	1,100,826	1,160,000
2018-19	31,000	888,000	919,000
2019-20	60,000	1,058,000	1,118,000
2020-21	81,000	1,035,000	1,116,000
2021-22	68,000	815,000	883,000
<u>2022-23</u>	36,000	642,000	678,000
<b>Total Loss &amp; ALAE</b>	<b>\$11,123,147</b>	<b>\$11,460,748</b>	<b>\$22,583,895</b>
<b>ULAE</b>		<b>227,000</b>	<b>227,000</b>
<b>Total Loss &amp; LAE</b>	<b>\$11,123,147</b>	<b>\$11,687,748</b>	<b>\$22,810,895</b>

<sup>1</sup> Loss & ALAE liabilities are limited to ICRMA's self-insured retention, at expected (no risk margin), and not discounted to reflect net present value.

**Losses by Component**

The following graphs illustrate our selected ultimate loss and ALAE amount for each accident year, and segregates each ultimate into its component parts of (1) amounts already paid, (2) amounts already reserved for individual claims, and (3) IBNR reserves to cover both unreported claims as well as any adverse development on known claims.

**Ultimate Loss & ALAE by Component  
As of June 30, 2023<sup>1</sup>**



<sup>1</sup> Projected 2023-24 year is informational and displayed for comparison purposes.

## **METHODOLOGY**

The methodology that we have used to estimate ultimate Loss & LAE liabilities is in accordance with standard actuarial principles. The 6-step process described below outlines the methods used to calculate the liabilities.

1. Estimate Ultimate Loss & ALAE: The ultimate value of losses associated with a given policy year is usually not known until many years after the policy year has expired. One estimate of future payments for a given policy year is the case reserve. However, to accurately project future payments for a given policy year, we also calculate indicated IBNR reserves that consider the following three factors:
  - The amount that case reserves are redundant or deficient.
  - Losses that occurred during the policy period but have not yet been reported. This is called "Pure IBNR".
  - Future payments on claims which are closed but will reopen in the future.

Our approach to the problem of estimating the program's ultimate pooled loss costs is a multi-step process. First, we estimated the ultimate loss cost for the first \$100,000 and \$1 million of each occurrence for all of the currently participating members, and then estimated the relationship of these costs to the cost of the limits for which ICRMA is responsible. Second, we estimated the cost of the \$100,000 to \$1 million layer directly. We then constructed a mathematical equation for the distribution of ICRMA's losses by size by trending and developing ICRMA's individual claims from historical program years. Next, using the loss distribution, the \$100,000 – \$1,000,000 ultimate loss rate, and our selected loss development patterns, we then estimated the ultimate losses of the excess layers.

The following actuarial techniques were applied to the program's loss data to estimate the ultimate cost of claims in the \$0 - \$100,000, \$0 - \$1,000,000 and \$100,000 - \$1,000,000 layers:

- Reported Loss Development: Includes paid losses and case reserves.
- Paid Loss Development: Based on payments only.
- Reported Exposure Method: This calculates IBNR based on expected ultimate loss times an IBNR factor. For the first layer of losses, the expected ultimate loss is based on exposure times initial loss rates. These loss rates are based on historical losses in that layer developed to ultimate using loss development factors. The loss rates in the higher layer incorporate increased limits factors based on ICRMA's historical losses and industry data. Where appropriate,



historical data is adjusted for both claims and exposure trend, to reflect issues such as inflation, benefit level changes, and legal changes.

- Paid Exposure Method: This calculates unpaid costs based on expected ultimate loss times an unpaid factor. The loss rates are identical to those utilized in the reported exposure method.
  - Frequency x Severity: This calculates ultimate costs based on expected ultimate severity and expected ultimate frequency derived from historical experience.
2. Select Ultimate Loss & ALAE: Based on the indicated ultimate loss and ALAE from the various methods described previously, the ultimate losses by year are selected.
  3. Calculate Expected Undiscounted Unpaid Loss & ALAE: Unpaid loss & ALAE equals ultimate Loss & ALAE (calculated in step #2, above) minus payments to date.
  4. Discounting/Net Present Value: Since payments associated with claims liabilities will be spread out over several years, they are discounted to reflect anticipated investment income on the assets set aside to pay these costs. The expected Loss & ALAE payout pattern is based on the paid loss development factors previously described.
  5. Claims Administration: Liabilities associated with claims administration expenses are calculated based on the average cost per claim method.

For the average cost per claim method, we first develop an average cost per claim by comparing historical ULAE costs to historical claim counts. We then apply this cost per claim to open and IBNR claims to arrive at the ULAE liability.

6. Confidence Levels: The “expected” estimate of unpaid Loss & ALAE is our best estimate given current information. However, there is uncertainty inherent in the claims settlement process. This uncertainty is quantified via confidence levels. For example, we believe that future payments have a 75% chance of being less than the liabilities at the 75% confidence level and have only a 25% chance of exceeding the 75% confidence level estimates. The confidence levels are based on the Heckman Meyers approach.

## **CONSIDERATIONS AND KEY ASSUMPTIONS**

Several considerations should be taken into account when evaluating property/casualty claim liabilities and funding projections for upcoming years. The following is a list of issues that we have considered in this report, along with some key assumptions that we have made.

### **Data**

Data Quality: Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by or on behalf of ICRMA. While we have not independently audited or verified this information, we have reviewed it for reasonability and internal consistency. We have assumed that the data is accurate and complete. Any material inaccuracy or omission could invalidate the conclusions in this report and should be brought to our attention immediately.

Exposure: The exposure base utilized in this study is payroll, which was provided to us by ICRMA. A list of exposure by year can be found in Appendix A, Page 26.

Claims: The claims data utilized in this study was provided to us by ICRMA.

Other Program Information: Key program information, including historical retentions, claims administration costs, other program costs, and program assets, were provided to us by ICRMA. We relied on this information without audit.

### **Key Dates**

Accounting Date: This study presents liabilities as of an accounting date of June 30, 2023.

Valuation Date: The data underlying this study are valued as of December 31, 2022.

Review Date: We have not reflected any actual claims activity subsequent to the valuation date.

### **Accounting Standard**

The accounting standards applicable to this analysis follow the guidance promulgated by the Governmental Accounting Standards Board (GASB).

### **Other Actuarial Considerations**

Discounting to Reflect Net Present Value: Reserves in this report are presented on both a discounted and an undiscounted basis. At ICRMA's instruction, we have assumed that assets held for investment will generate an average annual rate of return of 2.0% over

the time during which the loss liabilities are paid out. It should be noted that actual future investment returns may vary significantly from this assumption, depending upon prevailing investment market conditions.

Uncertainty & Risk Margin: There is uncertainty regarding the ultimate cost of the reserves and funding amounts that are estimated in this report. Our estimates are presented both at the expected level (also known as the actuarial central estimate) and at higher confidence levels. The projections at higher confidence levels reflect uncertainty by including a risk margin for the potential of costs coming in higher than at the expected level.

Trending: We have adjusted historical payroll and claims costs to reflect inflation as well as other changes in the claims environment. The payroll, claim frequency, and claim cost trend factors by year are in Appendix A, Pages 26 and 20, respectively. Benefit level changes are based on estimates from the California Workers' Compensation Rating Bureau (WCIRB). We have also projected payroll and claim costs to account for future changes in cost levels.

External Influences: This analysis contemplates a continuation of current social, economic, judicial, and legislative trends. Historical changes have been reflected through the use of trend factors.

Homogeneity: The accuracy of loss estimates may be improved by subdividing loss experience into groups exhibiting similar characteristics. In evaluating ICRMA's loss experience, we considered all of the experience together.

Credibility: Credibility is a measure of the predictive value attached to a body of data. The degree to which consideration is given to homogeneity is related to the consideration of credibility. While making more homogeneous groupings may increase the credibility of the data, partitioning into cells too small to be reliable statistically may also decrease it. As discussed above, further subdivision of data (by individual department, for instance) would reduce the statistical credibility too greatly. This aggregation of data assumes that there has been a relatively stable distribution of exposures among various risk characteristics during the years included in this analysis.

Loss Development: The rate at which costs develop to their ultimate level was included in the calculation of loss development factors. The loss development factors are described in the Methodology section of this report.

Claim Emergence Patterns: The delay between the occurrence of claims and the recording of claims was considered in the estimation of loss development factors.

Claim Settlement Patterns: The rate at which claims are closed and the impact upon incurred losses are considered in the calculation of loss development factors.

Reopened Claim Potential: The effect of reopened claims is included in the calculation of loss development factors.

Claim Frequency and Average Claim Size: The average and potential claim frequency and average claim size have been measured and considered in the liability estimates.

Large Losses & Catastrophes: The impact of large losses and catastrophes have the potential to distort the results of actuarial analyses. We have mitigated this risk by separating loss development and loss rates into the lower layer (limited to \$100,000 per occurrence) and the excess layer. In addition, our net liability and funding estimates limit loss & ALAE to the appropriate SIR. Lastly, we have utilized industry size of loss curves and increased limits factors where we feel that ICRMA's experience is not fully credible.

Loss Limitations: Our projections are net of ICRMA's SIR. We have assumed that all relevant reinsurance purchased by ICRMA for costs above the SIR is collectible. The retentions used in the study are displayed by year in the Background section of this report.

Recoveries: The data underlying this report are net of salvage, subrogation and other recoveries.

Portfolio Transfers, Commutations, and Structured Settlements: No historical loss portfolio transfers or commutations have been reflected in this analysis. To the extent there are structured settlements, they have been reflected in the claims data utilized in this analysis.

Operational Changes: This analysis has not made special adjustment for any specific operational changes at ICRMA or within its member cities.

Reasonableness: We have established the reasonability of our results by utilizing standard actuarial techniques and reasonable assumptions.

Claims Administration Costs (Unallocated Loss Adjustment Expense or ULAE): ULAE costs have been included in our estimate of outstanding liabilities as well as funding for future program years.

Other Program Costs: Our estimate of the funding amounts for future program years:

- excludes general claims administration and other expenses associated with the program as provided by ICRMA, and
- excludes contributions for excess insurance to cover claims or portions of claims that fall outside the program, costs for loss control, overhead, and other expenses associated with the program.

## CONDITIONS AND LIMITATIONS

It is important to recognize that the projections in this report are estimates at one point in time and are subject to future changes. Since the emergence and settlement of claims are subject to uncertainty, actual developments likely will vary, perhaps significantly, from the amounts carried in this report. No warranty is expressed or implied that such variance will not occur. The accuracy of the conclusions in this report depends on many factors, including the following:

Loss Activity since the Evaluation Date: The losses in this study were valued as of December 31, 2022. It is possible that there has been significant loss activity that has occurred since that date which would change the findings of this report.

Data Accuracy: This report relies on unaudited loss and exposure information provided by ICRMA. The accuracy of our projections relies on the accuracy of this data.

Loss Development: The appropriateness of ICRMA's historical and industry loss development patterns in projecting future loss development.

Trend Changes: The appropriateness of the trend indices used to adjust historical losses.

Discounting/Net Present Value: Our estimates that are discounted to reflect net present value assume a certain investment return on assets. This adjustment to reflect net present value is inaccurate to the extent that actual investment returns deviate from the assumed returns.

Insurance: Our estimates assume that all excess insurance is valid and collectible. Further, our funding recommendations do not include a provision for losses greater than ICRMA's excess coverage.

Future Law Changes: We cannot predict, nor have we attempted to predict, the impact of future law changes and court rulings on claims costs.

New Classes of Claims: Our projections make no provision for the extraordinary future emergence of new classes of loss or types of loss not sufficiently represented in ICRMA's historical data, or which are not yet quantifiable.

## **DISTRIBUTION AND USE**

This report was prepared for the sole use of ICRMA, its auditors, and the representatives of its members. This report is neither intended nor necessarily suitable for any other use. It may be forwarded to regulatory authorities as required by law. Any other distribution of this report requires the express written consent of Bickmore Actuarial. If such consent is granted, the report should be forwarded in its entirety, including all exhibits and appendices. It should also be understood that Bickmore Actuarial would be available to answer any questions regarding this report and its conclusions.

## **GLOSSARY OF ACTUARIAL TERMS**

**Accident Year** – Year during which the accidents that generate a group of claims occurs, regardless of when the claims are reported, payments are made, or reserves are established.

**Allocated Loss Adjustment Expenses (ALAE)** – Expense incurred in settling claims that can be directly attributed to specific individual claims (e.g., legal fees, investigative fees, court charges, utilization review, bill review, etc.)

**Benefit Level Factor** – Factor used to adjust historical losses to the current level of workers' compensation benefits.

**Case Reserve** – The amount left to be paid on an open claim, as estimated by the claims administrator.

**Claim Count Development Factor** – A factor that is applied to the number of claims reported in a particular accident period in order to estimate the number of claims that will ultimately be reported.

**Claim Frequency** – Number of claims per \$1 million of payroll.

**Confidence Level** – An estimated probability that a given level of funding will be adequate to pay actual claims costs. For example, the 85% confidence level refers to an estimate for which there is an 85% chance that the amount will be sufficient to pay loss costs.

**Discount Factor** – A factor to adjust estimated loss costs to reflect net present value.

**Expected Losses** – The best estimate of the full, ultimate value of losses.

**Exposure Base** – An objective and easily measurable quantity that is correlated with loss. Commonly used exposure bases include payroll, population, revenue, number of employees (FTE), average daily attendance (ADA), number of vehicles and total insured value (TIV).

**Incurred but not Reported (IBNR) Losses** – This is the ultimate value of losses less any amount that has been paid to date or set up as a case reserve by the claims adjuster. It includes amounts for claims incurred but not yet received by the administrator as well as loss development on already reported claims.

**Loss Adjustment Expense** – The sum of Allocated Loss Adjustment Expense (ALAE) and Unallocated Loss Adjustment Expense (ULAE).

**Loss Development Factor** – A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled. See the Methodology section.

**Loss Rate** – Ultimate losses per \$100 of payroll.

**Non-Claims Related Expenses** – Program expenses not directly associated with claims settlement and administration, such as excess insurance, safety program expenses, and general overhead. These exclude expenses associated with loss settlements (Indemnity/Medical, BI/PD), legal expenses associated with individual claims (ALAE), and claims administration (ULAE).

**Outstanding Losses** – Losses that have been incurred but not paid. This is the ultimate value of losses less any amount that has been paid.

**Paid Losses** – Losses actually paid on all reported claims.

**Program Losses** – Losses, including ALAE, limited to the SIR for each occurrence.

**Reported Losses** – The total expected value of losses as estimated by the claims administrator. This is the sum of paid losses and case reserves.

**Self-Insured Retention (SIR)** – The level at which an excess insurance policy is triggered to begin payments on a claim. Financially, this is similar to an insurance deductible.

**Severity** – Average claim cost.

**Ultimate Losses** – The value of claim costs at the time when all claims have been settled. This amount must be estimated until all claims are actually settled.

**Unallocated Loss Adjustment Expenses (ULAE)** – Claim settlement expenses that cannot be directly attributed to individual claims (e.g., claims administration expenses, taxes, etc.)



## **EXHIBITS AND APPENDICES**

ICRMA - Excess Workers' Compensation  
Pooled Layer

Funding Options for Program Year 2023-2024 Losses  
Undiscounted

2023-2024

(A) Selected Undiscounted \$100K - \$1M Base Rate: \$4.620

(B) Confidence Level Factors:	Expected	70%	75%	80%	85%	90%	95%
	1.000	1.311	1.470	1.657	1.892	2.212	2.736
(C) Undiscounted \$100K - \$1M Base Rates:	\$4.620	\$6.057	\$6.791	\$7.655	\$8.741	\$10.219	\$12.640

MRL	MRL Discount	Rates	Rates	Rates	Rates	Rates	Rates	Rates
100,000	1.000	\$4.620	\$6.057	\$6.791	\$7.655	\$8.741	\$10.219	\$12.640
150,000	0.753	3.479	4.561	5.114	5.764	6.582	7.695	9.518
200,000	0.557	2.573	3.374	3.783	4.264	4.869	5.692	7.040
250,000	0.440	2.033	2.665	2.988	3.368	3.846	4.496	5.562
300,000	0.332	1.534	2.011	2.255	2.541	2.902	3.393	4.196
350,000	0.273	1.261	1.654	1.854	2.090	2.386	2.790	3.451
400,000	0.215	0.993	1.302	1.460	1.646	1.879	2.197	2.718
500,000	0.152	0.702	0.921	1.032	1.164	1.329	1.553	1.921
750,000	0.060	0.277	0.363	0.407	0.459	0.524	0.613	0.758
1,000,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1,250,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1,500,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
\$100K-\$350K		\$3.359	\$4.403	\$4.937	\$5.565	\$6.355	\$7.429	\$9.189
\$350K-\$500K		0.559	0.733	0.822	0.926	1.057	1.237	1.530
\$500K-\$750K		0.425	0.558	0.625	0.705	0.805	0.940	1.163
\$750K-\$1M		0.277	0.363	0.407	0.459	0.524	0.613	0.758
\$1M-\$1.25M		0.083	0.109	0.122	0.138	0.157	0.184	0.227
\$1.25M-\$1.5M		0.037	0.049	0.054	0.061	0.070	0.082	0.101
\$1.5M-\$2M		0.106	0.139	0.156	0.176	0.201	0.234	0.290
\$2M-\$3M		0.134	0.176	0.197	0.222	0.254	0.296	0.367
\$3M-\$5M		0.162	0.212	0.238	0.268	0.307	0.358	0.443
<u>Undiscounted:</u>								
\$100K-\$1M		\$4.620	\$6.057	\$6.791	\$7.655	\$8.741	\$10.219	\$12.640
\$350K-\$1M		1.261	1.654	1.854	2.090	2.386	2.790	3.451
\$500K-\$1M		0.702	0.921	1.032	1.164	1.329	1.553	1.921
\$750K-\$1M		0.277	0.363	0.407	0.459	0.524	0.613	0.758
\$1M-\$1.25M		0.083	0.109	0.122	0.138	0.157	0.184	0.227
\$1.25M-\$1.5M		0.037	0.049	0.054	0.061	0.070	0.082	0.101
\$1.5M-\$2M		0.106	0.139	0.156	0.176	0.201	0.234	0.290
\$2M-\$3M		0.134	0.176	0.197	0.222	0.254	0.296	0.367
\$3M-\$5M		0.162	0.212	0.238	0.268	0.307	0.358	0.443

ICRMA - Excess Workers' Compensation  
Pooled Layer

Funding Options for Program Year 2023-2024 Losses  
Discounted at 2.00%

		<u>2023-2024</u>							
(A)	Selected Undiscounted \$100K - \$1M Base Rate:	\$4.620							
(B)	Discount Factor for Future Funding (Based on 2.00%):	0.805							
(C)	Discounted \$100K - \$1M Base Rate:	\$3.720							
(D)	Confidence Level Factors:	Expected	70%	75%	80%	85%	90%	95%	
		1.000	1.311	1.470	1.657	1.892	2.212	2.736	
(E)	Discounted \$100K - \$1M Base Rates:	\$3.720	\$4.877	\$5.468	\$6.164	\$7.038	\$8.229	\$10.178	
	MRL	MRL Discount	Rates	Rates	Rates	Rates	Rates	Rates	
	100,000	1.000	\$3.720	\$4.877	\$5.468	\$6.164	\$7.038	\$8.229	\$10.178
	150,000	0.753	2.801	3.672	4.117	4.641	5.300	6.196	7.664
	200,000	0.557	2.072	2.716	3.046	3.433	3.920	4.584	5.669
	250,000	0.440	1.637	2.146	2.406	2.712	3.097	3.621	4.478
	300,000	0.332	1.235	1.619	1.815	2.046	2.337	2.732	3.379
	350,000	0.273	1.016	1.331	1.493	1.683	1.921	2.247	2.779
	400,000	0.215	0.800	1.049	1.176	1.325	1.513	1.769	2.188
	500,000	0.152	0.565	0.741	0.831	0.937	1.070	1.251	1.547
	750,000	0.060	0.223	0.293	0.328	0.370	0.422	0.494	0.611
	1,000,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	1,250,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	1,500,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	\$100K-\$350K		\$2.704	\$3.546	\$3.975	\$4.481	\$5.117	\$5.982	\$7.399
	\$350K-\$500K		0.451	0.590	0.662	0.746	0.851	0.996	1.232
	\$500K-\$750K		0.342	0.448	0.503	0.567	0.648	0.757	0.936
	\$750K-\$1M		0.223	0.293	0.328	0.370	0.422	0.494	0.611
	\$1M-\$1.25M		0.067	0.088	0.098	0.111	0.126	0.148	0.183
	\$1.25M-\$1.5M		0.030	0.039	0.043	0.049	0.056	0.066	0.081
	\$1.5M-\$2M		0.085	0.112	0.126	0.142	0.162	0.188	0.233
	\$2M-\$3M		0.108	0.142	0.159	0.179	0.205	0.238	0.295
	\$3M-\$5M		0.130	0.171	0.192	0.216	0.247	0.288	0.357
	<u>Discounted:</u>								
	\$100K-\$1M		\$3.720	\$4.877	\$5.468	\$6.164	\$7.038	\$8.229	\$10.178
	\$350K-\$1M		1.016	1.331	1.493	1.683	1.921	2.247	2.779
	\$500K-\$1M		0.565	0.741	0.831	0.937	1.070	1.251	1.547
	\$750K-\$1M		0.223	0.293	0.328	0.370	0.422	0.494	0.611
	\$1M-\$1.25M		0.067	0.088	0.098	0.111	0.126	0.148	0.183
	\$1.25M-\$1.5M		0.030	0.039	0.043	0.049	0.056	0.066	0.081
	\$1.5M-\$2M		0.085	0.112	0.126	0.142	0.162	0.188	0.233
	\$2M-\$3M		0.108	0.142	0.159	0.179	0.205	0.238	0.295
	\$3M-\$5M		0.130	0.171	0.192	0.216	0.247	0.288	0.357

ICRMA - Excess Workers' Compensation  
Pooled Layer

Selected Base Loss Rate (\$100K - \$1M Layer)

(A) Estimated based on \$1M Ultimate Less \$100K Ultimate:	\$4.615
(B) Estimated based on \$900K xs \$100K Analysis:	\$4.615
(C) Prior Selected Base Loss Rate (\$100K - \$1M Layer):	\$4.640
(D) Selected Base Loss Rate (\$100K - \$1M Layer):	\$4.620
(E) Factor to \$100K - \$1M Layer:	1.000
(F) Selected Base Loss Rate (\$100K - \$1M Layer):	\$4.620

ICRMA - Excess Workers' Compensation  
Pooled Layer

Discount Factor: 2.00%

Age (A)	\$100K - \$1M Paid LDF (B)	SIR Adjusted LDF (C)	Payment Pattern (D)	2.00% Discounted Reserve (E)	Full Value Reserve (F)	Discounted Factor (G)
30	1.030	1.034	4.0%	0.040	0.040	0.990
29	1.037	1.042	1.0%	0.049	0.050	0.975
28	1.047	1.053	1.2%	0.060	0.062	0.962
27	1.059	1.067	1.5%	0.074	0.077	0.952
26	1.074	1.084	1.8%	0.091	0.096	0.945
25	1.093	1.106	2.3%	0.111	0.118	0.938
24	1.118	1.134	2.7%	0.136	0.146	0.933
23	1.149	1.171	3.3%	0.166	0.179	0.929
22	1.190	1.218	4.0%	0.202	0.218	0.925
21	1.243	1.279	1.8%	0.216	0.236	0.913
20	1.267	1.309	2.0%	0.231	0.256	0.903
19	1.289	1.344	1.8%	0.245	0.274	0.892
18	1.303	1.378	1.7%	0.257	0.291	0.881
17	1.318	1.411	1.8%	0.270	0.310	0.871
16	1.337	1.449	2.0%	0.284	0.330	0.863
15	1.360	1.492	2.4%	0.302	0.354	0.855
14	1.391	1.547	2.8%	0.324	0.381	0.850
13	1.429	1.616	2.9%	0.346	0.410	0.844
12	1.475	1.696	3.2%	0.371	0.442	0.839
11	1.538	1.793	3.9%	0.402	0.481	0.836
10	1.618	1.927	4.1%	0.435	0.522	0.833
9	1.719	2.092	4.9%	0.474	0.571	0.832
8	1.856	2.329	5.2%	0.516	0.622	0.830
7	2.040	2.648	6.2%	0.567	0.684	0.830
6	2.302	3.163	7.0%	0.626	0.754	0.830
5	2.720	4.066	7.5%	0.688	0.829	0.829
4	3.470	5.854	7.6%	0.749	0.905	0.828
3	5.242	10.517	6.4%	0.798	0.969	0.824
2	11.009	32.083	2.8%	0.809	0.996	0.812
1	41.937	275.857	0.4%	0.797	1.000	0.797
0						0.805

## Notes:

- (A) Age from start of year.
- (B) Selected percentage of ultimate paid during the year.
- (C) (B) adjusted for SIRs.
- (D)  $1 - 1 / (C)$ .
- (E) (D) discounted 6 months + the discounted reserves one year above discounted 12 months.
- (F)  $(E) / (D)$ .

ICRMA - Excess Workers' Compensation

Increased Limits Factors

Pool (\$000's)																
Year	\$100K	\$150K	\$200K	\$250K	\$300K	\$350K	\$400K	\$500K	\$750K	\$1M	\$1.25M	\$1.5M	\$2M	\$3M	\$5M	Unlimited
2010-2011	14,562	18,105	20,598	22,502	23,999	25,044	25,883	27,260	29,306	30,526	31,390	32,140	32,694	32,694	32,694	32,694
2011-2012	14,711	18,330	21,389	23,831	25,587	26,882	27,961	29,647	32,322	34,105	35,558	36,808	38,643	39,841	40,118	40,118
2012-2013	13,689	16,983	19,283	21,143	22,328	23,255	24,052	25,038	26,709	27,703	28,112	28,362	28,414	28,414	28,414	28,414
2013-2014	14,138	17,359	19,695	21,479	22,885	23,963	24,894	26,555	28,699	29,803	30,289	30,539	31,039	32,039	32,781	32,781
2014-2015	14,487	18,366	21,351	23,537	25,032	25,939	26,557	27,470	28,656	28,877	28,877	28,877	28,877	28,877	28,877	28,877
2015-2016	14,166	17,611	19,916	21,774	23,299	24,444	25,322	26,472	28,236	29,055	29,055	29,055	29,055	29,055	29,055	29,055
2016-2017	14,008	18,575	22,205	24,710	26,636	28,279	29,733	32,019	35,098	36,317	37,067	37,589	38,323	38,323	38,323	38,323
2017-2018	10,675	14,013	16,598	18,594	20,298	21,444	22,226	23,394	24,519	24,688	24,688	24,688	24,688	24,688	24,688	24,688
2018-2019	7,891	10,405	12,439	14,170	15,607	16,811	17,763	19,089	19,895	19,895	19,895	19,895	19,895	19,895	19,895	19,895
2019-2020	12,747	16,855	20,152	22,628	24,593	25,941	26,867	28,083	29,093	29,555	29,555	29,555	29,555	29,555	29,555	29,555
2020-2021	16,120	20,431	23,391	25,526	26,882	27,763	28,322	28,864	29,388	29,516	29,516	29,516	29,516	29,516	29,516	29,516
2021-2022	15,439	18,871	21,249	22,862	23,721	24,268	24,716	25,394	25,775	25,775	25,775	25,775	25,775	25,775	25,775	25,775
10/11-21/22	162,632	205,903	238,266	262,755	280,867	294,033	304,297	319,282	337,695	345,814	349,778	352,799	356,474	358,672	359,691	359,691
15/16-21/22	91,045	116,760	135,950	150,264	161,036	168,950	174,950	183,314	192,003	194,801	195,551	196,073	196,807	196,807	196,807	196,807

Ratio of Limit to \$100K Losses:

Year	\$100K	\$150K	\$200K	\$250K	\$300K	\$350K	\$400K	\$500K	\$750K	\$1M	\$1.25M	\$1.5M	\$2M	\$3M	\$5M	Unlimited
2010-2011	1.000	1.243	1.414	1.545	1.648	1.720	1.777	1.872	2.012	2.096	2.156	2.207	2.245	2.245	2.245	2.245
2011-2012	1.000	1.246	1.454	1.620	1.739	1.827	1.901	2.015	2.197	2.318	2.417	2.502	2.627	2.708	2.727	2.727
2012-2013	1.000	1.241	1.409	1.545	1.631	1.699	1.757	1.829	1.951	2.024	2.054	2.072	2.076	2.076	2.076	2.076
2013-2014	1.000	1.228	1.393	1.519	1.619	1.695	1.761	1.878	2.030	2.108	2.142	2.160	2.195	2.266	2.319	2.319
2014-2015	1.000	1.268	1.474	1.625	1.728	1.790	1.833	1.896	1.978	1.993	1.993	1.993	1.993	1.993	1.993	1.993
2015-2016	1.000	1.243	1.406	1.537	1.645	1.726	1.788	1.869	1.993	2.051	2.051	2.051	2.051	2.051	2.051	2.051
2016-2017	1.000	1.326	1.585	1.764	1.901	2.019	2.123	2.286	2.506	2.593	2.646	2.683	2.736	2.736	2.736	2.736
2017-2018	1.000	1.313	1.555	1.742	1.902	2.009	2.082	2.192	2.297	2.313	2.313	2.313	2.313	2.313	2.313	2.313
2018-2019	1.000	1.319	1.576	1.796	1.978	2.130	2.251	2.419	2.521	2.521	2.521	2.521	2.521	2.521	2.521	2.521
2019-2020	1.000	1.322	1.581	1.775	1.929	2.035	2.108	2.203	2.282	2.319	2.319	2.319	2.319	2.319	2.319	2.319
2020-2021	1.000	1.267	1.451	1.584	1.668	1.722	1.757	1.791	1.823	1.831	1.831	1.831	1.831	1.831	1.831	1.831
2021-2022	1.000	1.222	1.376	1.481	1.536	1.572	1.601	1.645	1.669	1.669	1.669	1.669	1.669	1.669	1.669	1.669
10/11-21/22	1.000	1.266	1.465	1.616	1.727	1.808	1.871	1.963	2.076	2.126	2.151	2.169	2.192	2.205	2.212	2.212
15/16-21/22	1.000	1.282	1.493	1.650	1.769	1.856	1.922	2.013	2.109	2.140	2.148	2.154	2.162	2.162	2.162	2.162
Industry	1.000	1.224	1.406	1.518	1.597	1.655	1.700	1.758	1.838	1.875	#N/A	1.910	1.930	1.947	1.960	1.979
WCIRB	1.000	1.130	1.201	1.245	1.274	1.298	1.314	1.338	1.372	1.379	1.401	1.429	1.447	1.470	1.496	1.531
Prior	1.000	1.255	1.457	1.578	1.689	1.750	1.810	1.875	1.970	2.032	2.050	2.058	2.081	2.110	2.145	2.167
Selected	1.000	1.255	1.457	1.578	1.689	1.750	1.810	1.875	1.970	2.032	2.050	2.058	2.081	2.110	2.145	2.167

ICRMA - Excess Workers' Compensation  
Pooled Layer

Outstanding Liabilities

(A) Selected Ultimate Losses:			\$31,637,000
(B) Actual Paid as of 12/31/22:			8,122,000
(C) Projected Paid 1/1/23 to 6/30/23:			\$931,000
(D) Outstanding Loss & ALAE as of 6/30/23:			\$22,584,000
Outstanding ULAE as of 6/30/23:			227,000
Outstanding Loss & LAE as of 6/30/23:			\$22,811,000
(E) Discount Factor: 2.00%			0.846
(F) Discounted Outstanding Loss & ALAE as of 6/30/23:			\$19,111,000
Discounted Outstanding ULAE as of 6/30/23:			192,000
Discounted Outstanding Loss & LAE as of 6/30/23:			\$19,303,000
(G) Confidence Level	Factor	Undiscounted Outstanding	Discounted Outstanding
70%	1.233	28,126,000	23,801,000
75%	1.348	30,749,000	26,020,000
80%	1.479	33,737,000	28,549,000
85%	1.640	37,410,000	31,657,000
90%	1.851	42,223,000	35,730,000
95%	2.183	49,796,000	42,138,000

ICRMA - Excess Workers' Compensation  
Pooled Layer

Selected Ultimate Loss by Program Year

Program Year	Prior Ultimate Losses (A)	Exposure & Development Method Ultimate Losses (B)	Exposure Method Ultimate Losses (C)	Selected Ultimate Losses (D)	90% CL Selected Ultimate Losses (E)
2002-2003	\$164,000	\$49,000	\$202,000	\$138,000	\$252,000
2003-2004	1,175,000	952,000	1,495,000	945,000	1,461,000
2004-2005	1,018,000	982,000	943,000	1,003,000	1,296,000
2005-2006	1,022,000	797,000	790,000	846,000	1,533,000
2006-2007	1,136,000	954,000	628,000	951,000	1,010,000
2007-2008	1,088,000	2,592,000	1,487,000	2,594,000	4,579,000
2008-2009	1,304,000	886,000	1,655,000	1,271,000	2,000,000
2009-2010	1,249,000	1,688,000	2,005,000	2,062,000	3,728,000
2010-2011	2,597,000	2,588,000	2,133,000	2,485,000	3,039,000
2011-2012	3,992,000	4,652,000	2,164,000	4,652,000	6,726,000
2012-2013	1,340,000	1,023,000	2,144,000	1,374,000	2,334,000
2013-2014	2,213,000	2,077,000	2,169,000	2,150,000	3,054,000
2014-2015	2,047,000	1,067,000	2,340,000	1,968,000	3,362,000
2015-2016	1,497,000	616,000	2,299,000	1,377,000	2,493,000
2016-2017	1,685,000	1,233,000	1,771,000	1,629,000	2,799,000
2017-2018	1,263,000	425,000	1,348,000	1,222,000	2,209,000
2018-2019	1,039,000	380,000	1,036,000	972,000	1,754,000
2019-2020	1,437,000	438,000	935,000	1,186,000	2,137,000
2020-2021	1,581,000	620,000	980,000	1,191,000	2,141,000
2021-2022	1,705,000	846,000	1,010,000	928,000	1,679,000
2022-2023	1,261,000	686,000	699,000	693,000	1,270,000
Total	\$31,813,000	\$25,551,000	\$30,233,000	\$31,637,000	\$50,856,000

Notes:

- (A) From prior report
- (B) From Summary Exhibit 4, Page 3, Column (G)
- (C) From Summary Exhibit 4, Page 4, Column (G)
- (D) Selected based on (A), (B) and (C)
- (E) Based on (D); Estimated at 90% Confidence Level



ICRMA - Excess Workers' Compensation  
Pooled Layer

Ultimate Losses - Based on Exposure and Development Method

Program Year	Payroll (\$00's) (A)	Reported Losses As of 12/31/22 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Selected Pooled Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
2002-2003	\$596,317	\$41,143	1.042	0.040	0.339	\$8,086	\$49,000
2003-2004	4,999,878	857,864	1.067	0.063	0.299	94,183	952,000
2004-2005	5,269,669	920,204	1.069	0.065	0.179	61,313	982,000
2005-2006	5,265,675	744,053	1.072	0.067	0.150	52,920	797,000
2006-2007	3,715,408	909,546	1.076	0.071	0.169	44,581	954,000
2007-2008	3,863,419	2,480,713	1.081	0.075	0.385	111,556	2,592,000
2008-2009	3,812,865	753,556	1.087	0.080	0.434	132,383	886,000
2009-2010	4,211,653	1,511,576	1.096	0.088	0.476	176,418	1,688,000
2010-2011	4,109,363	2,380,698	1.107	0.097	0.519	206,878	2,588,000
2011-2012	3,891,226	4,413,875	1.124	0.110	0.556	237,987	4,652,000
2012-2013	3,787,326	750,364	1.146	0.127	0.566	272,241	1,023,000
2013-2014	3,645,167	1,753,473	1.175	0.149	0.595	323,162	2,077,000
2014-2015	3,738,753	649,952	1.216	0.178	0.626	416,602	1,067,000
2015-2016	3,614,575	126,094	1.271	0.213	0.636	489,659	616,000
2016-2017	3,007,421	787,968	1.335	0.251	0.589	444,614	1,233,000
2017-2018	2,276,344	17,174	1.435	0.303	0.592	408,322	425,000
2018-2019	2,020,005	0	1.579	0.367	0.513	380,308	380,000
2019-2020	3,016,230	0	1.879	0.468	0.310	437,595	438,000
2020-2021	3,005,526	0	2.725	0.633	0.326	620,214	620,000
2021-2022	3,137,740	0	6.131	0.837	0.322	845,665	846,000
2022-2023	2,962,051	0	55.179	0.982	0.236	686,461	686,000
Total		\$19,098,252				\$6,451,148	\$25,551,000

Notes:

- (A) Provided by ICRMA
- (B) Provided by ICRMA
- (C) From \$100K - \$1M loss development analysis
- (D)  $1 - 1 / (C)$
- (E) From Summary Exhibit 4, Page 4, Column (E)
- (F)  $(A) \times (D) \times (E)$
- (G)  $(B) + (F)$

ICRMA - Excess Workers' Compensation  
Pooled Layer

Ultimate Losses - Based on Exposure Method

Program Year	Selected Base Rate Based on 2023-2024 (A)	Detrend Factor (B)	Selected Based Rate (C)	Average MRL Discount Factor (D)	Selected Pooled Rate (E)	Payroll (\$00's) (F)	Selected Ultimate Losses (G)
2002-2003	\$4.620	2.113	2.186	0.155	0.339	\$596,317	\$202,000
2003-2004	4.620	2.499	1.849	0.162	0.299	4,999,878	1,495,000
2004-2005	4.620	3.097	1.492	0.120	0.179	5,269,669	943,000
2005-2006	4.620	3.227	1.432	0.105	0.150	5,265,675	790,000
2006-2007	4.620	2.938	1.572	0.107	0.169	3,715,408	628,000
2007-2008	5.142	2.632	1.954	0.197	0.385	3,863,419	1,487,000
2008-2009	5.142	2.364	2.175	0.199	0.434	3,812,865	1,655,000
2009-2010	5.142	2.086	2.465	0.193	0.476	4,211,653	2,005,000
2010-2011	5.142	1.894	2.715	0.191	0.519	4,109,363	2,133,000
2011-2012	5.142	1.797	2.861	0.194	0.556	3,891,226	2,164,000
2012-2013	5.142	1.755	2.930	0.193	0.566	3,787,326	2,144,000
2013-2014	5.142	1.701	3.023	0.197	0.595	3,645,167	2,169,000
2014-2015	5.142	1.615	3.184	0.197	0.626	3,738,753	2,340,000
2015-2016	5.142	1.607	3.200	0.199	0.636	3,614,575	2,299,000
2016-2017	4.980	1.503	3.313	0.178	0.589	3,007,421	1,771,000
2017-2018	4.846	1.418	3.417	0.173	0.592	2,276,344	1,348,000
2018-2019	4.846	1.338	3.622	0.142	0.513	2,020,005	1,036,000
2019-2020	4.740	1.262	3.756	0.083	0.310	3,016,230	935,000
2020-2021	4.740	1.191	3.980	0.082	0.326	3,005,526	980,000
2021-2022	4.703	1.122	4.192	0.077	0.322	3,137,740	1,010,000
2022-2023	4.620	1.058	4.367	0.054	0.236	2,962,051	699,000
Total						\$73,946,609	\$30,233,000

Notes:

- (A) Based on Summary Exhibit 1, Page 3, (F)
- (B) From \$100K - \$1M loss development analysis
- (C) (A) / (B)
- (D) Based on Summary Exhibit 5, Page 1 through Page 8
- (E) (C) x (D)
- (F) Provided by ICRMA
- (G) (E) x (F)

ICRMA - Excess Workers' Compensation  
Pooled Layer

Data Summary as of December 31, 2022

Program Year	Reported Claims As of 12/31/22 (A)	Closed Claims As of 12/31/22 (B)	Open Claims As of 12/31/22 (C)	Paid Losses As of 12/31/22 (D)	Case Reserves As of 12/31/22 (E)	Reported Losses As of 12/31/22 (F)
2002-2003	1	0	1	\$0	\$41,143	\$41,143
2003-2004	9	4	5	309,369	548,495	857,864
2004-2005	3	0	3	652,355	267,849	920,204
2005-2006	5	0	5	25,115	718,939	744,053
2006-2007	4	3	1	879,214	30,332	909,546
2007-2008	5	0	5	209,549	2,271,165	2,480,713
2008-2009	2	0	2	389,680	363,876	753,556
2009-2010	4	1	3	43,814	1,467,762	1,511,576
2010-2011	5	3	2	1,811,425	569,273	2,380,698
2011-2012	8	1	7	2,126,968	2,286,907	4,413,875
2012-2013	5	1	4	195,304	555,060	750,364
2013-2014	4	0	4	1,040,174	713,299	1,753,473
2014-2015	4	1	3	253,347	396,606	649,952
2015-2016	2	1	1	116	125,978	126,094
2016-2017	3	1	2	185,677	602,291	787,968
2017-2018	1	0	1	0	17,174	17,174
2018-2019	0	0	0	0	0	0
2019-2020	0	0	0	0	0	0
2020-2021	0	0	0	0	0	0
2021-2022	0	0	0	0	0	0
2022-2023	0	0	0	0	0	0
<b>Total</b>	<b>65</b>	<b>16</b>	<b>49</b>	<b>\$8,122,105</b>	<b>\$10,976,147</b>	<b>\$19,098,252</b>

ICRMA - Excess Workers' Compensation  
Pooled Layer

Estimated IBNR as of December 31, 2022 and June 30, 2023

Program Year	Projected Ultimate Losses (A)	Reported	Estimated	Reported	Reported	Estimated
		Losses As of 12/31/22 (B)	IBNR As of 12/31/22 (C)	Losses From 01/01/23 to 06/30/23 (D)	Losses As of 06/30/23 (E)	IBNR As of 06/30/23 (F)
2002-2003	\$138,000	\$41,143	\$96,857	\$9,000	\$50,143	\$87,857
2003-2004	945,000	857,864	87,136	16,000	873,864	71,136
2004-2005	1,003,000	920,204	82,796	1,000	921,204	81,796
2005-2006	846,000	744,053	101,947	3,000	747,053	98,947
2006-2007	951,000	909,546	41,454	1,000	910,546	40,454
2007-2008	2,594,000	2,480,713	113,287	4,000	2,484,713	109,287
2008-2009	1,271,000	753,556	517,444	17,000	770,556	500,444
2009-2010	2,062,000	1,511,576	550,424	26,000	1,537,576	524,424
2010-2011	2,485,000	2,380,698	104,302	5,000	2,385,698	99,302
2011-2012	4,652,000	4,413,875	238,125	15,000	4,428,875	223,125
2012-2013	1,374,000	750,364	623,636	41,000	791,364	582,636
2013-2014	2,150,000	1,753,473	396,527	29,000	1,782,473	367,527
2014-2015	1,968,000	649,952	1,318,048	107,000	756,952	1,211,048
2015-2016	1,377,000	126,094	1,250,906	104,000	230,094	1,146,906
2016-2017	1,629,000	787,968	841,032	64,000	851,968	777,032
2017-2018	1,222,000	17,174	1,204,826	104,000	121,174	1,100,826
2018-2019	972,000	0	972,000	84,000	84,000	888,000
2019-2020	1,186,000	0	1,186,000	128,000	128,000	1,058,000
2020-2021	1,191,000	0	1,191,000	156,000	156,000	1,035,000
2021-2022	928,000	0	928,000	113,000	113,000	815,000
2022-2023	693,000	0	346,500	51,000	51,000	642,000
Total	\$31,637,000	\$19,098,252	\$12,192,248	\$1,078,000	\$20,176,252	\$11,460,748

ICRMA - Excess Workers' Compensation  
Pooled Layer

Paid Losses from 01/01/23 to 06/30/23 and from 07/01/23 to 06/30/24

Program Year	Projected Ultimate Losses (A)	Paid Losses As of 12/31/22 (B)	Outstanding Liability As of 12/31/22 (C)	Paid Losses From 01/01/23 to 06/30/23 (D)	Paid Losses As of 06/30/23 (E)	Outstanding Liability As of 06/30/23 (F)	Paid Losses From 07/01/23 to 06/30/24 (G)
2002-2003	\$138,000	\$0	\$138,000	\$4,000	\$4,000	\$134,000	\$18,000
2003-2004	945,000	309,369	635,631	29,000	338,369	606,631	44,000
2004-2005	1,003,000	652,355	350,645	6,000	658,355	344,645	21,000
2005-2006	846,000	25,115	820,885	14,000	39,115	806,885	29,000
2006-2007	951,000	879,214	71,786	2,000	881,214	69,786	3,000
2007-2008	2,594,000	209,549	2,384,451	52,000	261,549	2,332,451	100,000
2008-2009	1,271,000	389,680	881,320	25,000	414,680	856,320	41,000
2009-2010	2,062,000	43,814	2,018,186	61,000	104,814	1,957,186	114,000
2010-2011	2,485,000	1,811,425	673,575	22,000	1,833,425	651,575	42,000
2011-2012	4,652,000	2,126,968	2,525,032	88,000	2,214,968	2,437,032	166,000
2012-2013	1,374,000	195,304	1,178,696	51,000	246,304	1,127,696	89,000
2013-2014	2,150,000	1,040,174	1,109,826	47,000	1,087,174	1,062,826	89,000
2014-2015	1,968,000	253,347	1,714,653	77,000	330,347	1,637,653	142,000
2015-2016	1,377,000	116	1,376,885	66,000	66,116	1,310,885	122,000
2016-2017	1,629,000	185,677	1,443,323	69,000	254,677	1,374,323	131,000
2017-2018	1,222,000	0	1,222,000	62,000	62,000	1,160,000	115,000
2018-2019	972,000	0	972,000	53,000	53,000	919,000	97,000
2019-2020	1,186,000	0	1,186,000	68,000	68,000	1,118,000	125,000
2020-2021	1,191,000	0	1,191,000	75,000	75,000	1,116,000	134,000
2021-2022	928,000	0	928,000	45,000	45,000	883,000	97,000
2022-2023	693,000	0	346,500	15,000	15,000	678,000	47,000
2023-2024	662,000						16,000
Total	\$32,299,000	\$8,122,105	\$23,168,395	\$931,000	\$9,053,105	\$22,583,895	\$1,782,000

**Undiscounted Current Liabilities as of 06/30/23: \$1,766,000**

**Discounted Current Liabilities as of 06/30/23: \$1,749,000**

ICRMA - Excess Workers' Compensation  
Pooled Layer

Discount Factors to be Applied to Overall Reserves

Program Year	Full Value of Reserve	Discount Factor	Discounted Reserve	Full Value of Reserve	Discount Factor	Discounted Reserve
	As of 12/31/22 (A)		As of 12/31/22 (C)	As of 06/30/23 (D)		As of 06/30/23 (F)
2002-2003	\$138,000	0.919	\$126,818	\$134,000	0.925	\$123,936
2003-2004	635,631	0.908	577,028	606,631	0.913	553,878
2004-2005	350,645	0.897	314,604	344,645	0.903	311,065
2005-2006	820,885	0.887	727,728	806,885	0.892	719,631
2006-2007	71,786	0.876	62,905	69,786	0.881	61,493
2007-2008	2,384,451	0.867	2,067,236	2,332,451	0.871	2,032,527
2008-2009	881,320	0.859	756,995	856,320	0.863	738,592
2009-2010	2,018,186	0.852	1,720,364	1,957,186	0.855	1,674,073
2010-2011	673,575	0.847	570,383	651,575	0.850	553,523
2011-2012	2,525,032	0.842	2,125,280	2,437,032	0.844	2,057,055
2012-2013	1,178,696	0.838	987,486	1,127,696	0.839	946,460
2013-2014	1,109,826	0.835	926,417	1,062,826	0.836	888,810
2014-2015	1,714,653	0.832	1,427,334	1,637,653	0.833	1,364,512
2015-2016	1,376,885	0.831	1,143,885	1,310,885	0.832	1,090,202
2016-2017	1,443,323	0.830	1,197,530	1,374,323	0.830	1,140,552
2017-2018	1,222,000	0.830	1,013,780	1,160,000	0.830	962,227
2018-2019	972,000	0.830	806,348	919,000	0.830	762,502
2019-2020	1,186,000	0.829	982,862	1,118,000	0.829	927,320
2020-2021	1,191,000	0.826	983,483	1,116,000	0.828	924,043
2021-2022	928,000	0.818	759,087	883,000	0.824	727,176
2022-2023	346,500	0.805	278,870	678,000	0.812	550,830
Total	\$23,168,395		\$19,556,423	\$22,583,895		\$19,110,407

(G) Discount Factor at 12/31/22 for Overall Reserve: 0.844  
(H) Discount Factor at 6/30/23 for Overall Reserve: 0.846

ICRMA - Excess Workers' Compensation  
Pooled Layer

Average MRL Discount Factor

	Payroll (00s) 2002-2003	MRL 2002-2003	MRL Discount 2002-2003	Payroll (00s) 2003-2004	MRL 2003-2004	MRL Discount 2003-2004	Payroll (00s) 2004-2005	MRL 2004-2005	MRL Discount 2004-2005
City of Adelanto	\$0	\$0	0.000	\$0	\$0	0.000	\$0	\$0	0.000
City of Alhambra	61,098	350,000	0.273	252,998	350,000	0.273	260,254	500,000	0.152
City of Arcadia	0	0	0.000	213,405	500,000	0.152	215,895	500,000	0.152
City of Azusa	0	0	0.000	182,335	350,000	0.273	193,555	350,000	0.273
City of Baldwin Park	47,394	500,000	0.152	130,380	350,000	0.273	138,678	350,000	0.273
City of Bell	26,605	500,000	0.152	71,870	500,000	0.152	77,596	750,000	0.060
City of Buena Park	0	0	0.000	179,437	500,000	0.152	179,439	500,000	0.152
City of Culver City	179,389	500,000	0.152	461,655	500,000	0.152	493,136	750,000	0.060
City of Downey	0	0	0.000	307,336	750,000	0.060	314,185	750,000	0.060
City of El Monte	0	0	0.000	290,996	350,000	0.273	295,020	350,000	0.273
City of El Segundo	103,355	500,000	0.152	256,221	350,000	0.273	253,685	350,000	0.273
City of Glendora	0	0	0.000	131,029	500,000	0.152	129,761	500,000	0.152
City of Hermosa Beach	0	0	0.000	105,125	350,000	0.273	110,189	500,000	0.152
City of Huntington Park	0	0	0.000	128,137	500,000	0.152	122,759	500,000	0.152
City of Inglewood	98,978	1,000,000	0.000	406,640	1,000,000	0.000	455,634	1,000,000	0.000
City of La Habra	0	0	0.000	141,245	500,000	0.152	188,670	750,000	0.060
City of Lynwood	0	0	0.000	81,413	500,000	0.152	91,612	500,000	0.152
City of Manhattan Beach	0	0	0.000	200,240	750,000	0.060	210,427	750,000	0.060
City of Monrovia	0	0	0.000	170,058	500,000	0.152	183,153	750,000	0.060
City of Monterey Park	79,499	350,000	0.273	223,076	350,000	0.273	229,128	500,000	0.152
City of Redondo Beach	0	0	0.000	324,303	500,000	0.152	341,306	750,000	0.060
City of San Fernando	0	0	0.000	78,576	500,000	0.152	80,967	500,000	0.152
City of Santa Ana	0	0	0.000	0	0	0.000	0	0	0.000
City of Upland	0	0	0.000	194,645	750,000	0.060	204,258	750,000	0.060
City of Vernon	0	0	0.000	229,737	500,000	0.152	246,415	750,000	0.060
City of Whittier	0	0	0.000	239,022	500,000	0.152	253,947	500,000	0.152
Total/Avg	\$596,317		0.155	\$4,999,878		0.162	\$5,269,669		0.120

ICRMA - Excess Workers' Compensation  
Pooled Layer

Average MRL Discount Factor

	Payroll (00s) 2005-2006	MRL 2005-2006	MRL Discount 2005-2006	Payroll (00s) 2006-2007	MRL 2006-2007	MRL Discount 2006-2007	Payroll (00s) 2007-2008	MRL 2007-2008	MRL Discount 2007-2008
City of Adelanto	\$0	\$0	0.000	\$0	\$0	0.000	\$0	\$0	0.000
City of Alhambra	289,743	500,000	0.152	276,103	500,000	0.152	296,742	500,000	0.236
City of Arcadia	220,055	750,000	0.060	0	0	0.000	0	0	0.000
City of Azusa	198,193	350,000	0.273	205,338	350,000	0.273	194,689	350,000	0.345
City of Baldwin Park	144,620	350,000	0.273	147,123	350,000	0.273	129,486	350,000	0.345
City of Bell	79,092	750,000	0.060	0	0	0.000	0	0	0.000
City of Buena Park	190,476	500,000	0.152	0	0	0.000	0	0	0.000
City of Culver City	477,079	1,000,000	0.000	523,167	1,000,000	0.000	483,316	1,000,000	0.099
City of Downey	320,239	750,000	0.060	0	0	0.000	0	0	0.000
City of El Monte	300,706	500,000	0.152	0	0	0.000	0	0	0.000
City of El Segundo	253,707	350,000	0.273	269,135	350,000	0.273	310,761	350,000	0.345
City of Glendora	149,799	500,000	0.152	161,408	500,000	0.152	167,675	500,000	0.236
City of Hermosa Beach	97,770	500,000	0.152	116,900	500,000	0.152	128,594	500,000	0.236
City of Huntington Park	113,075	500,000	0.152	130,235	500,000	0.152	134,919	500,000	0.236
City of Inglewood	451,142	1,000,000	0.000	455,091	1,000,000	0.000	437,192	1,000,000	0.099
City of La Habra	161,696	750,000	0.060	0	0	0.000	0	0	0.000
City of Lynwood	85,333	500,000	0.152	97,722	500,000	0.152	107,058	500,000	0.236
City of Manhattan Beach	206,170	750,000	0.060	223,242	750,000	0.060	250,072	750,000	0.153
City of Monrovia	179,303	750,000	0.060	194,308	750,000	0.060	226,802	750,000	0.153
City of Monterey Park	210,766	500,000	0.152	243,082	500,000	0.152	245,354	500,000	0.236
City of Redondo Beach	344,400	750,000	0.060	367,290	750,000	0.060	388,837	750,000	0.153
City of San Fernando	82,528	500,000	0.152	88,565	500,000	0.152	90,841	500,000	0.236
City of Santa Ana	0	0	0.000	0	0	0.000	0	0	0.000
City of Upland	187,373	750,000	0.060	216,698	750,000	0.060	271,081	750,000	0.153
City of Vernon	265,539	750,000	0.060	0	0	0.000	0	0	0.000
City of Whittier	256,871	500,000	0.152	0	0	0.000	0	0	0.000
Total/Avg	\$5,265,675		0.105	\$3,715,408		0.107	\$3,863,419		0.197



ICRMA - Excess Workers' Compensation  
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Average MRL Discount Factor

	Payroll (00s) 2008-2009	MRL 2008-2009	MRL Discount 2008-2009	Payroll (00s) 2009-2010	MRL 2009-2010	MRL Discount 2009-2010	Payroll (00s) 2010-2011	MRL 2010-2011	MRL Discount 2010-2011
City of Adelanto	\$0	\$0	0.000	\$0	\$0	0.000	\$0	\$0	0.000
City of Alhambra	310,096	500,000	0.236	336,306	500,000	0.236	325,766	500,000	0.236
City of Arcadia	0	0	0.000	0	0	0.000	0	0	0.000
City of Azusa	226,365	350,000	0.345	240,806	350,000	0.345	256,423	350,000	0.345
City of Baldwin Park	123,388	500,000	0.236	139,703	500,000	0.236	118,386	500,000	0.236
City of Bell	0	0	0.000	0	0	0.000	0	0	0.000
City of Buena Park	0	0	0.000	0	0	0.000	0	0	0.000
City of Culver City	266,473	1,000,000	0.099	553,550	1,000,000	0.099	651,220	1,000,000	0.099
City of Downey	0	0	0.000	0	0	0.000	0	0	0.000
City of El Monte	0	0	0.000	0	0	0.000	0	0	0.000
City of El Segundo	334,206	350,000	0.345	356,835	350,000	0.345	321,703	350,000	0.345
City of Glendora	178,807	500,000	0.236	168,903	500,000	0.236	165,242	500,000	0.236
City of Hermosa Beach	124,167	500,000	0.236	110,845	500,000	0.236	111,932	500,000	0.236
City of Huntington Park	133,065	500,000	0.236	155,562	500,000	0.236	137,461	500,000	0.236
City of Inglewood	482,806	1,000,000	0.099	542,028	1,000,000	0.099	461,025	1,000,000	0.099
City of La Habra	0	0	0.000	0	0	0.000	0	0	0.000
City of Lynwood	102,809	500,000	0.236	95,502	500,000	0.236	97,541	500,000	0.236
City of Manhattan Beach	258,786	750,000	0.153	262,775	750,000	0.153	267,247	750,000	0.153
City of Monrovia	226,633	750,000	0.153	218,007	750,000	0.153	205,856	750,000	0.153
City of Monterey Park	254,826	500,000	0.236	252,915	500,000	0.236	242,638	500,000	0.236
City of Redondo Beach	390,950	750,000	0.153	367,493	750,000	0.153	360,143	750,000	0.153
City of San Fernando	97,564	500,000	0.236	111,080	500,000	0.236	84,382	500,000	0.236
City of Santa Ana	0	0	0.000	0	0	0.000	0	0	0.000
City of Upland	301,923	750,000	0.153	299,345	750,000	0.153	302,398	750,000	0.153
City of Vernon	0	0	0.000	0	0	0.000	0	0	0.000
City of Whittier	0	0	0.000	0	0	0.000	0	0	0.000
Total/Avg	\$3,812,865		0.199	\$4,211,653		0.193	\$4,109,363		0.191

ICRMA - Excess Workers' Compensation  
Pooled Layer

Average MRL Discount Factor

	Payroll (00s) 2011-2012	MRL 2011-2012	MRL Discount 2011-2012	Payroll (00s) 2012-2013	MRL 2012-2013	MRL Discount 2012-2013	Payroll (00s) 2013-2014	MRL 2013-2014	MRL Discount 2013-2014
City of Adelanto	\$0	\$0	0.000	\$0	\$0	0.000	\$0	\$0	0.000
City of Alhambra	327,434	500,000	0.236	304,504	500,000	0.236	311,697	500,000	0.236
City of Arcadia	0	0	0.000	0	0	0.000	0	0	0.000
City of Azusa	231,978	350,000	0.345	237,352	350,000	0.345	243,727	350,000	0.345
City of Baldwin Park	118,386	500,000	0.236	130,541	500,000	0.236	127,865	500,000	0.236
City of Bell	0	0	0.000	0	0	0.000	0	0	0.000
City of Buena Park	0	0	0.000	0	0	0.000	0	0	0.000
City of Culver City	471,298	1,000,000	0.099	490,775	1,000,000	0.099	500,865	1,000,000	0.099
City of Downey	0	0	0.000	0	0	0.000	0	0	0.000
City of El Monte	0	0	0.000	0	0	0.000	0	0	0.000
City of El Segundo	321,703	350,000	0.345	281,920	350,000	0.345	315,062	350,000	0.345
City of Glendora	156,514	500,000	0.236	152,557	500,000	0.236	152,706	500,000	0.236
City of Hermosa Beach	90,140	500,000	0.236	108,927	500,000	0.236	113,656	500,000	0.236
City of Huntington Park	136,492	500,000	0.236	138,331	500,000	0.236	134,555	500,000	0.236
City of Inglewood	461,025	1,000,000	0.099	442,495	1,000,000	0.099	468,505	1,000,000	0.099
City of La Habra	0	0	0.000	0	0	0.000	0	0	0.000
City of Lynwood	104,935	500,000	0.236	86,611	500,000	0.236	83,236	500,000	0.236
City of Manhattan Beach	277,336	750,000	0.153	270,041	750,000	0.153	299,266	750,000	0.153
City of Monrovia	202,652	750,000	0.153	207,608	750,000	0.153	190,134	750,000	0.153
City of Monterey Park	247,490	500,000	0.236	229,809	500,000	0.236	257,797	500,000	0.236
City of Redondo Beach	349,597	750,000	0.153	358,365	750,000	0.153	363,419	750,000	0.153
City of San Fernando	87,604	500,000	0.236	84,862	500,000	0.236	82,676	500,000	0.236
City of Santa Ana	0	0	0.000	0	0	0.000	0	0	0.000
City of Upland	306,640	750,000	0.153	262,628	750,000	0.153	0	0	0.000
City of Vernon	0	0	0.000	0	0	0.000	0	0	0.000
City of Whittier	0	0	0.000	0	0	0.000	0	0	0.000
Total/Avg	\$3,891,226		0.194	\$3,787,326		0.193	\$3,645,167		0.197

ICRMA - Excess Workers' Compensation  
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Average MRL Discount Factor

	Payroll (00s) 2014-2015	MRL 2014-2015	MRL Discount 2014-2015	Payroll (00s) 2015-2016	MRL 2015-2016	MRL Discount 2015-2016	Payroll (00s) 2016-2017	MRL 2016-2017	MRL Discount 2016-2017
City of Adelanto	\$0	\$0	0.000	\$0	\$0	0.000	\$0	\$0	0.000
City of Alhambra	308,664	500,000	0.236	314,929	500,000	0.236	323,823	500,000	0.212
City of Arcadia	0	0	0.000	0	0	0.000	0	0	0.000
City of Azusa	244,076	350,000	0.345	247,111	350,000	0.345	0	0	0.000
City of Baldwin Park	132,308	500,000	0.236	144,400	500,000	0.236	143,425	500,000	0.212
City of Bell	0	0	0.000	0	0	0.000	0	0	0.000
City of Buena Park	0	0	0.000	0	0	0.000	0	0	0.000
City of Culver City	521,457	1,000,000	0.099	556,614	1,000,000	0.099	0	0	0.000
City of Downey	0	0	0.000	0	0	0.000	0	0	0.000
City of El Monte	0	0	0.000	0	0	0.000	0	0	0.000
City of El Segundo	325,531	350,000	0.345	319,167	350,000	0.345	333,719	350,000	0.324
City of Glendora	156,775	500,000	0.236	163,860	500,000	0.236	173,707	500,000	0.212
City of Hermosa Beach	117,863	500,000	0.236	129,565	500,000	0.236	132,989	500,000	0.212
City of Huntington Park	136,731	500,000	0.236	131,542	500,000	0.236	134,211	500,000	0.212
City of Inglewood	448,452	1,000,000	0.099	464,766	1,000,000	0.099	508,398	1,000,000	0.070
City of La Habra	0	0	0.000	0	0	0.000	0	0	0.000
City of Lynwood	77,311	500,000	0.236	78,663	500,000	0.236	80,256	500,000	0.212
City of Manhattan Beach	328,442	750,000	0.153	291,914	750,000	0.153	374,101	750,000	0.126
City of Monrovia	199,065	750,000	0.153	0	0	0.000	0	0	0.000
City of Monterey Park	273,537	500,000	0.236	287,550	500,000	0.236	291,377	500,000	0.212
City of Redondo Beach	387,630	750,000	0.153	392,951	750,000	0.153	422,472	750,000	0.126
City of San Fernando	80,911	500,000	0.236	91,543	500,000	0.236	88,944	500,000	0.212
City of Santa Ana	0	0	0.000	0	0	0.000	0	0	0.000
City of Upland	0	0	0.000	0	0	0.000	0	0	0.000
City of Vernon	0	0	0.000	0	0	0.000	0	0	0.000
City of Whittier	0	0	0.000	0	0	0.000	0	0	0.000
<b>Total/Avg</b>	<b>\$3,738,753</b>		<b>0.197</b>	<b>\$3,614,575</b>		<b>0.199</b>	<b>\$3,007,421</b>		<b>0.178</b>

ICRMA - Excess Workers' Compensation  
Pooled Layer

Average MRL Discount Factor

	Payroll (00s) 2017-2018	MRL 2017-2018	MRL Discount 2017-2018	Payroll (00s) 2018-2019	MRL 2018-2019	MRL Discount 2018-2019	Payroll (00s) 2019-2020	MRL 2019-2020	MRL Discount 2019-2020
City of Adelanto	\$0	\$0	0.000	\$0	\$0	0.000	\$26,158	\$350,000	0.291
City of Alhambra	331,045	500,000	0.191	0	0	0.000	0	0	0.000
City of Arcadia	0	0	0.000	0	0	0.000	0	0	0.000
City of Azusa	0	0	0.000	0	0	0.000	0	0	0.000
City of Baldwin Park	149,694	500,000	0.191	173,395	750,000	0.103	0	0	0.000
City of Bell	0	0	0.000	0	0	0.000	0	0	0.000
City of Buena Park	0	0	0.000	0	0	0.000	0	0	0.000
City of Culver City	0	0	0.000	0	0	0.000	0	0	0.000
City of Downey	0	0	0.000	0	0	0.000	0	0	0.000
City of El Monte	0	0	0.000	0	0	0.000	0	0	0.000
City of El Segundo	331,498	350,000	0.306	332,951	500,000	0.191	358,483	500,000	0.173
City of Glendora	170,011	500,000	0.191	172,767	500,000	0.191	171,745	500,000	0.173
City of Hermosa Beach	143,701	500,000	0.191	115,508	500,000	0.191	119,212	500,000	0.173
City of Huntington Park	135,341	500,000	0.191	137,855	500,000	0.191	139,110	500,000	0.173
City of Inglewood	538,647	1,000,000	0.045	580,122	1,000,000	0.045	607,032	1,000,000	0.025
City of La Habra	0	0	0.000	0	0	0.000	0	0	0.000
City of Lynwood	85,697	500,000	0.191	95,984	500,000	0.191	100,765	500,000	0.173
City of Manhattan Beach	0	0	0.000	0	0	0.000	0	0	0.000
City of Monrovia	0	0	0.000	0	0	0.000	0	0	0.000
City of Monterey Park	300,598	500,000	0.191	314,868	500,000	0.191	319,015	500,000	0.173
City of Redondo Beach	0	0	0.000	0	0	0.000	0	0	0.000
City of San Fernando	90,113	500,000	0.191	96,555	500,000	0.191	99,309	500,000	0.173
City of Santa Ana	0	0	0.000	0	0	0.000	1,075,401	2,000,000	0.000
City of Upland	0	0	0.000	0	0	0.000	0	0	0.000
City of Vernon	0	0	0.000	0	0	0.000	0	0	0.000
City of Whittier	0	0	0.000	0	0	0.000	0	0	0.000
<b>Total/Avg</b>	<b>\$2,276,344</b>		<b>0.173</b>	<b>\$2,020,005</b>		<b>0.142</b>	<b>\$3,016,230</b>		<b>0.083</b>

ICRMA - Excess Workers' Compensation  
Pooled Layer

Average MRL Discount Factor

	Payroll (00s) 2020-2021	MRL 2020-2021	MRL Discount 2020-2021	Payroll (00s) 2021-2022	MRL 2021-2022	MRL Discount 2021-2022	Payroll (00s) 2022-2023	MRL 2022-2023	MRL Discount 2022-2023
City of Adelanto	\$14,492	\$350,000	0.291	\$18,891	\$350,000	0.286	\$22,726	\$350,000	0.273
City of Alhambra	0	0	0.000	0	0	0.000	0	0	0.000
City of Arcadia	0	0	0.000	0	0	0.000	0	0	0.000
City of Azusa	0	0	0.000	0	0	0.000	0	0	0.000
City of Baldwin Park	0	0	0.000	0	0	0.000	0	0	0.000
City of Bell	0	0	0.000	0	0	0.000	0	0	0.000
City of Buena Park	0	0	0.000	0	0	0.000	0	0	0.000
City of Culver City	0	0	0.000	0	0	0.000	0	0	0.000
City of Downey	0	0	0.000	0	0	0.000	0	0	0.000
City of El Monte	0	0	0.000	0	0	0.000	0	0	0.000
City of El Segundo	371,028	500,000	0.173	367,148	500,000	0.167	379,855	500,000	0.152
City of Glendora	174,552	500,000	0.173	184,241	500,000	0.167	112,592	500,000	0.152
City of Hermosa Beach	128,086	500,000	0.173	138,020	500,000	0.167	138,020	500,000	0.152
City of Huntington Park	130,261	500,000	0.173	129,050	500,000	0.167	167,692	500,000	0.152
City of Inglewood	555,498	1,000,000	0.025	577,584	1,000,000	0.017	688,557	1,000,000	0.000
City of La Habra	0	0	0.000	0	0	0.000	0	0	0.000
City of Lynwood	80,103	500,000	0.173	94,809	500,000	0.167	94,648	500,000	0.152
City of Manhattan Beach	0	0	0.000	0	0	0.000	0	0	0.000
City of Monrovia	0	0	0.000	0	0	0.000	0	0	0.000
City of Monterey Park	339,566	500,000	0.173	339,566	500,000	0.167	0	0	0.000
City of Redondo Beach	0	0	0.000	0	0	0.000	0	0	0.000
City of San Fernando	93,080	500,000	0.173	100,213	500,000	0.167	119,899	500,000	0.152
City of Santa Ana	1,118,861	2,000,000	0.000	1,188,219	2,000,000	0.000	1,238,062	2,000,000	0.000
City of Upland	0	0	0.000	0	0	0.000	0	0	0.000
City of Vernon	0	0	0.000	0	0	0.000	0	0	0.000
City of Whittier	0	0	0.000	0	0	0.000	0	0	0.000
<b>Total/Avg</b>	<b>\$3,005,526</b>		<b>0.082</b>	<b>\$3,137,740</b>		<b>0.077</b>	<b>\$2,962,051</b>		<b>0.054</b>

ICRMA - Excess Workers' Compensation  
Pooled Layer

Average MRL Discount Factor

	Payroll (00s) 2023-2024	MRL 2023-2024	MRL Discount 2023-2024
City of Adelanto	\$23,408	\$350,000	0.273
City of Alhambra	0	0	0.000
City of Arcadia	0	0	0.000
City of Azusa	0	0	0.000
City of Baldwin Park	0	0	0.000
City of Bell	0	0	0.000
City of Buena Park	0	0	0.000
City of Culver City	0	0	0.000
City of Downey	0	0	0.000
City of El Monte	0	0	0.000
City of El Segundo	391,251	500,000	0.152
City of Glendora	115,970	500,000	0.152
City of Hermosa Beach	0	0	0.000
City of Huntington Park	172,723	500,000	0.152
City of Inglewood	709,213	1,000,000	0.000
City of La Habra	0	0	0.000
City of Lynwood	97,487	500,000	0.152
City of Manhattan Beach	0	0	0.000
City of Monrovia	0	0	0.000
City of Monterey Park	0	0	0.000
City of Redondo Beach	0	0	0.000
City of San Fernando	123,496	500,000	0.152
City of Santa Ana	1,275,204	2,000,000	0.000
City of Upland	0	0	0.000
City of Vernon	0	0	0.000
City of Whittier	0	0	0.000
<b>Total/Avg</b>	<b>\$2,908,752</b>		<b>0.049</b>

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Estimated Loss Rates for the \$100,000 - \$1,000,000 Layer

Accident Year	Estimated Ultimate \$100K Limited Losses (A)	Estimated Ultimate \$1M Limited Losses (B)	Estimated Ultimate \$100K - \$1M Losses (C)	Trended Payroll (\$00's) (D)	Benefit Level Factor to 2022-2023 (E)	Loss Rate at 2022-2023 Level (F)
2002-2003	2,136,000	3,110,000	974,000	976,767	1.996	1.990
2003-2004	17,053,000	28,446,000	11,393,000	7,989,805	2.361	3.367
2004-2005	15,063,000	24,864,000	9,801,000	8,215,413	2.926	3.491
2005-2006	17,643,000	30,572,000	12,929,000	8,009,092	3.049	4.922
2006-2007	12,625,000	20,669,000	8,044,000	5,513,665	2.776	4.050
2007-2008	12,024,000	19,900,000	7,876,000	5,594,231	2.487	3.501
2008-2009	12,065,000	21,774,000	9,709,000	5,387,578	2.233	4.024
2009-2010	12,794,000	24,022,000	11,228,000	5,807,869	1.970	3.808
2010-2011	13,588,000	26,378,000	12,790,000	5,527,094	1.790	4.142
2011-2012	13,813,000	28,835,000	15,022,000	5,105,288	1.698	4.996
2012-2013	12,663,000	23,390,000	10,727,000	4,847,778	1.658	3.669
2013-2014	13,160,000	25,777,000	12,617,000	4,552,813	1.607	4.453
2014-2015	13,517,000	24,559,000	11,042,000	4,557,540	1.526	3.697
2015-2016	12,988,000	23,587,000	10,599,000	4,297,730	1.519	3.746
2016-2017	13,208,000	27,442,000	14,234,000	3,488,609	1.420	5.794
2017-2018	9,913,000	19,336,000	9,423,000	2,576,822	1.340	4.900
2018-2019	6,895,000	15,053,000	8,158,000	2,230,085	1.264	4.624
2019-2020	11,290,000	23,233,000	11,943,000	3,248,479	1.192	4.382
2020-2021	13,526,000	26,088,000	12,562,000	3,158,807	1.125	4.474
2021-2022	14,203,000	27,008,000	12,805,000	3,216,184	1.060	4.220
2022-2023						
					Average 11/12-20/21:	\$4.474
					Average 15/16-20/21:	4.425
					Prior Selected Rate:	4.300
					Selected 2022-2023 Rate:	\$4.360
					Benefit Level & Trend Factor to 2023-2024:	1.058
					Selected 2023-2024 Rate:	\$4.615

Notes:

- (A) From Appendix A, Page 3, Column (F).
- (B) From Appendix A, Page 2, Column (F).
- (C) (B) - (A).
- (D) Provided by ICRMA.
- (E) From Appendix B, Page 17, Column (B).
- (F) (C) / (D) x (E).

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Estimated Ultimate \$1,000,000 Limited Losses

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Estimate of Ultimate Losses (F)
2002-2003	3,109,692	3,154,421	3,111,803	3,160,595	3,231,564	3,110,000
2003-2004	28,445,732	28,126,070	28,378,651	27,969,368	26,151,424	28,446,000
2004-2005	24,863,961	24,929,094	24,819,795	24,806,167	23,436,828	24,864,000
2005-2006	30,572,494	29,784,812	30,488,671	29,617,788	27,845,051	30,572,000
2006-2007	20,668,679	21,026,057	20,656,266	20,944,035	20,216,674	20,669,000
2007-2008	19,899,912	19,870,400	19,893,989	19,831,080	19,532,866	19,900,000
2008-2009	21,774,348	21,030,413	21,692,508	20,905,343	19,896,444	21,774,000
2009-2010	24,022,096	24,205,886	23,908,437	23,844,591	21,413,880	24,022,000
2010-2011	26,378,311	26,168,911	26,230,361	25,740,892	23,088,500	26,378,000
2011-2012	29,934,276	27,735,128	29,607,210	27,127,782	23,832,552	28,835,000
2012-2013	23,591,412	23,187,937	23,505,852	23,016,815	22,179,016	23,390,000
2013-2014	25,562,753	25,991,890	25,398,690	25,482,414	23,404,381	25,777,000
2014-2015	24,582,317	24,535,945	24,573,688	24,498,617	24,414,421	24,559,000
2015-2016	23,767,010	23,406,622	23,773,678	23,505,275	23,818,454	23,587,000
2016-2017	28,788,740	26,663,470	28,278,857	26,038,286	24,597,950	27,442,000
2017-2018	19,551,907	19,832,892	19,156,726	18,800,727	14,403,544	19,336,000
2018-2019	15,375,171	14,178,421	15,390,490	14,715,614	12,123,573	15,053,000
2019-2020	23,369,503	21,970,853	23,515,835	22,950,904	18,007,425	23,233,000
2020-2021	26,916,025	28,063,356	26,166,847	26,009,281	37,073,052	26,088,000
2021-2022	27,364,848	33,794,782	27,008,089	28,274,864	48,496,176	27,008,000
Totals						\$464,043,000

Notes:

- (A) From Appendix A, Page 6, Column (G).
- (B) From Appendix A, Page 8, Column (G).
- (C) From Appendix A, Page 10, Column (G).
- (D) From Appendix A, Page 11, Column (G).
- (E) From Appendix A, Page 13, Column (C).
- (F) Selected averages of (A), (B), (C), (D), and (E).

This exhibit summarizes the results of the actuarial methods we have applied to estimate ultimate losses for each year. It is important to apply a number of estimation methods because each one relies on specific assumptions about the claims process that tend to hold generally true, but that may be violated in specific situations. Thus, the more estimation methods that can be applied, the better.



ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Estimated Ultimate Limited Losses Capped at \$100,000 per Claim

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
2001-2002						
2002-2003	2,132,611	2,138,989	2,132,641	2,139,049	2,136,050	2,136,000
2003-2004	17,053,266	16,967,961	17,053,674	16,969,363	17,052,672	17,053,000
2004-2005	15,063,101	14,877,680	15,063,861	14,880,141	15,062,850	15,063,000
2005-2006	17,642,585	17,424,480	17,644,014	17,427,855	17,642,754	17,643,000
2006-2007	12,625,475	12,406,419	12,626,994	12,410,322	12,624,524	12,625,000
2007-2008	12,023,953	11,854,656	12,025,934	11,858,809	12,024,210	12,024,000
2008-2009	12,064,937	11,698,436	12,066,921	11,707,214	12,065,112	12,065,000
2009-2010	12,793,918	12,669,759	12,796,063	12,677,228	12,793,860	12,794,000
2010-2011	13,587,868	13,511,820	13,590,106	13,507,606	13,588,150	13,588,000
2011-2012	13,813,315	13,706,956	13,815,640	13,707,474	13,813,104	13,813,000
2012-2013	12,662,744	12,306,978	12,664,852	12,324,942	12,662,760	12,663,000
2013-2014	13,159,617	13,345,876	13,161,846	13,341,098	13,159,692	13,160,000
2014-2015	13,517,212	13,443,590	13,519,473	13,444,381	13,517,205	13,517,000
2015-2016	12,987,773	12,971,542	12,989,939	12,969,923	12,987,766	12,988,000
2016-2017	13,010,685	13,404,342	13,015,419	13,378,946	13,207,740	13,208,000
2017-2018	9,755,303	10,156,241	9,746,016	9,995,836	7,611,135	9,913,000
2018-2019	6,987,628	6,672,382	7,002,728	6,916,723	6,308,841	6,895,000
2019-2020	11,300,525	10,926,892	11,316,243	11,263,248	9,226,452	11,290,000
2020-2021	13,716,709	13,994,371	13,632,107	13,420,341	18,692,532	13,526,000
2021-2022	13,813,747	16,936,380	13,668,762	14,737,318	24,078,624	14,203,000
Totals						\$250,167,000

Notes:

- (A) From Appendix A, Page 6, Column (D).
- (B) From Appendix A, Page 8, Column (D).
- (C) Based on results in Appendix A, Page 10.
- (D) Based on results in Appendix A, Page 11.
- (E) Based on results in Appendix A, Page 13.
- (F) Selected averages of (A), (B), (C), (D), and (E).

This exhibit summarizes the results of the actuarial methods we have applied to estimate limited losses for each year. These results are used to select a limited loss rate for future years.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Selection of Projected \$100K Loss Rate

Accident Year	Ultimate Limited Losses (A)	Trend Factor (B)	Trended Limited Losses (C)	Trended Payroll (\$00) (D)	Trended Limited Loss Rate (E)
2001-2002	0	1.469	0	0	0.000
2002-2003	2,136,000	1.497	3,197,592	976,767	3.274
2003-2004	17,053,000	1.796	30,627,188	7,989,805	3.833
2004-2005	15,063,000	2.258	34,012,254	8,215,413	4.140
2005-2006	17,643,000	2.387	42,113,841	8,009,092	5.258
2006-2007	12,625,000	2.205	27,838,125	5,513,665	5.049
2007-2008	12,024,000	2.004	24,096,096	5,594,231	4.307
2008-2009	12,065,000	1.825	22,018,625	5,387,578	4.087
2009-2010	12,794,000	1.634	20,905,396	5,807,869	3.599
2010-2011	13,588,000	1.505	20,449,940	5,527,094	3.700
2011-2012	13,813,000	1.449	20,015,037	5,105,288	3.920
2012-2013	12,663,000	1.436	18,184,068	4,847,778	3.751
2013-2014	13,160,000	1.412	18,581,920	4,552,813	4.081
2014-2015	13,517,000	1.359	18,369,603	4,557,540	4.031
2015-2016	12,988,000	1.373	17,832,524	4,297,730	4.149
2016-2017	13,208,000	1.302	17,196,816	3,488,609	4.929
2017-2018	9,913,000	1.247	12,361,511	2,576,822	4.797
2018-2019	6,895,000	1.194	8,232,630	2,230,085	3.692
2019-2020	11,290,000	1.143	12,904,470	3,248,479	3.972
2020-2021	13,526,000	1.093	14,783,918	3,158,807	4.680
2021-2022	14,203,000	1.046	14,856,338	3,216,184	4.619
Totals	\$250,167,000		\$398,577,892	\$94,301,649	\$4.227
17/18-21/22	55,827,000		63,138,867	14,430,377	4.375
18/19-21/22	45,914,000		50,777,356	11,853,555	4.284
19/20-21/22	39,019,000		42,544,726	9,623,470	4.421
				Selected \$100K Loss Rate:	\$4.350
				Prior Selected \$100K Loss Rate:	\$4.300

Notes appear on the next page.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Selection of Projected \$100K Loss Rate

Notes:

- (A) From Appendix A, Page 3, Column (F).  
For purposes of projecting future losses, losses are capped at \$100,000 per occurrence.
- (B) From Appendix A, Page 20, Column (B).
- (C) (A) x (B).
- (D) Provided by ICRMA and trended for inflation.
- (E) (C) / (D).

This exhibit shows the calculation of future loss costs based on the past loss rates per \$100 of payroll. The projections will be accurate only to the extent that what has happened in the past is representative of what will happen in the future.

## ICRMA - Excess Workers' Compensation - \$100K &amp; \$1M Analyses

## Reported Loss Development

Accident Year (A)	Limited Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Estimated Ultimate Limited Losses (D)	\$1M Limited Reported Losses of 12/31/22 (E)	Reported Loss Development Factor (F)	Estimated Ultimate Losses (G)
2001-2002	0	1.001	0	0	1.006	0
2002-2003	2,126,232	1.003	2,132,611	3,069,785	1.013	3,109,692
2003-2004	16,968,423	1.005	17,053,266	27,724,885	1.026	28,445,732
2004-2005	14,958,392	1.007	15,063,101	24,186,732	1.028	24,863,961
2005-2006	17,485,218	1.009	17,642,585	29,653,243	1.031	30,572,494
2006-2007	12,488,105	1.011	12,625,475	19,989,052	1.034	20,668,679
2007-2008	11,869,648	1.013	12,023,953	19,171,399	1.038	19,899,912
2008-2009	11,910,105	1.013	12,064,937	20,916,761	1.041	21,774,348
2009-2010	12,629,731	1.013	12,793,918	22,987,652	1.045	24,022,096
2010-2011	13,413,493	1.013	13,587,868	25,122,201	1.050	26,378,311
2011-2012	13,636,046	1.013	13,813,315	28,320,034	1.057	29,934,276
2012-2013	12,500,241	1.013	12,662,744	22,130,780	1.066	23,591,412
2013-2014	12,990,738	1.013	13,159,617	23,713,129	1.078	25,562,753
2014-2015	13,343,743	1.013	13,517,212	22,449,605	1.095	24,582,317
2015-2016	12,821,098	1.013	12,987,773	21,296,604	1.116	23,767,010
2016-2017	12,843,717	1.013	13,010,685	25,253,281	1.140	28,788,740
2017-2018	9,630,111	1.013	9,755,303	16,625,771	1.176	19,551,907
2018-2019	6,897,954	1.013	6,987,628	12,571,685	1.223	15,375,171
2019-2020	11,046,457	1.023	11,300,525	17,771,485	1.315	23,369,503
2020-2021	12,771,610	1.074	13,716,709	17,534,870	1.535	26,916,025
2021-2022	10,285,738	1.343	13,813,747	12,365,498	2.213	27,364,848
Totals	\$242,616,801		\$249,712,972	\$412,854,453		\$468,539,187

## Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by ICRMA. These losses exclude amounts over \$100,000 per occurrence.
- (C) From Appendix A, Page 7.
- (D) (B) x (C). These estimated losses exclude amounts over \$100,000 per occurrence.
- (E) Losses capped at the ICRMA's SIR. Amounts are provided by ICRMA.
- (F) Derived from factors on Appendix A, Page 9.
- (G) (E) x (F).

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses and case reserves as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses  
Reported Loss Development

Accident Year	Limited Losses Reported as of:										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002											
2002-2003											
2003-2004											17,003,738
2004-2005										15,115,143	15,135,157
2005-2006									17,921,816	18,000,973	18,081,315
2006-2007								12,122,697	12,119,250	12,335,776	12,524,669
2007-2008							12,069,720	11,990,769	11,971,403	11,992,360	11,997,306
2008-2009						11,181,674	11,491,378	11,609,025	11,625,376	11,784,225	11,796,593
2009-2010					12,713,751	12,692,464	12,522,029	12,410,711	12,541,664	12,598,146	12,581,469
2010-2011				13,706,276	13,817,892	13,594,468	13,654,829	13,565,218	13,529,547	13,401,096	13,314,922
2011-2012			12,561,550	13,716,321	13,793,635	13,857,218	13,933,069	13,999,492	14,029,520	14,087,687	13,834,781
2012-2013		9,947,556	12,472,182	12,788,337	12,635,426	12,436,371	12,522,274	12,476,063	12,622,581	12,490,436	12,500,241
2013-2014	3,008,153	10,525,306	13,184,944	14,013,046	13,503,590	13,689,430	13,379,828	13,022,695	13,040,000	12,990,738	
2014-2015	2,733,037	10,289,121	13,484,038	13,778,449	14,035,022	13,721,815	13,787,026	13,556,487	13,343,743		
2015-2016	2,780,473	9,949,487	12,234,449	13,036,213	13,199,426	13,229,367	13,058,229	12,821,098			
2016-2017	3,157,480	10,438,180	13,121,634	13,626,614	13,828,954	13,282,939	12,843,717				
2017-2018	2,319,352	8,135,719	9,622,324	10,339,580	10,117,345	9,630,111					
2018-2019	1,249,705	4,800,601	6,496,852	6,798,214	6,897,954						
2019-2020	2,569,965	8,204,082	10,220,313	11,046,457							
2020-2021	3,214,130	9,701,409	12,771,610								
2021-2022	3,294,725	10,285,738									
2022-2023	2,465,617										
	Reported Loss Development Factors:										
	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002											
2002-2003											
2003-2004											1.005
2004-2005										1.001	1.004
2005-2006									1.004	1.004	1.007
2006-2007								1.000	1.018	1.015	0.994
2007-2008							0.993	0.998	1.002	1.000	0.991
2008-2009						1.028	1.010	1.001	1.014	1.001	1.000
2009-2010					0.998	0.987	0.991	1.011	1.005	0.999	1.000
2010-2011				1.008	0.984	1.004	0.993	0.997	0.991	0.994	1.005
2011-2012			1.092	1.006	1.005	1.005	1.005	1.002	1.004	0.982	0.986
2012-2013		1.254	1.025	0.988	0.984	1.007	0.996	1.012	0.990	1.001	
2013-2014	3.499	1.253	1.063	0.964	1.014	0.977	0.973	1.001	0.996		
2014-2015	3.765	1.311	1.022	1.019	0.978	1.005	0.983	0.984			
2015-2016	3.578	1.230	1.066	1.013	1.002	0.987	0.982				
2016-2017	3.306	1.257	1.038	1.015	0.961	0.967					
2017-2018	3.508	1.183	1.075	1.079	0.952						
2018-2019	3.841	1.353	1.046	1.015							
2019-2020	3.192	1.246	1.081								
2020-2021	3.018	1.316									
2021-2022	3.122										
	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average	3.425	1.267	1.056	1.001	0.986	0.996	0.992	1.001	1.003	1.000	0.999
Dollar-Weighted Averages											
3-yr	3.105	1.299	1.070	1.003	0.973	0.986	0.979	0.999	0.997	0.992	0.997
4-yr	3.194	1.268	1.060	1.006	0.974	0.984	0.983	1.000	0.995	0.993	0.997
Industry Factors	2.669	1.217	1.064	1.025	1.015	1.010	1.010	1.010	1.010	1.010	1.010
Prior	3.500	1.250	1.050	1.005	1.005	1.005	1.004	1.004	1.004	1.003	1.003
Selected	3.125	1.250	1.050	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	4.197	1.343	1.074	1.023	1.013	1.013	1.013	1.013	1.013	1.013	1.013

## ICRMA - Excess Workers' Compensation - \$100K &amp; \$1M Analyses

## Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Estimated Ultimate Limited Losses (D)	\$1M Limited Paid Losses of 12/31/22 (E)	Paid Loss Development Factor (F)	Estimated Ultimate Losses (G)
2001-2002	0	1.005	0	0	1.067	0
2002-2003	2,126,232	1.006	2,138,989	2,934,346	1.075	3,154,421
2003-2004	16,850,011	1.007	16,967,961	25,851,167	1.088	28,126,070
2004-2005	14,759,604	1.008	14,877,680	22,766,296	1.095	24,929,094
2005-2006	17,269,059	1.009	17,424,480	27,027,960	1.102	29,784,812
2006-2007	12,271,433	1.011	12,406,419	18,942,393	1.110	21,026,057
2007-2008	11,702,523	1.013	11,854,656	17,741,428	1.120	19,870,400
2008-2009	11,514,209	1.016	11,698,436	18,578,103	1.132	21,030,413
2009-2010	12,421,333	1.020	12,669,759	21,103,649	1.147	24,205,886
2010-2011	13,195,137	1.024	13,511,820	22,462,585	1.165	26,168,911
2011-2012	13,320,657	1.029	13,706,956	23,385,437	1.186	27,735,128
2012-2013	11,856,433	1.038	12,306,978	19,069,027	1.216	23,187,937
2013-2014	12,722,475	1.049	13,345,876	20,776,891	1.251	25,991,890
2014-2015	12,646,839	1.063	13,443,590	18,932,056	1.296	24,535,945
2015-2016	12,021,818	1.079	12,971,542	17,312,590	1.352	23,406,622
2016-2017	12,097,782	1.108	13,404,342	18,658,831	1.429	26,663,470
2017-2018	8,854,613	1.147	10,156,241	12,912,039	1.536	19,832,892
2018-2019	5,514,365	1.210	6,672,382	8,350,071	1.698	14,178,421
2019-2020	8,136,181	1.343	10,926,892	11,007,442	1.996	21,970,853
2020-2021	8,681,372	1.612	13,994,371	10,674,537	2.629	28,063,356
2021-2022	6,777,263	2.499	16,936,380	7,486,660	4.514	33,794,782
Totals	\$224,739,338		\$251,415,750	\$345,973,508		\$467,657,360

## Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by ICRMA. These losses exclude amounts over \$100,000 per occurrence.
- (C) From Appendix A, Page 9.
- (D) (B) x (C). These estimated losses exclude amounts over \$100,000 per occurrence.
- (E) Losses capped at the ICRMA's SIR. Amounts are provided by ICRMA.
- (F) Derived from factors on Appendix A, Page 4.
- (G) (E) x (F).

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses  
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002											
2002-2003											
2003-2004											16,515,967
2004-2005										14,680,264	14,753,016
2005-2006									17,083,785	17,329,216	17,453,052
2006-2007								11,400,232	11,551,835	11,701,262	11,877,490
2007-2008							10,761,634	11,001,251	11,217,477	11,370,969	11,454,621
2008-2009						9,900,746	10,437,112	10,775,240	10,882,205	11,036,398	11,175,661
2009-2010					10,857,657	11,429,643	11,710,889	11,835,817	12,038,704	12,175,466	12,275,898
2010-2011				10,487,385	11,374,619	12,104,526	12,473,378	12,811,353	12,950,010	13,026,671	13,078,366
2011-2012			8,694,729	10,509,509	11,428,929	12,006,380	12,445,111	12,766,084	12,995,687	13,336,487	13,185,732
2012-2013		5,459,980	8,218,108	9,560,187	10,406,626	10,927,255	11,288,387	11,441,154	11,588,559	11,787,742	11,856,433
2013-2014	721,690	5,796,110	8,895,988	10,549,159	11,383,451	12,028,932	12,328,659	12,207,133	12,533,471	12,722,475	
2014-2015	767,910	5,267,757	8,367,722	10,084,606	11,343,184	11,980,578	12,225,643	12,398,807	12,646,839		
2015-2016	870,503	5,290,919	7,895,146	9,373,652	10,625,946	11,325,289	11,726,475	12,021,818			
2016-2017	811,036	6,113,371	8,605,890	10,363,426	11,294,920	11,926,590	12,097,782				
2017-2018	624,427	4,273,385	6,246,029	7,624,441	8,379,788	8,854,613					
2018-2019	352,545	2,503,802	3,964,835	4,964,002	5,514,365						
2019-2020	742,796	4,402,128	7,007,642	8,136,181							
2020-2021	1,130,281	5,822,880	8,681,372								
2021-2022	1,089,290	6,777,263									
2022-2023	911,385										
	<u>Paid Loss Development Factors:</u>										
	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002											
2002-2003											
2003-2004											1.004
2004-2005										1.005	1.003
2005-2006								1.014	1.014	1.015	1.008
2006-2007							1.022	1.020	1.014	1.007	1.009
2007-2008						1.054	1.032	1.010	1.014	1.013	1.014
2008-2009					1.053	1.025	1.011	1.017	1.011	1.008	1.003
2009-2010				1.085	1.064	1.030	1.027	1.011	1.006	1.004	1.006
2010-2011			1.209	1.087	1.051	1.037	1.026	1.018	1.026	0.989	1.010
2011-2012		1.505	1.163	1.089	1.050	1.033	1.014	1.013	1.017	1.006	
2012-2013	8.031	1.535	1.186	1.079	1.057	1.025	0.990	1.027	1.015		
2013-2014	6.860	1.588	1.205	1.125	1.056	1.020	1.014	1.020			
2014-2015	6.078	1.492	1.187	1.134	1.066	1.035	1.025				
2015-2016	7.538	1.408	1.204	1.090	1.056	1.014					
2016-2017	6.844	1.462	1.221	1.099	1.057						
2017-2018	7.102	1.584	1.252	1.111							
2018-2019	5.926	1.592	1.161								
2019-2020	5.152	1.491									
2020-2021	6.222										
2021-2022											
	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average	6.639	1.517	1.199	1.100	1.057	1.030	1.018	1.017	1.014	1.006	1.007
Dollar-Weighted Averages											
3-yr	5.739	1.544	1.204	1.097	1.060	1.023	1.010	1.020	1.020	0.999	1.006
4-yr	5.884	1.523	1.204	1.108	1.059	1.024	1.011	1.019	1.016	1.001	1.008
Industry											
Factors	3.561	1.700	1.277	1.142	1.079	1.049	1.038	1.030	1.022	1.019	1.016
Prior	7.000	1.500	1.200	1.110	1.055	1.035	1.027	1.015	1.013	1.011	1.009
Selected	6.000	1.550	1.200	1.110	1.055	1.035	1.027	1.015	1.013	1.011	1.009
Cumulated	14.994	2.499	1.612	1.343	1.210	1.147	1.108	1.079	1.063	1.049	1.038

## ICRMA - Excess Workers' Compensation - \$100K &amp; \$1M Analyses

Exposure and Development Method  
Based on Reported Losses

Accident Year	Trended Payroll (\$00) (A)	Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	\$1M Limited Loss Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate \$1M Losses (G)
2001-2002	0		1.006	0.006	4.380	0	
2002-2003	976,767	3,069,785	1.013	0.013	3.309	42,018	3,111,803
2003-2004	7,989,805	27,724,885	1.026	0.025	3.273	653,766	28,378,651
2004-2005	8,215,413	24,186,732	1.028	0.027	2.854	633,063	24,819,795
2005-2006	8,009,092	29,653,243	1.031	0.030	3.477	835,428	30,488,671
2006-2007	5,513,665	19,989,052	1.034	0.033	3.667	667,214	20,656,266
2007-2008	5,594,231	19,171,399	1.038	0.037	3.491	722,590	19,893,989
2008-2009	5,387,578	20,916,761	1.041	0.039	3.692	775,747	21,692,508
2009-2010	5,807,869	22,987,652	1.045	0.043	3.687	920,785	23,908,437
2010-2011	5,527,094	25,122,201	1.050	0.048	4.177	1,108,160	26,230,361
2011-2012	5,105,288	28,320,034	1.057	0.054	4.669	1,287,176	29,607,210
2012-2013	4,847,778	22,130,780	1.066	0.062	4.575	1,375,072	23,505,852
2013-2014	4,552,813	23,713,129	1.078	0.072	5.142	1,685,561	25,398,690
2014-2015	4,557,540	22,449,605	1.095	0.087	5.357	2,124,083	24,573,688
2015-2016	4,297,730	21,296,604	1.116	0.104	5.542	2,477,074	23,773,678
2016-2017	3,488,609	25,253,281	1.140	0.123	7.051	3,025,576	28,278,857
2017-2018	2,576,822	16,625,771	1.176	0.150	6.548	2,530,955	19,156,726
2018-2019	2,230,085	12,571,685	1.223	0.182	6.945	2,818,805	15,390,490
2019-2020	3,248,479	17,771,485	1.315	0.240	7.368	5,744,350	23,515,835
2020-2021	3,158,807	17,534,870	1.535	0.349	7.830	8,631,977	26,166,847
2021-2022	3,216,184	12,365,498	2.213	0.548	8.308	14,642,591	27,008,089
Totals	\$94,301,649	\$412,854,453				\$52,701,991	\$465,556,444

## Notes:

- (A) From Appendix A, Page 26, Column (C).
- (B) Provided by ICRMA. These losses exclude amounts incurred above the ICRMA's SIR for each year.
- (C) From Appendix A, Page 6, Column (F).
- (D)  $1 - 1/(C)$ .
- (E) From Appendix A, Page 12, Column (H).
- (F)  $(A) \times (D) \times (E)$ .
- (G)  $(B) + (F)$ .

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and payroll that changes in regular ways over time. The method relies on the premise that the losses that are currently unreported will cost what this relationship would suggest.



ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Exposure and Development Method  
Based on Paid Losses

Accident Year	Trended Payroll (\$00) (A)	Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	\$1M Limited Loss Rate (E)	Incurred but not Paid (F)	Ultimate \$1M Losses (G)
2001-2002	0		1.067	0.063	4.380	0	
2002-2003	976,767	2,934,346	1.075	0.070	3.309	226,249	3,160,595
2003-2004	7,989,805	25,851,167	1.088	0.081	3.273	2,118,201	27,969,368
2004-2005	8,215,413	22,766,296	1.095	0.087	2.854	2,039,871	24,806,167
2005-2006	8,009,092	27,027,960	1.102	0.093	3.477	2,589,828	29,617,788
2006-2007	5,513,665	18,942,393	1.110	0.099	3.667	2,001,642	20,944,035
2007-2008	5,594,231	17,741,428	1.120	0.107	3.491	2,089,652	19,831,080
2008-2009	5,387,578	18,578,103	1.132	0.117	3.692	2,327,240	20,905,343
2009-2010	5,807,869	21,103,649	1.147	0.128	3.687	2,740,942	23,844,591
2010-2011	5,527,094	22,462,585	1.165	0.142	4.177	3,278,307	25,740,892
2011-2012	5,105,288	23,385,437	1.186	0.157	4.669	3,742,345	27,127,782
2012-2013	4,847,778	19,069,027	1.216	0.178	4.575	3,947,788	23,016,815
2013-2014	4,552,813	20,776,891	1.251	0.201	5.142	4,705,523	25,482,414
2014-2015	4,557,540	18,932,056	1.296	0.228	5.357	5,566,561	24,498,617
2015-2016	4,297,730	17,312,590	1.352	0.260	5.542	6,192,685	23,505,275
2016-2017	3,488,609	18,658,831	1.429	0.300	7.051	7,379,455	26,038,286
2017-2018	2,576,822	12,912,039	1.536	0.349	6.548	5,888,688	18,800,727
2018-2019	2,230,085	8,350,071	1.698	0.411	6.945	6,365,543	14,715,614
2019-2020	3,248,479	11,007,442	1.996	0.499	7.368	11,943,462	22,950,904
2020-2021	3,158,807	10,674,537	2.629	0.620	7.830	15,334,744	26,009,281
2021-2022	3,216,184	7,486,660	4.514	0.778	8.308	20,788,204	28,274,864
Totals	\$94,301,649	\$345,973,508				\$111,266,930	\$457,240,438

Notes:

- (A) From Appendix A, Page 26, Column (C).
- (B) Provided by ICRMA. These losses exclude amounts paid above the ICRMA's SIR for each year.
- (C) From Appendix A, Page 8, Column (F).
- (D)  $1 - 1/(C)$ .
- (E) From Appendix A, Page 12, Column (H).
- (F)  $(A) \times (D) \times (E)$ .
- (G)  $(B) + (F)$ .

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and payroll that changes in regular ways over time. The method relies on the premise that the losses that are currently unpaid will cost what this relationship would suggest.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Exposure and Development Method

Accident Year	Trended Payroll (\$00) (A)	Ultimate Limited Losses (B)	Benefit Level Factor (C)	Trended Limited Losses (D)	Trended Limited Loss Rate (E)	Limited Loss Rate (F)	Factor to \$1M (G)	\$1M Limited Loss Rate (H)
2001-2002	0		1.469			2.937	1.491	4.380
2002-2003	976,767	2,136,000	1.497	3,197,592	3.274	2.187	1.513	3.309
2003-2004	7,989,805	17,053,000	1.796	30,627,188	3.833	2.134	1.534	3.273
2004-2005	8,215,413	15,063,000	2.258	34,012,254	4.140	1.834	1.556	2.854
2005-2006	8,009,092	17,643,000	2.387	42,113,841	5.258	2.203	1.578	3.477
2006-2007	5,513,665	12,625,000	2.205	27,838,125	5.049	2.290	1.601	3.667
2007-2008	5,594,231	12,024,000	2.004	24,096,096	4.307	2.149	1.624	3.491
2008-2009	5,387,578	12,065,000	1.825	22,018,625	4.087	2.239	1.649	3.692
2009-2010	5,807,869	12,794,000	1.634	20,905,396	3.599	2.203	1.674	3.687
2010-2011	5,527,094	13,588,000	1.505	20,449,940	3.700	2.458	1.699	4.177
2011-2012	5,105,288	13,813,000	1.449	20,015,037	3.920	2.706	1.725	4.669
2012-2013	4,847,778	12,663,000	1.436	18,184,068	3.751	2.612	1.752	4.575
2013-2014	4,552,813	13,160,000	1.412	18,581,920	4.081	2.891	1.778	5.142
2014-2015	4,557,540	13,517,000	1.359	18,369,603	4.031	2.966	1.806	5.357
2015-2016	4,297,730	12,988,000	1.373	17,832,524	4.149	3.022	1.834	5.542
2016-2017	3,488,609	13,208,000	1.302	17,196,816	4.929	3.786	1.862	7.051
2017-2018	2,576,822	9,956,000	1.247	12,415,132	4.818	3.460	1.892	6.548
2018-2019	2,230,085	6,988,000	1.194	8,343,672	3.741	3.614	1.922	6.945
2019-2020	3,248,479	11,114,000	1.143	12,703,302	3.911	3.775	1.952	7.368
2020-2021	3,158,807	13,856,000	1.093	15,144,608	4.794	3.948	1.983	7.830
2021-2022	3,216,184	15,375,000	1.046	16,082,250	5.000	4.125	2.014	8.308
Total/Avg	\$94,301,649	\$251,629,000		\$400,127,989	\$4.243			
17/18-21/22	14,430,377	57,289,000		64,688,964	4.483			
18/19-21/22	11,853,555	47,333,000		52,273,832	4.410			

Selected Limited Rate: \$4.315  
Prior Selected Limited Rate: \$4.300

Notes:

- (A) From Appendix A, Page 26, Column (C).
- (B) Selected average of results from Appendix A, Pages 6 and 8.
- (C) From Appendix B, Page 17, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 2016-2017 and prior (B) / (A).
- (G) Based on a Weibull distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

This exhibit shows the calculation of the underlying historical relationship between losses and payroll that is needed to apply the estimation methods shown on pages 1 and 2 of this Appendix.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Frequency and Severity Method

Accident Year	\$1M Limited Severity (A)	Adjusted Ultimate Claims (B)	Estimated Ultimate Losses (C)
2001-2002	34,242	0	0
2002-2003	13,578	238	3,231,564
2003-2004	15,716	1,664	26,151,424
2004-2005	14,548	1,611	23,436,828
2005-2006	18,551	1,501	27,845,051
2006-2007	21,103	958	20,216,674
2007-2008	22,247	878	19,532,866
2008-2009	25,706	774	19,896,444
2009-2010	27,992	765	21,413,880
2010-2011	30,500	757	23,088,500
2011-2012	32,033	744	23,832,552
2012-2013	30,634	724	22,179,016
2013-2014	32,461	721	23,404,381
2014-2015	36,277	673	24,414,421
2015-2016	37,333	638	23,818,454
2016-2017	46,150	533	24,597,950
2017-2018	34,376	419	14,403,544
2018-2019	35,553	341	12,123,573
2019-2020	36,825	489	18,007,425
2020-2021	38,141	972	37,073,052
2021-2022	39,492	1,228	48,496,176
Total		16,628	\$457,163,775

Notes:

- (A) From Appendix A, Page 14, Column (H).
- (B) From Appendix A, Page 14, Column (B).
- (C) (A) x (B).

This exhibit shows the calculation of the estimated ultimate losses for each year based on the observed average frequency and severity of claims.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Frequency and Severity Method

Accident Year	Estimated Ultimate Limited Losses (A)	Adjusted Ultimate Claims (B)	Estimated Ultimate Limited Severity (C)	Benefit Level Factor (D)	Adjusted Limited Severity (E)	Limited Severity (F)	Factor to \$1M (G)	\$1M Limited Severity (H)
2001-2002				0.871		22,962	1.491	34,242
2002-2003	2,136,000	238	8,975	0.910	8,167	8,975	1.513	13,578
2003-2004	17,053,000	1,664	10,248	1.119	11,468	10,248	1.534	15,716
2004-2005	15,063,000	1,611	9,350	1.443	13,492	9,350	1.556	14,548
2005-2006	17,643,000	1,501	11,754	1.564	18,383	11,754	1.578	18,551
2006-2007	12,625,000	958	13,178	1.481	19,517	13,178	1.601	21,103
2007-2008	12,024,000	878	13,695	1.380	18,899	13,695	1.624	22,247
2008-2009	12,065,000	774	15,588	1.289	20,093	15,588	1.649	25,706
2009-2010	12,794,000	765	16,724	1.183	19,784	16,724	1.674	27,992
2010-2011	13,588,000	757	17,950	1.118	20,068	17,950	1.699	30,500
2011-2012	13,813,000	744	18,566	1.103	20,478	18,566	1.725	32,033
2012-2013	12,663,000	724	17,490	1.120	19,589	17,490	1.752	30,634
2013-2014	13,160,000	721	18,252	1.129	20,607	18,252	1.778	32,461
2014-2015	13,517,000	673	20,085	1.115	22,395	20,085	1.806	36,277
2015-2016	12,988,000	638	20,357	1.154	23,492	20,357	1.834	37,333
2016-2017	13,208,000	533	24,780	1.122	27,803	24,780	1.862	46,150
2017-2018	9,913,000	419	23,659	1.101	26,049	18,165	1.892	34,376
2018-2019	6,895,000	341	20,220	1.081	21,858	18,501	1.922	35,553
2019-2020	11,290,000	489	23,088	1.060	24,473	18,868	1.952	36,825
2020-2021	13,526,000	972	13,916	1.040	14,473	19,231	1.983	38,141
2021-2022	14,203,000	1,228	11,566	1.020	11,797	19,608	2.014	39,492

Average Limited Severity: \$19,144  
 17/18-21/22: 19,730  
 18/19-21/22: 18,150

Selected Limited Severity: \$20,000  
 Prior Selected Limited Severity: \$24,000

Notes:

- (A) Selected average of results from Appendix A, Pages 6, 8, 10 and 11.
- (B) Appendix A, Page 15, Column (C).
- (C) (A) / (B).
- (D) From Appendix A, Page 20, Column (J).
- (E) (C) x (D).
- (F) Selected Limited Severity / (D).
- (G) Based on a Weibull distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

This exhibit shows the calculation of the historical average cost per claim, or severity. The observed average severity is used in the method shown on page 1 of this Appendix.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Frequency and Severity Method  
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Trended Payroll (\$000,000) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
2001-2002	0	0	0	0		1.679	
2002-2003	238	239	238	98	2.437	1.638	3.992
2003-2004	1,664	1,666	1,664	799	2.083	1.598	3.329
2004-2005	1,611	1,620	1,611	822	1.961	1.559	3.057
2005-2006	1,501	1,507	1,501	801	1.874	1.521	2.850
2006-2007	958	956	958	551	1.738	1.484	2.579
2007-2008	878	877	878	559	1.569	1.448	2.272
2008-2009	774	765	774	539	1.437	1.412	2.029
2009-2010	765	765	765	581	1.317	1.378	1.815
2010-2011	757	750	757	553	1.370	1.344	1.841
2011-2012	744	729	744	511	1.457	1.312	1.912
2012-2013	724	713	724	485	1.493	1.280	1.911
2013-2014	721	718	721	455	1.584	1.249	1.978
2014-2015	673	651	673	456	1.477	1.218	1.799
2015-2016	638	633	638	430	1.485	1.188	1.764
2016-2017	533	512	533	349	1.528	1.160	1.772
2017-2018	419	406	419	258	1.626	1.132	1.841
2018-2019	341	324	341	223	1.529	1.104	1.688
2019-2020	489	470	489	325	1.505	1.077	1.621
2020-2021	925	1,019	972	316	3.077	1.051	3.234
2021-2022	1,121	1,335	1,228	322	3.818	1.025	3.913
Total	16,474	16,655	16,628	9,430			2.371

(H) Selected 2022-2023 Frequency: 3.000  
Prior: 1.800

Program Year:	2022-2023	2023-2024
(I) Trend Factor:	1.000	1.025
(J) Selected Frequency:	3.000	3.075
(K) Estimated Payroll (\$000,000)	\$296	\$291
(L) Ultimate Claims:	889	894

Notes:

- |  |  |
|--|--|
| (A) From Appendix A, Page 16, (C).                   | (G) (E) x (F).                                       |
| (B) From Appendix A, Page 17, (C).                   | (H) The selected frequency of 3.000 is based on (G). |
| (C) Selected from (A) and (B).                       | (I) From Appendix A, Page 20.                        |
| (D) From Appendix A, Page 26, (C) divided by 10,000. | (J) (H) x (I).                                       |
| (E) (C) / (D).                                       | (K) From Appendix A, Page 26, (C) divided by 10,000. |
| (F) From Appendix A, Page 20.                        | (L) (J) x (K).                                       |

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per \$1,000,000 of trended payroll.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Frequency and Severity Method  
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2022 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2001-2002	0	1.000	0	
2002-2003	238	1.000	238	3.991
2003-2004	1,664	1.000	1,664	3.328
2004-2005	1,611	1.000	1,611	3.057
2005-2006	1,501	1.000	1,501	2.851
2006-2007	958	1.000	958	2.578
2007-2008	878	1.000	878	2.273
2008-2009	774	1.000	774	2.029
2009-2010	765	1.000	765	1.815
2010-2011	757	1.000	757	1.841
2011-2012	743	1.001	744	1.912
2012-2013	723	1.002	724	1.912
2013-2014	719	1.003	721	1.978
2014-2015	670	1.004	673	1.799
2015-2016	634	1.006	638	1.764
2016-2017	529	1.008	533	1.772
2017-2018	414	1.011	419	1.841
2018-2019	336	1.014	341	1.688
2019-2020	480	1.019	489	1.621
2020-2021	902	1.025	925	3.078
2021-2022	1,072	1.046	1,121	3.573
Total	16,368		16,474	2.354

Notes:

- (A) Provided by ICRMA.
- (B) From Appendix A, Page 18.
- (C) (A) x (B).
- (D) (C) / [Appendix A, Page 15, (D)] x [Appendix A, Page 15, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on reported claims as provided by ICRMA. These numbers of claims tend to "develop" or change from period to period as more claims are filed. This development tends to follow quantifiable patterns over time.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Frequency and Severity Method  
Closed Claim Count Development

Accident Year	Claims Closed as of 12/31/2022 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2001-2002	0	1.015	0	
2002-2003	235	1.016	239	4.008
2003-2004	1,637	1.018	1,666	3.332
2004-2005	1,587	1.021	1,620	3.074
2005-2006	1,472	1.024	1,507	2.862
2006-2007	931	1.027	956	2.573
2007-2008	851	1.030	877	2.270
2008-2009	741	1.033	765	2.005
2009-2010	738	1.037	765	1.815
2010-2011	720	1.041	750	1.824
2011-2012	697	1.046	729	1.873
2012-2013	677	1.053	713	1.883
2013-2014	677	1.061	718	1.970
2014-2015	604	1.077	651	1.740
2015-2016	576	1.099	633	1.750
2016-2017	452	1.132	512	1.702
2017-2018	347	1.170	406	1.784
2018-2019	265	1.223	324	1.604
2019-2020	361	1.302	470	1.558
2020-2021	728	1.400	1,019	3.390
2021-2022	875	1.526	1,335	4.255
Total	15,171		16,655	2.372

Notes:

- (A) Provided by ICRMA.
- (B) From Appendix A, Page 19.
- (C) (A) x (B).
- (D) (C) / [Appendix A, Page 15, (D)] x [Appendix A, Page 15, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on closed claims as provided by ICRMA. These numbers of closed claims tend to "develop" or change from period to period as more claims are closed. This development tends to follow quantifiable patterns over time.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses  
Reported Claim Count Development

Claims Reported as of:

Accident Year	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2001-2002														
2002-2003													238	238
2003-2004												1,664	1,664	1,664
2004-2005										1,609	1,609	1,609	1,611	1,611
2005-2006									1,499	1,499	1,500	1,501	1,501	1,501
2006-2007								953	955	956	957	958	958	958
2007-2008							876	877	878	878	878	878	878	878
2008-2009						769	770	770	772	773	773	773	774	774
2009-2010					754	758	758	759	761	762	763	765	765	765
2010-2011				742	745	746	751	754	755	756	756	757	757	
2011-2012			729	735	737	740	742	742	742	742	743	743		
2012-2013		706	717	719	719	719	722	723	723	723	723			
2013-2014	295	697	708	711	713	717	718	718	719	719				
2014-2015	270	643	659	663	665	667	669	670	670					
2015-2016	250	608	624	627	632	633	634	634						
2016-2017	232	514	523	526	529	529	529							
2017-2018	172	409	412	415	415	414								
2018-2019	156	323	331	338	336									
2019-2020	197	470	479	480										
2020-2021	349	898	902											
2021-2022	492	1,072												
2022-2023	309													

Reported Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2001-2002														
2002-2003												1.000	1.000	1.000
2003-2004											1.000	1.000	1.000	1.000
2004-2005										1.000	1.000	1.001	1.000	1.000
2005-2006									1.000	1.001	1.001	1.000	1.000	1.000
2006-2007								1.002	1.001	1.001	1.001	1.000	1.000	1.000
2007-2008							1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000
2008-2009						1.001	1.000	1.003	1.001	1.000	1.000	1.001	1.000	1.000
2009-2010					1.005	1.000	1.001	1.003	1.001	1.001	1.003	1.000	1.000	
2010-2011				1.004	1.001	1.007	1.004	1.001	1.001	1.000	1.001	1.000		
2011-2012			1.008	1.003	1.004	1.003	1.000	1.000	1.000	1.001	1.000			
2012-2013		1.016	1.003	1.000	1.000	1.004	1.001	1.000	1.000	1.000				
2013-2014	2.363	1.016	1.004	1.003	1.006	1.001	1.000	1.001	1.000					
2014-2015	2.381	1.025	1.006	1.003	1.003	1.003	1.001	1.000						
2015-2016	2.432	1.026	1.005	1.008	1.002	1.002	1.000							
2016-2017	2.216	1.018	1.006	1.006	1.000	1.000								
2017-2018	2.378	1.007	1.007	1.000	0.998									
2018-2019	2.071	1.025	1.021	0.994										
2019-2020	2.386	1.019	1.002											
2020-2021	2.573	1.004												
2021-2022	2.179													
Average	2.331	1.017	1.007	1.002	1.002	1.002	1.001	1.001	1.000	1.000	1.001	1.000	1.000	1.000
Claim-Weighted Averages														
3-yr	2.351	1.012	1.009	1.001	1.000	1.002	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000
4-yr	2.314	1.011	1.008	1.003	1.001	1.002	1.001	1.000	1.000	1.001	1.001	1.000	1.000	1.000
Industry Factors	2.451	1.047	1.015	1.008	1.006	1.004	1.004	1.003	1.003	1.003	1.003	1.003	1.003	1.003
Prior	2.350	1.020	1.006	1.005	1.003	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.000	1.000
Selected	2.350	1.020	1.006	1.005	1.003	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.000	1.000
Cumulated	2.458	1.046	1.025	1.019	1.014	1.011	1.008	1.006	1.004	1.003	1.002	1.001	1.000	1.000



ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses  
Closed Claim Development

Accident Year	Claims Closed as of:													
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2001-2002														
2002-2003													234	234
2003-2004												1,607	1,615	1,617
2004-2005										1,549	1,564	1,569	1,576	1,576
2005-2006									1,417	1,431	1,434	1,446	1,448	1,455
2006-2007								886	898	904	908	913	920	924
2007-2008							793	813	817	827	833	840	842	845
2008-2009						665	687	698	711	719	724	729	733	734
2009-2010					637	662	677	697	707	719	729	735	739	738
2010-2011				575	605	638	661	685	701	711	723	721	720	
2011-2012			529	566	596	621	643	663	672	684	689	697		
2012-2013		457	514	561	593	622	641	660	667	673	677			
2013-2014	99	441	490	534	588	613	635	648	664	677				
2014-2015	105	420	464	498	532	559	575	590	604					
2015-2016	105	384	444	480	512	533	559	576						
2016-2017	80	319	356	388	411	435	452							
2017-2018	73	260	287	300	324	347								
2018-2019	57	225	241	250	265									
2019-2020	80	311	338	361										
2020-2021	131	695	728											
2021-2022	167	875												
2022-2023	163													

Closed Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2001-2002														
2002-2003												1.000	1.000	1.000
2003-2004											1.005	1.001	1.004	1.002
2004-2005										1.010	1.003	1.004	1.000	1.006
2005-2006									1.010	1.002	1.008	1.001	1.005	0.999
2006-2007								1.014	1.007	1.004	1.006	1.008	1.004	1.002
2007-2008							1.025	1.005	1.012	1.007	1.008	1.002	1.004	1.007
2008-2009						1.033	1.016	1.019	1.011	1.007	1.007	1.005	1.001	1.010
2009-2010					1.039	1.023	1.030	1.014	1.017	1.014	1.008	1.005	0.999	
2010-2011				1.052	1.055	1.036	1.036	1.023	1.014	1.017	0.997	0.999		
2011-2012			1.070	1.053	1.042	1.035	1.031	1.014	1.018	1.007	1.012			
2012-2013		1.125	1.091	1.057	1.049	1.031	1.030	1.011	1.009	1.006				
2013-2014	4.455	1.111	1.090	1.101	1.043	1.036	1.020	1.025	1.020					
2014-2015	4.000	1.105	1.073	1.068	1.051	1.029	1.026	1.024						
2015-2016	3.657	1.156	1.081	1.067	1.041	1.049	1.030							
2016-2017	3.988	1.116	1.090	1.059	1.058	1.039								
2017-2018	3.562	1.104	1.045	1.080	1.071									
2018-2019	3.947	1.071	1.037	1.060										
2019-2020	3.888	1.087	1.068											
2020-2021	5.305	1.047												
2021-2022	5.240													
Average	4.227	1.102	1.072	1.066	1.050	1.035	1.027	1.017	1.013	1.008	1.006	1.003	1.002	1.004
Claim-Weighted Averages														
3-yr	4.976	1.062	1.052	1.066	1.055	1.039	1.025	1.019	1.015	1.010	1.006	1.003	1.001	1.006
4-yr	4.841	1.069	1.063	1.066	1.053	1.038	1.027	1.018	1.015	1.011	1.006	1.003	1.002	1.004
Industry Factors	2.820	1.274	1.079	1.058	1.037	1.028	1.023	1.018	1.015	1.012	1.008	1.006	1.005	1.004
Prior	3.900	1.115	1.075	1.065	1.045	1.034	1.030	1.020	1.015	1.008	1.007	1.005	1.004	1.004
Selected	4.250	1.090	1.075	1.065	1.045	1.034	1.030	1.020	1.015	1.008	1.007	1.005	1.004	1.004
Cumulated	6.486	1.526	1.400	1.302	1.223	1.170	1.132	1.099	1.077	1.061	1.053	1.046	1.041	1.037

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2022-2023 Loss Rate Level (B)	Factor to 2023-2024 Loss Rate Level (C)	Factor to 2024-2025 Loss Rate Level (D)	Factor to 2025-2026 Loss Rate Level (E)	Factor to 2022-2023 Frequency Level (F)	Factor to 2023-2024 Frequency Level (G)	Factor to 2024-2025 Frequency Level (H)	Factor to 2025-2026 Frequency Level (I)	Factor to 2022-2023 Severity Level (J)
2001-2002	0.789	1.469	1.533	1.579	1.627	1.679	1.720	1.764	1.808	0.871
2002-2003	0.828	1.497	1.563	1.610	1.658	1.638	1.678	1.721	1.764	0.910
2003-2004	1.023	1.796	1.874	1.931	1.988	1.598	1.637	1.679	1.721	1.119
2004-2005	1.325	2.258	2.356	2.427	2.500	1.559	1.598	1.638	1.679	1.443
2005-2006	1.443	2.387	2.490	2.565	2.642	1.521	1.559	1.598	1.638	1.564
2006-2007	1.373	2.205	2.301	2.370	2.441	1.484	1.520	1.559	1.598	1.481
2007-2008	1.285	2.004	2.091	2.154	2.218	1.448	1.483	1.521	1.559	1.380
2008-2009	1.206	1.825	1.904	1.962	2.021	1.412	1.447	1.484	1.521	1.289
2009-2010	1.112	1.634	1.705	1.756	1.809	1.378	1.412	1.448	1.484	1.183
2010-2011	1.055	1.505	1.571	1.618	1.667	1.344	1.378	1.413	1.448	1.118
2011-2012	1.046	1.449	1.512	1.558	1.604	1.312	1.344	1.379	1.413	1.103
2012-2013	1.068	1.436	1.498	1.543	1.590	1.280	1.312	1.345	1.379	1.120
2013-2014	1.081	1.412	1.473	1.517	1.563	1.249	1.280	1.312	1.345	1.129
2014-2015	1.073	1.359	1.418	1.461	1.505	1.218	1.248	1.280	1.312	1.115
2015-2016	1.116	1.373	1.433	1.476	1.520	1.188	1.218	1.249	1.280	1.154
2016-2017	1.090	1.302	1.359	1.400	1.442	1.160	1.188	1.219	1.249	1.122
2017-2018	1.075	1.247	1.301	1.341	1.381	1.132	1.160	1.189	1.219	1.101
2018-2019	1.060	1.194	1.246	1.283	1.322	1.104	1.131	1.160	1.189	1.081
2019-2020	1.045	1.143	1.192	1.228	1.265	1.077	1.104	1.132	1.160	1.060
2020-2021	1.030	1.093	1.141	1.175	1.210	1.051	1.077	1.104	1.132	1.040
2021-2022	1.015	1.046	1.091	1.124	1.158	1.025	1.050	1.077	1.104	1.020
2022-2023	1.000	1.000	1.044	1.075	1.107	1.000	1.025	1.051	1.077	1.000
2023-2024	0.987	--	1.000	1.030	1.061	--	1.000	1.025	1.051	--
2024-2025	0.987	--	--	1.000	1.030	--	--	1.000	1.025	--
2025-2026	0.987	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) Based on WCIRB.
- (B) - (E) (A) adjusted for a 3.0% annual loss rate trend.
- (F) - (I) (A) adjusted for a 2.5% annual frequency trend.
- (J) (A) adjusted for a 0.5% annual severity trend.

This exhibit shows the calculation of the ways in which we expect claims costs to have changed over the past twenty years due to changes in statutory workers' compensation benefit levels and changes in actual claims costs in excess of changes in payroll. Changes in the ways in which claims are filed as a result of greater awareness of workers' compensation benefits are not generally reflected in the statutory benefit level factors shown above, but may be part of the reason for changes in actual claims costs in excess of payroll changes.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Loss Rate Trend

Accident Year	Trended Payroll (A)	Preliminary Ultimate Loss (B)	Benefit Level Factor (C)	Untrended Loss Rate (D)	Trended Loss Rate (E)
2002-2003	976,767	2,136,000	0.828	1.811	3.271
2003-2004	7,989,805	17,053,000	1.023	2.184	3.830
2004-2005	8,215,413	15,063,000	1.325	2.430	4.137
2005-2006	8,009,092	17,643,000	1.443	3.178	5.253
2006-2007	5,513,665	12,625,000	1.373	3.144	5.045
2007-2008	5,594,231	12,024,000	1.285	2.762	4.304
2008-2009	5,387,578	12,065,000	1.206	2.701	4.085
2009-2010	5,807,869	12,794,000	1.112	2.449	3.597
2010-2011	5,527,094	13,588,000	1.055	2.594	3.699
2011-2012	5,105,288	13,813,000	1.046	2.830	3.918
2012-2013	4,847,778	12,663,000	1.068	2.789	3.748
2013-2014	4,552,813	13,160,000	1.081	3.125	4.078
2014-2015	4,557,540	13,517,000	1.073	3.181	4.030
2015-2016	4,297,730	12,988,000	1.116	3.372	4.147
2016-2017	3,488,609	13,208,000	1.090	4.127	4.928
2017-2018	2,576,822	9,956,000	1.075	4.153	4.815
2018-2019	2,230,085	6,988,000	1.060	3.322	3.738
2019-2020	3,248,479	11,114,000	1.045	3.575	3.907
2020-2021	3,158,807	13,856,000	1.030	4.518	4.793
2021-2022	3,216,184	15,375,000	1.015	4.852	4.998

	R-Squared	Fitted Trend
Total Fits: Total	0.835	1.033
Total ex-21/22	0.790	1.030
10-Yr Fits: 10/11-19/20	0.645	1.043
11/12-20/21	0.656	1.045
5-Yr Fits: 13/14-17/18	0.879	1.086
14/15-18/19	0.133	1.030
17/18-21/22	0.382	1.064

Selected Trend:	1.030
Prior Selected Trend:	1.035

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Incurred Losses as of 12/31/22

Accident Year (A)	Unlimited Incurred (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over \$1M (F)	Incurred Over \$100,000 (G)	Incurred Capped at \$100,000 (H)	Incurred \$100,000 to \$1M (I)	Incurred Capped at \$1M (J)	Incurred Capped at \$1M & Aggregate (K)
2002-2003	\$3,069,785	\$0	\$0	\$3,069,785	\$0	\$943,553	\$2,126,232	\$943,553	\$3,069,785	\$3,069,785
2003-2004	28,213,244	0	0	28,213,244	488,359	11,244,820	16,968,423	10,756,462	27,724,885	27,724,885
2004-2005	24,452,839	0	0	24,452,839	266,107	9,494,446	14,958,392	9,228,340	24,186,732	24,186,732
2005-2006	29,778,410	0	0	29,778,410	125,167	12,293,192	17,485,218	12,168,025	29,653,243	29,653,243
2006-2007	19,989,052	0	0	19,989,052	0	7,500,946	12,488,105	7,500,946	19,989,052	19,989,052
2007-2008	20,723,720	0	0	20,723,720	1,552,320	8,854,072	11,869,648	7,301,751	19,171,399	19,171,399
2008-2009	20,916,761	0	0	20,916,761	0	9,006,656	11,910,105	9,006,656	20,916,761	20,916,761
2009-2010	23,738,348	0	0	23,738,348	750,696	11,108,617	12,629,731	10,357,921	22,987,652	22,987,652
2010-2011	25,955,325	0	0	25,955,325	833,124	12,541,832	13,413,493	11,708,708	25,122,201	25,122,201
2011-2012	30,986,916	0	0	30,986,916	2,666,882	17,350,870	13,636,046	14,683,988	28,320,034	28,320,034
2012-2013	22,256,110	0	0	22,256,110	125,330	9,755,869	12,500,241	9,630,539	22,130,780	22,130,780
2013-2014	25,600,212	0	0	25,600,212	1,887,083	12,609,474	12,990,738	10,722,391	23,713,129	23,713,129
2014-2015	22,449,605	0	0	22,449,605	0	9,105,861	13,343,743	9,105,861	22,449,605	22,449,605
2015-2016	21,296,604	0	0	21,296,604	0	8,475,506	12,821,098	8,475,506	21,296,604	21,296,604
2016-2017	25,253,281	0	0	25,253,281	0	12,409,564	12,843,717	12,409,564	25,253,281	25,253,281
2017-2018	16,625,771	0	0	16,625,771	0	6,995,660	9,630,111	6,995,660	16,625,771	16,625,771
2018-2019	12,571,685	0	0	12,571,685	0	5,673,731	6,897,954	5,673,731	12,571,685	12,571,685
2019-2020	17,771,485	0	0	17,771,485	0	6,725,028	11,046,457	6,725,028	17,771,485	17,771,485
2020-2021	17,534,870	0	0	17,534,870	0	4,763,260	12,771,610	4,763,260	17,534,870	17,534,870
2021-2022	12,365,498	0	0	12,365,498	0	2,079,760	10,285,738	2,079,760	12,365,498	12,365,498
2022-2023	2,606,140	0	0	2,606,140	0	140,523	2,465,617	140,523	2,606,140	2,606,140
Total	\$424,155,660	\$0	\$0	\$424,155,660	\$8,695,067	\$179,073,242	\$245,082,419	\$170,378,174	\$415,460,593	\$415,460,593

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by ICRMA.
- (C)
- (D)
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of \$1,000,000.
- (G) Sum of incurred losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Paid Losses as of 12/31/22

Accident Year (A)	Unlimited Paid (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over \$1M (F)	Paid Over \$100,000 (G)	Paid Capped at \$100,000 (H)	Paid \$100,000 to \$1M (I)	Paid Capped at \$1M (J)	Paid Capped at \$1M & Aggregate (K)
2002-2003	\$2,934,346	\$0	\$0	\$2,934,346	\$0	\$808,114	\$2,126,232	\$808,114	\$2,934,346	\$2,934,346
2003-2004	25,851,167	0	0	25,851,167	0	9,001,156	16,850,011	9,001,156	25,851,167	25,851,167
2004-2005	22,838,154	0	0	22,838,154	71,858	8,078,550	14,759,604	8,006,692	22,766,296	22,766,296
2005-2006	27,027,960	0	0	27,027,960	0	9,758,901	17,269,059	9,758,901	27,027,960	27,027,960
2006-2007	18,942,393	0	0	18,942,393	0	6,670,960	12,271,433	6,670,960	18,942,393	18,942,393
2007-2008	17,741,428	0	0	17,741,428	0	6,038,905	11,702,523	6,038,905	17,741,428	17,741,428
2008-2009	18,578,103	0	0	18,578,103	0	7,063,894	11,514,209	7,063,894	18,578,103	18,578,103
2009-2010	21,105,397	0	0	21,105,397	1,747	8,684,064	12,421,333	8,682,317	21,103,649	21,103,649
2010-2011	22,976,436	0	0	22,976,436	513,851	9,781,299	13,195,137	9,267,448	22,462,585	22,462,585
2011-2012	24,791,624	0	0	24,791,624	1,406,187	11,470,966	13,320,657	10,064,779	23,385,437	23,385,437
2012-2013	19,069,027	0	0	19,069,027	0	7,212,594	11,856,433	7,212,594	19,069,027	19,069,027
2013-2014	22,221,643	0	0	22,221,643	1,444,752	9,499,169	12,722,475	8,054,416	20,776,891	20,776,891
2014-2015	18,932,056	0	0	18,932,056	0	6,285,217	12,646,839	6,285,217	18,932,056	18,932,056
2015-2016	17,312,590	0	0	17,312,590	0	5,290,772	12,021,818	5,290,772	17,312,590	17,312,590
2016-2017	18,658,831	0	0	18,658,831	0	6,561,049	12,097,782	6,561,049	18,658,831	18,658,831
2017-2018	12,912,039	0	0	12,912,039	0	4,057,427	8,854,613	4,057,427	12,912,039	12,912,039
2018-2019	8,350,071	0	0	8,350,071	0	2,835,706	5,514,365	2,835,706	8,350,071	8,350,071
2019-2020	11,007,442	0	0	11,007,442	0	2,871,260	8,136,181	2,871,260	11,007,442	11,007,442
2020-2021	10,674,537	0	0	10,674,537	0	1,993,165	8,681,372	1,993,165	10,674,537	10,674,537
2021-2022	7,486,660	0	0	7,486,660	0	709,397	6,777,263	709,397	7,486,660	7,486,660
2022-2023	911,385	0	0	911,385	0	0	911,385	0	911,385	911,385
<b>Total</b>	<b>\$350,323,290</b>	<b>\$0</b>	<b>\$0</b>	<b>\$350,323,290</b>	<b>\$3,438,396</b>	<b>\$124,672,567</b>	<b>\$225,650,723</b>	<b>\$121,234,170</b>	<b>\$346,884,893</b>	<b>\$346,884,893</b>

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by ICRMA.
- (C)
- (D)
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of \$1,000,000.
- (G) Sum of paid losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Case Reserves as of 12/31/22

Accident Year (A)	Unlimited Reserves (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over \$1M (F)	Reserves Over \$100,000 (G)	Reserves Capped at \$100,000 (H)	Reserves \$100,000 to \$1M (I)	Reserves Capped at \$1M (J)	Reserves Capped at \$1M & Aggregate (K)
2002-2003	\$135,439	\$0	\$0	\$135,439	\$0	\$135,439	\$0	\$135,439	\$135,439	\$135,439
2003-2004	2,362,076	0	0	2,362,076	488,359	2,243,664	118,412	1,755,306	1,873,718	1,873,718
2004-2005	1,614,685	0	0	1,614,685	194,248	1,415,896	198,789	1,221,648	1,420,437	1,420,437
2005-2006	2,750,450	0	0	2,750,450	125,167	2,534,291	216,159	2,409,124	2,625,283	2,625,283
2006-2007	1,046,658	0	0	1,046,658	0	829,986	216,672	829,986	1,046,658	1,046,658
2007-2008	2,982,291	0	0	2,982,291	1,552,320	2,815,167	167,125	1,262,846	1,429,971	1,429,971
2008-2009	2,338,658	0	0	2,338,658	0	1,942,762	395,897	1,942,762	2,338,658	2,338,658
2009-2010	2,632,951	0	0	2,632,951	748,949	2,424,553	208,399	1,675,604	1,884,003	1,884,003
2010-2011	2,978,889	0	0	2,978,889	319,273	2,760,533	218,356	2,441,260	2,659,616	2,659,616
2011-2012	6,195,292	0	0	6,195,292	1,260,695	5,879,904	315,389	4,619,209	4,934,598	4,934,598
2012-2013	3,187,083	0	0	3,187,083	125,330	2,543,275	643,808	2,417,945	3,061,753	3,061,753
2013-2014	3,378,569	0	0	3,378,569	442,331	3,110,306	268,263	2,667,975	2,936,238	2,936,238
2014-2015	3,517,549	0	0	3,517,549	0	2,820,645	696,904	2,820,645	3,517,549	3,517,549
2015-2016	3,984,014	0	0	3,984,014	0	3,184,734	799,280	3,184,734	3,984,014	3,984,014
2016-2017	6,594,449	0	0	6,594,449	0	5,848,514	745,935	5,848,514	6,594,449	6,594,449
2017-2018	3,713,732	0	0	3,713,732	0	2,938,233	775,498	2,938,233	3,713,732	3,713,732
2018-2019	4,221,614	0	0	4,221,614	0	2,838,025	1,383,590	2,838,025	4,221,614	4,221,614
2019-2020	6,764,043	0	0	6,764,043	0	3,853,768	2,910,275	3,853,768	6,764,043	6,764,043
2020-2021	6,860,334	0	0	6,860,334	0	2,770,096	4,090,238	2,770,096	6,860,334	6,860,334
2021-2022	4,878,838	0	0	4,878,838	0	1,370,363	3,508,475	1,370,363	4,878,838	4,878,838
2022-2023	1,694,755	0	0	1,694,755	0	140,523	1,554,232	140,523	1,694,755	1,694,755
Total	\$73,832,371	\$0	\$0	\$73,832,371	\$5,256,671	\$54,400,675	\$19,431,696	\$49,144,004	\$68,575,700	\$68,575,700

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Appendix A, Page 22, Column (B) - Appendix A, Page 23, Column (B).
- (C) Appendix A, Page 22, Column (C) - Appendix A, Page 23, Column (C).
- (D) Appendix A, Page 22, Column (D) - Appendix A, Page 23, Column (D).
- (E) (B) + (C) - (D).
- (F) Sum of case reserves in excess of \$1,000,000.
- (G) Sum of case reserves in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss.

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Claim Counts as of 12/31/22

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
2002-2003	238	0	0	238	235	0	0	235	3	3
2003-2004	1,664	0	0	1,664	1,637	0	0	1,637	27	27
2004-2005	1,611	0	0	1,611	1,587	0	0	1,587	24	24
2005-2006	1,501	0	0	1,501	1,472	0	0	1,472	29	29
2006-2007	958	0	0	958	931	0	0	931	27	27
2007-2008	878	0	0	878	851	0	0	851	27	27
2008-2009	774	0	0	774	741	0	0	741	33	33
2009-2010	765	0	0	765	738	0	0	738	27	27
2010-2011	757	0	0	757	720	0	0	720	37	37
2011-2012	743	0	0	743	697	0	0	697	46	46
2012-2013	723	0	0	723	677	0	0	677	46	46
2013-2014	719	0	0	719	677	0	0	677	42	42
2014-2015	670	0	0	670	604	0	0	604	66	66
2015-2016	634	0	0	634	576	0	0	576	58	58
2016-2017	529	0	0	529	452	0	0	452	77	77
2017-2018	414	0	0	414	347	0	0	347	67	67
2018-2019	336	0	0	336	265	0	0	265	71	71
2019-2020	480	0	0	480	361	0	0	361	119	119
2020-2021	902	0	0	902	728	0	0	728	174	174
2021-2022	1,072	0	0	1,072	875	0	0	875	197	197
2022-2023	309	0	0	309	163	0	0	163	146	146
Total	16,677	0	0	16,677	15,334	0	0	15,334	1,343	1,343

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by ICRMA.
- (C)
- (D)
- (E) (B) + (C) - (D).
- (F) Provided by ICRMA.
- (G)
- (H)
- (I) (F) + (G) - (H).
- (J) (B) - (F).
- (K) (E) - (I).

ICRMA - Excess Workers' Compensation - \$100K & \$1M Analyses

Exposure Measures

Accident Year	Total Payroll (\$00) (A)	Inflation Trend Factor (B)	Trended Payroll (\$00) (C)
2002-2003	596,317	1.638	976,767
2003-2004	4,999,878	1.598	7,989,805
2004-2005	5,269,669	1.559	8,215,413
2005-2006	5,265,675	1.521	8,009,092
2006-2007	3,715,408	1.484	5,513,665
2007-2008	3,863,419	1.448	5,594,231
2008-2009	3,812,865	1.413	5,387,578
2009-2010	4,211,653	1.379	5,807,869
2010-2011	4,109,363	1.345	5,527,094
2011-2012	3,891,226	1.312	5,105,288
2012-2013	3,787,326	1.280	4,847,778
2013-2014	3,645,167	1.249	4,552,813
2014-2015	3,738,753	1.219	4,557,540
2015-2016	3,614,575	1.189	4,297,730
2016-2017	3,007,421	1.160	3,488,609
2017-2018	2,276,344	1.132	2,576,822
2018-2019	2,020,005	1.104	2,230,085
2019-2020	3,016,230	1.077	3,248,479
2020-2021	3,005,526	1.051	3,158,807
2021-2022	3,137,740	1.025	3,216,184
2022-2023	2,962,051	1.000	2,962,051
2023-2024	2,908,752	1.000	2,908,752

Notes:

- (A) Provided by ICRMA.
- (B) Based on WCIRB.
- (C) (A) x (B).



ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Estimated Loss Rates for the \$100,000 - \$1,000,000 Layer

Accident Year	Estimated Ultimate \$100K - \$1M Losses (A)	Trended Payroll (\$00's) (B)	Benefit Level Factor to 2022-2023 (C)	Loss Rate at 2022-2023 Level (D)
2003-2004	11,414,000	7,989,805	2.361	3.373
2004-2005	9,817,000	8,215,413	2.926	3.496
2005-2006	12,958,000	8,009,092	3.049	4.933
2006-2007	8,051,000	5,513,665	2.776	4.053
2007-2008	7,880,000	5,594,231	2.487	3.503
2008-2009	9,729,000	5,387,578	2.233	4.032
2009-2010	11,290,000	5,807,869	1.970	3.830
2010-2011	12,876,000	5,527,094	1.790	4.170
2011-2012	15,763,000	5,105,288	1.698	5.243
2012-2013	10,882,000	4,847,778	1.658	3.722
2013-2014	12,608,000	4,552,813	1.607	4.450
2014-2015	11,057,000	4,557,540	1.526	3.702
2015-2016	10,686,000	4,297,730	1.519	3.777
2016-2017	15,400,000	3,488,609	1.420	6.268
2017-2018	9,731,000	2,576,822	1.340	5.060
2018-2019	8,166,000	2,230,085	1.264	4.628
2019-2020	11,931,000	3,248,479	1.192	4.378
2020-2021	12,372,000	3,158,807	1.125	4.406
2021-2022	13,031,000	3,216,184	1.060	4.295
2022-2023				
			Average 11/12-20/21:	\$4.564
			Average 15/16-20/21:	4.427
			Prior Selected Rate:	4.300
			Selected 2022-2023 Rate:	\$4.360
			Benefit Level & Trend Factor to 2023-2024:	1.058
			Selected 2023-2024 Rate:	\$4.615

Notes:

- (A) From Appendix B, Page 2, Column (F).
- (B) Provided by ICRMA.
- (C) From Appendix B, Page 17, Column (B).
- (D) (A) / (B) x (C).

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Estimated Ultimate \$1,000,000 Limited Losses

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Estimate of Ultimate Losses (F)
2003-2004	11,477,145	11,548,483	11,475,760	11,524,408	11,414,018	11,414,000
2004-2005	9,865,095	10,376,673	9,866,472	10,245,063	9,817,018	9,817,000
2005-2006	13,044,123	12,784,160	13,036,259	12,830,115	12,957,984	12,958,000
2006-2007	8,071,018	8,852,364	8,072,493	8,651,248	8,051,022	8,051,000
2007-2008	7,893,193	8,134,406	7,892,921	8,072,531	7,879,984	7,880,000
2008-2009	9,790,235	9,705,791	9,785,053	9,710,445	9,729,005	9,729,000
2009-2010	11,352,281	12,224,702	11,351,485	11,956,561	11,290,026	11,290,000
2010-2011	12,961,540	13,437,800	12,957,887	13,259,668	12,876,000	12,876,000
2011-2012	16,504,803	15,107,234	16,418,152	15,330,332	15,762,975	15,763,000
2012-2013	11,036,598	11,367,048	11,012,713	11,184,984	10,881,990	10,882,000
2013-2014	12,598,810	13,394,494	12,600,795	13,084,505	12,607,985	12,608,000
2014-2015	11,072,727	11,181,401	11,073,123	11,126,008	11,056,968	11,057,000
2015-2016	10,772,368	10,258,807	10,745,739	10,449,423	10,686,016	10,686,000
2016-2017	16,566,768	14,119,378	16,177,447	14,592,193	15,399,957	15,400,000
2017-2018	10,038,772	10,042,131	9,489,462	8,962,727	10,367,091	9,731,000
2018-2019	8,958,821	8,563,833	8,444,973	7,887,370	7,486,908	8,166,000
2019-2020	12,636,328	11,706,128	12,184,383	11,678,553	12,671,496	11,931,000
2020-2021	12,979,885	14,627,836	12,369,452	12,375,077	14,929,986	12,372,000
2021-2022	12,751,007	15,618,789	12,949,838	13,111,935	15,637,698	13,031,000
Totals						\$216,618,000

Notes:

- (A) From Appendix B, Page 3, Column (D).
- (B) From Appendix B, Page 5, Column (D).
- (C) From Appendix B, Page 7, Column (G).
- (D) From Appendix B, Page 8, Column (G).
- (E) From Appendix B, Page 10, Column (C).
- (F) Selected averages of (A), (B), (C), (D), and (E).

This exhibit summarizes the results of the actuarial methods we have applied to estimate ultimate losses for each year. It is important to apply a number of estimation methods because each one relies on specific assumptions about the claims process that tend to hold generally true, but that may be violated in specific situations. Thus, the more estimation methods that can be applied, the better.

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Reported Loss Development

Accident Year (A)	\$100K - \$1M Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Estimated Ultimate \$100K - \$1M Losses (D)
2001-2002	0	1.035	0
2002-2003	943,553	1.042	983,182
2003-2004	10,756,462	1.067	11,477,145
2004-2005	9,228,340	1.069	9,865,095
2005-2006	12,168,025	1.072	13,044,123
2006-2007	7,500,946	1.076	8,071,018
2007-2008	7,301,751	1.081	7,893,193
2008-2009	9,006,656	1.087	9,790,235
2009-2010	10,357,921	1.096	11,352,281
2010-2011	11,708,708	1.107	12,961,540
2011-2012	14,683,988	1.124	16,504,803
2012-2013	9,630,539	1.146	11,036,598
2013-2014	10,722,391	1.175	12,598,810
2014-2015	9,105,861	1.216	11,072,727
2015-2016	8,475,506	1.271	10,772,368
2016-2017	12,409,564	1.335	16,566,768
2017-2018	6,995,660	1.435	10,038,772
2018-2019	5,673,731	1.579	8,958,821
2019-2020	6,725,028	1.879	12,636,328
2020-2021	4,763,260	2.725	12,979,885
2021-2022	2,079,760	6.131	12,751,007
Totals	\$170,237,651		\$221,354,699

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by ICRMA. These losses exclude amounts over the SIR.
- (C) From Appendix B, Page 4.
- (D) (B) x (C). These estimated losses exclude amounts over the SIR.

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses and case reserves as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.

ICRMA - Excess Workers' Compensation - \$900K vs \$100K Analysis  
Reported Loss Development

\$100K - \$1M Losses Reported as of:

Accident Year	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002											
2002-2003											
2003-2004											9,557,727
2004-2005										8,213,271	8,492,207
2005-2006									10,371,039	10,994,393	10,582,532
2006-2007								6,999,035	7,533,795	7,417,656	7,645,875
2007-2008							6,088,640	5,606,685	5,557,494	5,855,085	6,146,354
2008-2009						6,823,524	7,632,533	7,874,484	8,252,050	8,942,521	8,795,199
2009-2010					9,004,444	9,722,564	9,621,635	9,822,670	9,863,026	10,090,609	10,107,661
2010-2011				7,408,462	9,422,508	9,564,543	10,316,887	10,740,950	11,044,873	11,133,649	11,067,487
2011-2012			5,441,624	7,701,296	8,843,312	9,897,106	10,737,275	11,847,542	13,022,846	13,761,616	13,153,144
2012-2013		2,489,739	5,647,863	7,398,803	8,807,510	9,017,384	8,879,584	8,851,146	9,099,957	9,645,217	9,630,539
2013-2014	338,946	2,845,774	5,283,881	7,307,279	8,109,122	8,914,720	10,387,043	10,497,118	10,692,682	10,722,391	
2014-2015	233,124	1,954,497	4,655,655	6,073,188	7,644,078	8,401,086	9,564,076	10,366,142	9,105,861		
2015-2016	332,375	3,209,804	5,215,271	6,547,964	9,101,175	9,634,997	9,016,026	8,475,506			
2016-2017	824,055	3,137,906	7,001,346	10,055,303	12,046,341	11,804,723	12,409,564				
2017-2018	245,252	2,486,599	5,260,280	6,139,771	7,490,180	6,995,660					
2018-2019	167,159	1,625,581	3,167,629	4,939,936	5,673,731						
2019-2020	346,650	1,845,014	4,197,303	6,725,028							
2020-2021	88,892	1,944,993	4,763,260								
2021-2022	57,346	2,079,760									
2022-2023	140,523										

Reported Loss Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002											
2002-2003											
2003-2004											0.994
2004-2005										1.034	1.074
2005-2006									1.060	0.963	1.095
2006-2007								1.076	0.985	1.031	0.999
2007-2008							0.921	0.991	1.054	1.050	1.014
2008-2009						1.119	1.032	1.048	1.084	0.984	1.016
2009-2010					1.080	0.990	1.021	1.004	1.023	1.002	1.003
2010-2011				1.272	1.015	1.079	1.041	1.028	1.008	0.994	1.031
2011-2012			1.415	1.148	1.119	1.085	1.103	1.099	1.057	0.956	1.116
2012-2013		2.268	1.310	1.190	1.024	0.985	0.997	1.028	1.060	0.998	
2013-2014	8.396	1.857	1.383	1.110	1.099	1.165	1.011	1.019	1.003		
2014-2015	8.384	2.382	1.304	1.259	1.099	1.138	1.084	0.878			
2015-2016	9.657	1.625	1.256	1.390	1.059	0.936	0.940				
2016-2017	3.808	2.231	1.436	1.198	0.980	1.051					
2017-2018	10.139	2.115	1.167	1.220	0.934						
2018-2019	9.725	1.949	1.560	1.149							
2019-2020	5.322	2.275	1.602								
2020-2021	21.880	2.449									
2021-2022	36.267										

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average	12.620	2.128	1.381	1.215	1.045	1.061	1.017	1.019	1.037	1.001	1.038
Dollar-Weighted Averages											
3-yr	11.909	2.239	1.410	1.193	0.993	1.038	1.013	0.973	1.040	0.980	1.055
4-yr	11.356	2.200	1.420	1.239	1.015	1.068	1.009	1.009	1.032	0.985	1.047
Industry											
Factors	3.898	2.221	1.583	1.317	1.200	1.118	1.090	1.075	1.062	1.053	1.044
Prior	9.000	2.150	1.300	1.190	1.100	1.075	1.050	1.045	1.035	1.025	1.020
Selected	9.000	2.250	1.450	1.190	1.100	1.075	1.050	1.045	1.035	1.025	1.020
Cumulated	55.179	6.131	2.725	1.879	1.579	1.435	1.335	1.271	1.216	1.175	1.146

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Paid Loss Development

Accident Year (A)	\$100K - \$1M Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Estimated Ultimate \$100K - \$1M Losses (D)
2001-2002	0	1.235	0
2002-2003	808,114	1.251	1,010,950
2003-2004	9,001,156	1.283	11,548,483
2004-2005	8,006,692	1.296	10,376,673
2005-2006	9,758,901	1.310	12,784,160
2006-2007	6,670,960	1.327	8,852,364
2007-2008	6,038,905	1.347	8,134,406
2008-2009	7,063,894	1.374	9,705,791
2009-2010	8,682,317	1.408	12,224,702
2010-2011	9,267,448	1.450	13,437,800
2011-2012	10,064,779	1.501	15,107,234
2012-2013	7,212,594	1.576	11,367,048
2013-2014	8,054,416	1.663	13,394,494
2014-2015	6,285,217	1.779	11,181,401
2015-2016	5,290,772	1.939	10,258,807
2016-2017	6,561,049	2.152	14,119,378
2017-2018	4,057,427	2.475	10,042,131
2018-2019	2,835,706	3.020	8,563,833
2019-2020	2,871,260	4.077	11,706,128
2020-2021	1,993,165	7.339	14,627,836
2021-2022	709,397	22.017	15,618,789
Totals	\$121,234,170		\$224,062,408

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by ICRMA. These losses exclude amounts over the SIR.
- (C) From Appendix B, Page 6.
- (D) (B) x (C). These estimated losses exclude amounts over the SIR.

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.

ICRMA - Excess Workers' Compensation - \$900K vs \$100K Analysis  
Paid Loss Development

Accident Year	<u>\$100K - \$1M Losses Paid as of:</u>										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002											
2002-2003											
2003-2004											6,761,504
2004-2005										6,206,516	6,722,163
2005-2006									7,300,729	7,858,956	8,188,641
2006-2007								4,072,174	5,386,431	5,622,395	5,851,527
2007-2008							3,387,846	3,618,666	4,059,653	4,360,154	4,635,607
2008-2009						2,705,879	3,759,487	4,533,974	5,256,334	5,853,481	6,141,199
2009-2010					5,023,682	5,845,323	6,372,617	6,914,044	7,487,568	7,841,613	8,212,294
2010-2011				3,224,561	4,458,464	5,819,693	6,627,169	7,309,174	7,830,841	8,179,369	8,956,253
2011-2012			2,114,461	3,215,940	4,577,151	5,795,028	6,759,226	7,421,583	8,288,750	9,288,365	9,699,965
2012-2013		1,114,290	2,192,742	3,520,393	4,864,356	5,672,498	6,087,158	6,427,891	6,731,192	6,990,719	7,212,594
2013-2014		396,846	1,615,245	2,919,358	3,989,295	4,954,441	6,886,159	7,405,028	7,721,285	8,054,416	
2014-2015		194,382	860,080	1,968,914	3,175,727	3,959,614	4,720,614	5,801,585	6,285,217		
2015-2016		671,034	1,622,486	2,781,235	3,654,007	4,257,251	4,751,966	5,290,772			
2016-2017	16,672	562,485	1,988,022	4,162,333	5,025,841	5,844,641	6,561,049				
2017-2018		330,201	1,174,259	1,925,249	3,235,800	4,057,427					
2018-2019		425,225	1,052,131	2,094,977	2,835,706						
2019-2020		484,515	1,649,910	2,871,260							
2020-2021		696,846	1,993,165								
2021-2022		709,397									
2022-2023											
	<u>Paid Loss Development Factors:</u>										
	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002											
2002-2003											
2003-2004											1.061
2004-2005										1.083	1.049
2005-2006									1.076	1.042	1.069
2006-2007								1.323	1.044	1.041	1.022
2007-2008							1.068	1.122	1.074	1.063	1.083
2008-2009						1.389	1.206	1.159	1.114	1.049	1.050
2009-2010					1.164	1.090	1.085	1.083	1.047	1.047	1.026
2010-2011				1.383	1.305	1.139	1.103	1.071	1.045	1.095	1.022
2011-2012			1.521	1.423	1.266	1.166	1.098	1.117	1.121	1.044	1.038
2012-2013		1.968	1.605	1.382	1.166	1.073	1.056	1.047	1.039	1.032	
2013-2014		4.070	1.807	1.366	1.242	1.390	1.075	1.043	1.043		
2014-2015		4.425	2.289	1.613	1.247	1.192	1.229	1.083			
2015-2016		2.418	1.714	1.314	1.165	1.116	1.113				
2016-2017	33.737	3.534	2.094	1.207	1.163	1.123					
2017-2018		3.556	1.640	1.681	1.254						
2018-2019		2.474	1.991	1.354							
2019-2020		3.405	1.740								
2020-2021		2.860									
2021-2022											
	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average	33.737	3.190	1.822	1.414	1.219	1.186	1.115	1.116	1.067	1.055	1.047
Dollar-Weighted Averages											
3-yr		2.922	1.778	1.356	1.188	1.140	1.131	1.056	1.070	1.058	1.029
4-yr		3.031	1.885	1.345	1.201	1.205	1.110	1.073	1.063	1.055	1.033
Industry											
Factors	4.754	3.118	2.614	2.036	1.623	1.380	1.272	1.209	1.134	1.089	1.075
Prior	20.000	4.000	1.850	1.400	1.220	1.150	1.110	1.100	1.075	1.055	1.050
Selected	20.000	3.000	1.800	1.350	1.220	1.150	1.110	1.090	1.070	1.055	1.050
Cumulated	440.340	22.017	7.339	4.077	3.020	2.475	2.152	1.939	1.779	1.663	1.576

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Exposure and Development Method  
Based on Reported Losses

Accident Year	Trended Payroll (\$00) (A)	Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	\$100K - \$1M Loss Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate \$100K - \$1M Losses (G)
2001-2002	0		1.035	0.034	2.153	0	
2002-2003	976,767	943,553	1.042	0.040	0.999	39,032	982,585
2003-2004	7,989,805	10,756,462	1.067	0.063	1.429	719,298	11,475,760
2004-2005	8,215,413	9,228,340	1.069	0.065	1.195	638,132	9,866,472
2005-2006	8,009,092	12,168,025	1.072	0.067	1.618	868,234	13,036,259
2006-2007	5,513,665	7,500,946	1.076	0.071	1.460	571,547	8,072,493
2007-2008	5,594,231	7,301,751	1.081	0.075	1.409	591,170	7,892,921
2008-2009	5,387,578	9,006,656	1.087	0.080	1.806	778,397	9,785,053
2009-2010	5,807,869	10,357,921	1.096	0.088	1.944	993,564	11,351,485
2010-2011	5,527,094	11,708,708	1.107	0.097	2.330	1,249,179	12,957,887
2011-2012	5,105,288	14,683,988	1.124	0.110	3.088	1,734,164	16,418,152
2012-2013	4,847,778	9,630,539	1.146	0.127	2.245	1,382,174	11,012,713
2013-2014	4,552,813	10,722,391	1.175	0.149	2.769	1,878,404	12,600,795
2014-2015	4,557,540	9,105,861	1.216	0.178	2.425	1,967,262	11,073,123
2015-2016	4,297,730	8,475,506	1.271	0.213	2.480	2,270,233	10,745,739
2016-2017	3,488,609	12,409,564	1.335	0.251	4.303	3,767,883	16,177,447
2017-2018	2,576,822	6,995,660	1.435	0.303	3.194	2,493,802	9,489,462
2018-2019	2,230,085	5,673,731	1.579	0.367	3.386	2,771,242	8,444,973
2019-2020	3,248,479	6,725,028	1.879	0.468	3.591	5,459,355	12,184,383
2020-2021	3,158,807	4,763,260	2.725	0.633	3.804	7,606,192	12,369,452
2021-2022	3,216,184	2,079,760	6.131	0.837	4.038	10,870,078	12,949,838
Totals	\$94,301,649	\$170,237,651				\$48,649,342	\$218,886,993

Notes:

- (A) From Appendix B, Page 23, Column (C).
- (B) Provided by ICRMA. These losses exclude amounts incurred above the ICRMA's SIR for each year.
- (C) From Appendix B, Page 3, Column (C).
- (D)  $1 - 1/(C)$ .
- (E) From Appendix B, Page 9, Column (H).
- (F)  $(A) \times (D) \times (E)$ .
- (G)  $(B) + (F)$ .

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and payroll that changes in regular ways over time. The method relies on the premise that the losses that are currently unreported will cost what this relationship would suggest.

## ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Exposure and Development Method  
Based on Paid Losses

Accident Year	Trended Payroll (\$00) (A)	Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	\$100K - \$1M Loss Rate (E)	Incurred but not Paid (F)	Ultimate \$100K - \$1M Losses (G)
2001-2002	0		1.235	0.190	2.153	0	
2002-2003	976,767	808,114	1.251	0.201	0.999	196,134	1,004,248
2003-2004	7,989,805	9,001,156	1.283	0.221	1.429	2,523,252	11,524,408
2004-2005	8,215,413	8,006,692	1.296	0.228	1.195	2,238,371	10,245,063
2005-2006	8,009,092	9,758,901	1.310	0.237	1.618	3,071,214	12,830,115
2006-2007	5,513,665	6,670,960	1.327	0.246	1.460	1,980,288	8,651,248
2007-2008	5,594,231	6,038,905	1.347	0.258	1.409	2,033,626	8,072,531
2008-2009	5,387,578	7,063,894	1.374	0.272	1.806	2,646,551	9,710,445
2009-2010	5,807,869	8,682,317	1.408	0.290	1.944	3,274,244	11,956,561
2010-2011	5,527,094	9,267,448	1.450	0.310	2.330	3,992,220	13,259,668
2011-2012	5,105,288	10,064,779	1.501	0.334	3.088	5,265,553	15,330,332
2012-2013	4,847,778	7,212,594	1.576	0.365	2.245	3,972,390	11,184,984
2013-2014	4,552,813	8,054,416	1.663	0.399	2.769	5,030,089	13,084,505
2014-2015	4,557,540	6,285,217	1.779	0.438	2.425	4,840,791	11,126,008
2015-2016	4,297,730	5,290,772	1.939	0.484	2.480	5,158,651	10,449,423
2016-2017	3,488,609	6,561,049	2.152	0.535	4.303	8,031,144	14,592,193
2017-2018	2,576,822	4,057,427	2.475	0.596	3.194	4,905,300	8,962,727
2018-2019	2,230,085	2,835,706	3.020	0.669	3.386	5,051,664	7,887,370
2019-2020	3,248,479	2,871,260	4.077	0.755	3.591	8,807,293	11,678,553
2020-2021	3,158,807	1,993,165	7.339	0.864	3.804	10,381,912	12,375,077
2021-2022	3,216,184	709,397	22.017	0.955	4.038	12,402,538	13,111,935
Totals	\$94,301,649	\$121,234,170				\$95,803,225	\$217,037,395

## Notes:

- (A) From Appendix B, Page 23, Column (C).
- (B) Provided by ICRMA. These losses exclude amounts paid above the ICRMA's SIR for each year.
- (C) From Appendix B, Page 5, Column (C).
- (D)  $1 - 1/(C)$ .
- (E) From Appendix B, Page 9, Column (H).
- (F)  $(A) \times (D) \times (E)$ .
- (G)  $(B) + (F)$ .

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and payroll that changes in regular ways over time. The method relies on the premise that the losses that are currently unpaid will cost what this relationship would suggest.



ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Exposure and Development Method

Accident Year	Trended Payroll (\$00) (A)	Estimated Ultimate \$100K - \$1M Losses (B)	Benefit Level Factor (C)	Adjusted Losses (D)	Ratio of Adjusted Losses to Payroll (E)	\$100K - \$1M Loss Rate (F)	Factor to \$100K - \$1M (G)	\$100K - \$1M Loss Rate (H)
2001-2002	0		1.988			2.153	1.000	2.153
2002-2003	976,767	976,000	1.996	1,948,096	1.994	0.999	1.000	0.999
2003-2004	7,989,805	11,414,000	2.361	26,948,454	3.373	1.429	1.000	1.429
2004-2005	8,215,413	9,817,000	2.926	28,724,542	3.496	1.195	1.000	1.195
2005-2006	8,009,092	12,958,000	3.049	39,508,942	4.933	1.618	1.000	1.618
2006-2007	5,513,665	8,051,000	2.776	22,349,576	4.053	1.460	1.000	1.460
2007-2008	5,594,231	7,880,000	2.487	19,597,560	3.503	1.409	1.000	1.409
2008-2009	5,387,578	9,729,000	2.233	21,724,857	4.032	1.806	1.000	1.806
2009-2010	5,807,869	11,290,000	1.970	22,241,300	3.830	1.944	1.000	1.944
2010-2011	5,527,094	12,876,000	1.790	23,048,040	4.170	2.330	1.000	2.330
2011-2012	5,105,288	15,763,000	1.698	26,765,574	5.243	3.088	1.000	3.088
2012-2013	4,847,778	10,882,000	1.658	18,042,356	3.722	2.245	1.000	2.245
2013-2014	4,552,813	12,608,000	1.607	20,261,056	4.450	2.769	1.000	2.769
2014-2015	4,557,540	11,052,000	1.526	16,865,352	3.701	2.425	1.000	2.425
2015-2016	4,297,730	10,657,000	1.519	16,187,983	3.767	2.480	1.000	2.480
2016-2017	3,488,609	15,012,000	1.420	21,317,040	6.110	4.303	1.000	4.303
2017-2018	2,576,822	9,628,000	1.340	12,901,520	5.007	3.194	1.000	3.194
2018-2019	2,230,085	8,425,000	1.264	10,649,200	4.775	3.386	1.000	3.386
2019-2020	3,248,479	12,174,000	1.192	14,511,408	4.467	3.591	1.000	3.591
2020-2021	3,158,807	12,701,000	1.125	14,288,625	4.523	3.804	1.000	3.804
2021-2022	3,216,184	12,787,000	1.060	13,554,220	4.214	4.038	1.000	4.038
Total/Avg	\$94,301,649	\$216,680,000		\$391,435,701	\$4.151			
11/12-20/21	32,958,663	103,139,000		145,024,540	4.400			
16/17-20/21	14,702,802	57,940,000		73,667,793	5.010			
17/18-21/22	14,430,377	55,715,000		65,904,973	4.567			
				Selected \$100K - \$1M Rate:	\$4.280			
				Prior Selected \$100K - \$1M Rate:	\$4.350			

Notes:

- (A) From Appendix B, Page 23, Column (C).
- (B) Selected average of results from Appendix B, Pages 3 and 5.
- (C) From Appendix B, Page 17, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected \$100K - \$1M Rate / (C). For 2016-2017 and prior (B) / (A).
- (G) Based on a Weibull distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

This exhibit shows the calculation of the underlying historical relationship between losses and payroll that is needed to apply the estimation methods shown on pages 1 and 2 of this Appendix.

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Frequency and Severity Method

Accident Year	\$100K - \$1M Severity (A)	Adjusted Ultimate Claims (B)	Estimated Ultimate Losses (C)
2001-2002	164,557	0	0
2002-2003	122,000	8	976,000
2003-2004	148,234	77	11,414,018
2004-2005	158,339	62	9,817,018
2005-2006	166,128	78	12,957,984
2006-2007	136,458	59	8,051,022
2007-2008	160,816	49	7,879,984
2008-2009	176,891	55	9,729,005
2009-2010	171,061	66	11,290,026
2010-2011	174,000	74	12,876,000
2011-2012	210,173	75	15,762,975
2012-2013	172,730	63	10,881,990
2013-2014	193,969	65	12,607,985
2014-2015	141,756	78	11,056,968
2015-2016	166,969	64	10,686,016
2016-2017	177,011	87	15,399,957
2017-2018	164,557	63	10,367,091
2018-2019	170,157	44	7,486,908
2019-2020	175,993	72	12,671,496
2020-2021	182,073	82	14,929,986
2021-2022	188,406	83	15,637,698
Total		1,304	\$222,480,127

Notes:

- (A) From Appendix B, Page 11, Column (H).
- (B) From Appendix B, Page 11, Column (B).
- (C) (A) x (B).

This exhibit shows the calculation of the estimated ultimate losses for each year based on the observed average frequency and severity of claims.

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Frequency and Severity Method

Accident Year	Estimated Ultimate \$100K - \$1M Losses (A)	Adjusted Ultimate Claims (B)	Estimated Ultimate \$100K - \$1M Severity (C)	Benefit Level Factor (D)	Adjusted \$100K - \$1M Severity (E)	\$100K - \$1M Severity (F)	Factor to \$100K - \$1M (G)	\$100K - \$1M Severity (H)
2001-2002				1.185		164,557	1.000	164,557
2002-2003	976,000	8	122,000	1.221	148,962	122,000	1.000	122,000
2003-2004	11,414,000	77	148,234	1.479	219,238	148,234	1.000	148,234
2004-2005	9,817,000	62	158,339	1.879	297,519	158,339	1.000	158,339
2005-2006	12,958,000	78	166,128	2.006	333,253	166,128	1.000	166,128
2006-2007	8,051,000	59	136,458	1.873	255,586	136,458	1.000	136,458
2007-2008	7,880,000	49	160,816	1.719	276,443	160,816	1.000	160,816
2008-2009	9,729,000	55	176,891	1.583	280,018	176,891	1.000	176,891
2009-2010	11,290,000	66	171,061	1.431	244,788	171,061	1.000	171,061
2010-2011	12,876,000	74	174,000	1.332	231,768	174,000	1.000	174,000
2011-2012	15,763,000	75	210,173	1.295	272,174	210,173	1.000	210,173
2012-2013	10,882,000	63	172,730	1.296	223,858	172,730	1.000	172,730
2013-2014	12,608,000	65	193,969	1.287	249,638	193,969	1.000	193,969
2014-2015	11,057,000	78	141,756	1.253	177,620	141,756	1.000	141,756
2015-2016	10,686,000	64	166,969	1.278	213,386	166,969	1.000	166,969
2016-2017	15,400,000	87	177,011	1.225	216,838	177,011	1.000	177,011
2017-2018	9,731,000	63	154,460	1.185	183,035	164,557	1.000	164,557
2018-2019	8,166,000	44	185,591	1.146	212,687	170,157	1.000	170,157
2019-2020	11,931,000	72	165,708	1.108	183,604	175,993	1.000	175,993
2020-2021	12,372,000	82	150,878	1.071	161,590	182,073	1.000	182,073
2021-2022	13,031,000	83	157,000	1.035	162,495	188,406	1.000	188,406

Average \$100K - \$1M Severity: \$227,225  
13/14-20/21: 199,800

Selected \$100K - \$1M Severity: \$195,000  
Prior Selected \$100K - \$1M Severity: \$195,000

Notes:

- (A) Selected average of results from Appendix B, Pages 3, 5, 7 and 8.
- (B) Appendix B, Page 12, Column (C).
- (C) (A) / (B).
- (D) From Appendix B, Page 17, Column (J).
- (E) (C) x (D).
- (F) Selected Limited Severity / (D).
- (G) Based on a Weibull distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

This exhibit shows the calculation of the historical average cost per claim, or severity. The observed average severity is used in the method shown on page 1 of this Appendix.

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Frequency and Severity Method  
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Trended Payroll (\$000,000) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
2001-2002	0	0	0	0		1.679	
2002-2003	8	6	8	98	0.082	1.638	0.134
2003-2004	77	66	77	799	0.096	1.598	0.153
2004-2005	62	57	62	822	0.075	1.559	0.117
2005-2006	78	70	78	801	0.097	1.521	0.148
2006-2007	59	52	59	551	0.107	1.484	0.159
2007-2008	49	40	49	559	0.088	1.448	0.127
2008-2009	55	50	55	539	0.102	1.412	0.144
2009-2010	66	74	66	581	0.114	1.378	0.157
2010-2011	74	70	74	553	0.134	1.344	0.180
2011-2012	75	67	75	511	0.147	1.312	0.193
2012-2013	63	60	63	485	0.130	1.280	0.166
2013-2014	65	67	65	455	0.143	1.249	0.179
2014-2015	78	71	78	456	0.171	1.218	0.208
2015-2016	64	77	64	430	0.149	1.188	0.177
2016-2017	87	108	87	349	0.249	1.160	0.289
2017-2018	63	95	63	258	0.244	1.132	0.276
2018-2019	44	29	44	223	0.197	1.104	0.217
2019-2020	72	78	72	325	0.222	1.077	0.239
2020-2021	82	78	82	316	0.260	1.051	0.273
2021-2022	94	0	83	322	0.258	1.025	0.264
Total	1,315	1,215	1,304	9,430			0.178

(H) Selected 2022-2023 Frequency: 0.255  
Prior: 0.280

Program Year:	2022-2023	2023-2024
(I) Trend Factor:	1.000	1.025
(J) Selected Frequency:	0.255	0.261
(K) Estimated Payroll (\$000,000)	\$296	\$291
(L) Ultimate Claims:	76	76

Notes:

- |  |  |
|--|--|
| (A) From Appendix B, Page 13, (C).                   | (G) (E) x (F).                                       |
| (B) From Appendix B, Page 14, (C).                   | (H) The selected frequency of .255 is based on (G).  |
| (C) Selected from (A) and (B).                       | (I) From Appendix B, Page 17.                        |
| (D) From Appendix B, Page 23, (C) divided by 10,000. | (J) (H) x (I).                                       |
| (E) (C) / (D).                                       | (K) From Appendix B, Page 23, (C) divided by 10,000. |
| (F) From Appendix B, Page 17.                        | (L) (J) x (K).                                       |

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per \$1,000,000 of trended payroll.

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Frequency and Severity Method  
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2022 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2001-2002	0	1.000	0	
2002-2003	8	1.000	8	0.134
2003-2004	77	1.000	77	0.154
2004-2005	62	1.000	62	0.118
2005-2006	78	1.000	78	0.148
2006-2007	59	1.000	59	0.159
2007-2008	49	1.001	49	0.127
2008-2009	55	1.002	55	0.144
2009-2010	66	1.003	66	0.157
2010-2011	74	1.004	74	0.180
2011-2012	75	1.005	75	0.193
2012-2013	63	1.006	63	0.166
2013-2014	64	1.008	65	0.178
2014-2015	77	1.010	78	0.208
2015-2016	63	1.012	64	0.177
2016-2017	86	1.014	87	0.289
2017-2018	62	1.024	63	0.277
2018-2019	42	1.044	44	0.218
2019-2020	65	1.107	72	0.239
2020-2021	63	1.301	82	0.273
2021-2022	38	2.472	94	0.300
Total	1,226		1,315	0.179

Notes:

- (A) Provided by ICRMA.
- (B) From Appendix B, Page 15.
- (C) (A) x (B).
- (D) (C) / [Appendix B, Page 12, (D)] x [Appendix B, Page 12, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on reported claims as provided by ICRMA. These numbers of claims tend to "develop" or change from period to period as more claims are filed. This development tends to follow quantifiable patterns over time.

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Frequency and Severity Method  
Closed Claim Count Development

Accident Year	Claims Closed as of 12/31/2022 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2001-2002	0	1.174	0	
2002-2003	5	1.181	6	0.101
2003-2004	55	1.196	66	0.132
2004-2005	47	1.220	57	0.108
2005-2006	56	1.251	70	0.133
2006-2007	40	1.289	52	0.140
2007-2008	30	1.328	40	0.104
2008-2009	36	1.381	50	0.131
2009-2010	51	1.450	74	0.176
2010-2011	46	1.523	70	0.170
2011-2012	42	1.599	67	0.172
2012-2013	35	1.727	60	0.158
2013-2014	35	1.900	67	0.184
2014-2015	31	2.280	71	0.190
2015-2016	27	2.850	77	0.213
2016-2017	28	3.848	108	0.359
2017-2018	17	5.580	95	0.417
2018-2019	3	9.765	29	0.144
2019-2020	4	19.530	78	0.259
2020-2021	2	39.060	78	0.260
2021-2022	0	78.120	0	
Total	590		1,215	0.166

Notes:

- (A) Provided by ICRMA.
- (B) From Appendix B, Page 16.
- (C) (A) x (B).
- (D) (C) / [Appendix B, Page 12, (D)] x [Appendix B, Page 12, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on closed claims as provided by ICRMA. These numbers of closed claims tend to "develop" or change from period to period as more claims are closed. This development tends to follow quantifiable patterns over time.

ICRMA - Excess Workers' Compensation - \$900K vs \$100K Analysis  
Reported Claim Count Development

Claims Reported as of:

Accident Year	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2001-2002														
2002-2003													8	8
2003-2004												76	76	77
2004-2005										61	60	60	60	63
2005-2006									83	83	85	86	86	83
2006-2007								54	52	56	54	53	53	54
2007-2008							53	54	55	54	54	52	51	50
2008-2009						52	54	53	53	53	52	53	53	53
2009-2010					66	66	69	67	68	68	67	67	67	66
2010-2011				68	73	75	76	75	74	73	72	74	74	
2011-2012			57	67	71	74	76	79	85	80	78	75		
2012-2013		30	55	58	60	60	63	63	65	63	63			
2013-2014	3	30	57	71	72	69	68	66	64	64				
2014-2015	6	38	67	74	81	76	78	78	77					
2015-2016	4	32	54	64	73	74	68	63						
2016-2017	6	48	79	89	90	91	86							
2017-2018	5	41	58	62	65	62								
2018-2019	2	17	33	37	42									
2019-2020	8	30	55	65										
2020-2021	5	32	63											
2021-2022	3	38												
2022-2023	4													

Reported Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2001-2002														
2002-2003												1.000	1.000	1.000
2003-2004											1.000	1.000	1.013	1.013
2004-2005										0.984	1.000	1.000	1.050	0.968
2005-2006									1.000	1.024	1.012	1.000	0.965	1.000
2006-2007								0.963	1.077	0.964	0.981	1.000	1.019	1.019
2007-2008							1.019	1.019	0.982	1.000	0.963	0.981	0.980	0.980
2008-2009						1.038	0.981	1.000	1.000	0.981	1.019	1.000	1.000	1.038
2009-2010					1.000	1.045	0.971	1.015	1.000	0.985	1.000	1.000	0.985	
2010-2011				1.074	1.027	1.013	0.987	0.987	0.986	0.986	1.028	1.000		
2011-2012			1.175	1.060	1.042	1.027	1.039	1.076	0.941	0.975	0.962			
2012-2013		1.833	1.055	1.034	1.000	1.050	1.000	1.032	0.969	1.000				
2013-2014	10.000	1.900	1.246	1.014	0.958	0.986	0.971	0.970	1.000					
2014-2015	6.333	1.763	1.104	1.095	0.938	1.026	1.000	0.987						
2015-2016	8.000	1.688	1.185	1.141	1.014	0.919	0.926							
2016-2017	8.000	1.646	1.127	1.011	1.011	0.945								
2017-2018	8.200	1.415	1.069	1.048	0.954									
2018-2019	8.500	1.941	1.121	1.135										
2019-2020	3.750	1.833	1.182											
2020-2021	6.400	1.969												
2021-2022	12.667													
Average	7.983	1.776	1.140	1.068	0.994	1.005	0.988	1.005	0.995	0.989	0.996	0.998	1.002	1.003
Claim-Weighted Averages														
3-yr	6.250	1.911	1.123	1.048	0.996	0.963	0.967	0.995	0.967	0.986	0.995	1.000	0.988	1.013
4-yr	6.500	1.742	1.124	1.071	0.981	0.968	0.975	1.017	0.972	0.986	1.000	0.996	0.996	1.008
Industry Factors	2.453	1.025	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior	8.000	1.750	1.175	1.060	1.040	1.030	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001
Selected	8.000	1.900	1.175	1.060	1.020	1.010	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001
Cumulated	19.776	2.472	1.301	1.107	1.044	1.024	1.014	1.012	1.010	1.008	1.006	1.005	1.004	1.003

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis  
Closed Claim Development

Accident Year	Claims Closed as of:													
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2001-2002														
2002-2003													5	5
2003-2004												42	47	50
2004-2005										30	37	37	41	41
2005-2006									29	38	38	44	45	51
2006-2007								17	24	28	32	33	35	36
2007-2008							11	17	19	23	23	24	23	27
2008-2009						7	10	17	24	29	31	30	34	34
2009-2010					15	20	20	29	37	42	46	49	50	51
2010-2011				7	10	22	32	34	41	43	47	46	46	
2011-2012				4	6	13	20	26	30	38	40	42		
2012-2013			1	5	10	14	19	28	30	32	35			
2013-2014				2	7	11	17	22	30	35				
2014-2015			1	3	7	13	22	25	31					
2015-2016			1	7	11	19	25	27						
2016-2017			2	9	11	21	28							
2017-2018				1	8	17								
2018-2019				1	3									
2019-2020			1	4										
2020-2021			2											
2021-2022														
2022-2023														

Closed Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2001-2002														
2002-2003												1.000	1.000	1.000
2003-2004											1.119	1.000	1.064	1.020
2004-2005										1.233	1.000	1.108	1.000	1.098
2005-2006									1.310	1.000	1.158	1.023	1.133	1.020
2006-2007								1.412	1.167	1.143	1.031	1.061	1.029	1.028
2007-2008							1.545	1.118	1.211	1.000	1.043	0.958	1.174	1.148
2008-2009						1.429	1.700	1.412	1.208	1.069	0.968	1.133	1.000	1.059
2009-2010					1.333	1.000	1.450	1.276	1.135	1.095	1.065	1.020	1.020	
2010-2011				1.429	2.200	1.455	1.063	1.206	1.049	1.093	0.979	1.000		
2011-2012				1.500	2.167	1.538	1.300	1.154	1.267	1.053	1.050			
2012-2013			5.000	2.000	1.400	1.357	1.474	1.071	1.067	1.094				
2013-2014				3.500	1.571	1.545	1.294	1.364	1.167					
2014-2015			3.000	2.333	1.857	1.692	1.136	1.240						
2015-2016			7.000	1.571	1.727	1.316	1.080							
2016-2017			4.500	1.222	1.909	1.333								
2017-2018				8.000	2.125									
2018-2019				3.000										
2019-2020			4.000											
2020-2021														
2021-2022														
Average			4.700	2.728	1.810	1.407	1.338	1.250	1.176	1.087	1.046	1.034	1.053	1.053
Claim-Weighted Averages														
3-yr				2.000	1.900	1.415	1.156	1.213	1.167	1.080	1.030	1.040	1.047	1.072
4-yr				1.833	1.892	1.438	1.229	1.198	1.130	1.084	1.018	1.027	1.042	1.054
Industry Factors	2.612	1.189	1.070	1.048	1.032	1.025	1.020	1.015	1.012	1.009	1.007	1.004	1.004	1.002
Prior	2.900	2.000	2.000	2.000	1.750	1.450	1.350	1.250	1.200	1.100	1.080	1.050	1.050	1.050
Selected	2.900	2.000	2.000	2.000	1.750	1.450	1.350	1.250	1.200	1.100	1.080	1.050	1.050	1.050
Cumulated	226.548	78.120	39.060	19.530	9.765	5.580	3.848	2.850	2.280	1.900	1.727	1.599	1.523	1.450



ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2022-2023 Loss Rate Level (B)	Factor to 2023-2024 Loss Rate Level (C)	Factor to 2024-2025 Loss Rate Level (D)	Factor to 2025-2026 Loss Rate Level (E)	Factor to 2022-2023 Frequency Level (F)	Factor to 2023-2024 Frequency Level (G)	Factor to 2024-2025 Frequency Level (H)	Factor to 2025-2026 Frequency Level (I)	Factor to 2022-2023 Severity Level (J)
2001-2002	0.789	1.988	2.104	2.198	2.297	1.679	1.720	1.764	1.808	1.185
2002-2003	0.828	1.996	2.113	2.208	2.307	1.638	1.678	1.721	1.764	1.221
2003-2004	1.023	2.361	2.499	2.611	2.729	1.598	1.637	1.679	1.721	1.479
2004-2005	1.325	2.926	3.097	3.236	3.382	1.559	1.598	1.638	1.679	1.879
2005-2006	1.443	3.049	3.227	3.372	3.524	1.521	1.559	1.598	1.638	2.006
2006-2007	1.373	2.776	2.938	3.071	3.209	1.484	1.520	1.559	1.598	1.873
2007-2008	1.285	2.487	2.632	2.751	2.874	1.448	1.483	1.521	1.559	1.719
2008-2009	1.206	2.233	2.364	2.470	2.581	1.412	1.447	1.484	1.521	1.583
2009-2010	1.112	1.970	2.086	2.179	2.277	1.378	1.412	1.448	1.484	1.431
2010-2011	1.055	1.790	1.894	1.980	2.069	1.344	1.378	1.413	1.448	1.332
2011-2012	1.046	1.698	1.797	1.878	1.962	1.312	1.344	1.379	1.413	1.295
2012-2013	1.068	1.658	1.755	1.834	1.916	1.280	1.312	1.345	1.379	1.296
2013-2014	1.081	1.607	1.701	1.778	1.858	1.249	1.280	1.312	1.345	1.287
2014-2015	1.073	1.526	1.615	1.687	1.763	1.218	1.248	1.280	1.312	1.253
2015-2016	1.116	1.519	1.607	1.680	1.755	1.188	1.218	1.249	1.280	1.278
2016-2017	1.090	1.420	1.503	1.570	1.641	1.160	1.188	1.219	1.249	1.225
2017-2018	1.075	1.340	1.418	1.482	1.549	1.132	1.160	1.189	1.219	1.185
2018-2019	1.060	1.264	1.338	1.398	1.461	1.104	1.131	1.160	1.189	1.146
2019-2020	1.045	1.192	1.262	1.319	1.378	1.077	1.104	1.132	1.160	1.108
2020-2021	1.030	1.125	1.191	1.244	1.300	1.051	1.077	1.104	1.132	1.071
2021-2022	1.015	1.060	1.122	1.173	1.226	1.025	1.050	1.077	1.104	1.035
2022-2023	1.000	1.000	1.058	1.106	1.156	1.000	1.025	1.051	1.077	1.000
2023-2024	0.987	--	1.000	1.045	1.092	--	1.000	1.025	1.051	--
2024-2025	0.987	--	--	1.000	1.045	--	--	1.000	1.025	--
2025-2026	0.987	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) Based on WCIRB.
- (B) - (E) (A) adjusted for a 4.5% annual loss rate trend.
- (F) - (I) (A) adjusted for a 2.5% annual frequency trend.
- (J) (A) adjusted for a 2.0% annual severity trend.

This exhibit shows the calculation of the ways in which we expect claims costs to have changed over the past twenty years due to changes in statutory workers' compensation benefit levels and changes in actual claims costs in excess of changes in payroll. Changes in the ways in which claims are filed as a result of greater awareness of workers' compensation benefits are not generally reflected in the statutory benefit level factors shown above, but may be part of the reason for changes in actual claims costs in excess of payroll changes.

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Loss Rate Trend

Accident Year	Trended Payroll (A)	Preliminary Ultimate Loss (B)	Benefit Level Factor (C)	Untrended Loss Rate (D)	Trended Loss Rate (E)
2002-2003	976,767	976,000	0.828	0.828	1.996
2003-2004	7,989,805	11,414,000	1.023	1.462	3.374
2004-2005	8,215,413	9,817,000	1.325	1.584	3.497
2005-2006	8,009,092	12,958,000	1.443	2.334	4.933
2006-2007	5,513,665	8,051,000	1.373	2.005	4.055
2007-2008	5,594,231	7,880,000	1.285	1.810	3.503
2008-2009	5,387,578	9,729,000	1.206	2.178	4.033
2009-2010	5,807,869	11,290,000	1.112	2.161	3.831
2010-2011	5,527,094	12,876,000	1.055	2.459	4.169
2011-2012	5,105,288	15,763,000	1.046	3.230	5.241
2012-2013	4,847,778	10,882,000	1.068	2.396	3.722
2013-2014	4,552,813	12,608,000	1.081	2.994	4.450
2014-2015	4,557,540	11,052,000	1.073	2.601	3.699
2015-2016	4,297,730	10,657,000	1.116	2.767	3.765
2016-2017	3,488,609	15,012,000	1.090	4.690	6.108
2017-2018	2,576,822	9,628,000	1.075	4.017	5.005
2018-2019	2,230,085	8,425,000	1.060	4.005	4.776
2019-2020	3,248,479	12,174,000	1.045	3.916	4.469
2020-2021	3,158,807	12,701,000	1.030	4.141	4.523
2021-2022	3,216,184	12,787,000	1.015	4.035	4.217

		R-Squared	Fitted Trend
Total Fits:	Total	0.680	1.056
	Total ex-21/22	0.678	1.059
10-Yr Fits:	10/11-19/20	0.557	1.060
	11/12-20/21	0.515	1.056
5-Yr Fits:	13/14-17/18	0.535	1.125
	14/15-18/19	0.574	1.132
4-Yr Fits:	18/19-21/22	0.195	1.008

Selected Trend:	1.045
Prior Selected Trend:	1.060

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Incurred Losses as of 12/31/22

Accident Year (A)	Unlimited Incurred (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over SIR (F)	Incurred Over \$100,000 (G)	Incurred Capped at \$100,000 (H)	Incurred \$100,000 to SIR Layer (I)	Incurred Capped at SIR (J)	Incurred Capped at SIR & Aggregate (K)
2002-2003	\$943,553	\$0	\$0	\$943,553	\$0	\$0	\$943,553	\$0	\$943,553	\$943,553
2003-2004	10,756,462	0	0	10,756,462	0	0	10,756,462	0	10,756,462	10,756,462
2004-2005	9,228,340	0	0	9,228,340	0	0	9,228,340	0	9,228,340	9,228,340
2005-2006	12,168,025	0	0	12,168,025	0	0	12,168,025	0	12,168,025	12,168,025
2006-2007	7,500,946	0	0	7,500,946	0	0	7,500,946	0	7,500,946	7,500,946
2007-2008	7,301,751	0	0	7,301,751	0	0	7,301,751	0	7,301,751	7,301,751
2008-2009	9,006,656	0	0	9,006,656	0	0	9,006,656	0	9,006,656	9,006,656
2009-2010	10,357,921	0	0	10,357,921	0	0	10,357,921	0	10,357,921	10,357,921
2010-2011	11,708,708	0	0	11,708,708	0	0	11,708,708	0	11,708,708	11,708,708
2011-2012	14,683,988	0	0	14,683,988	0	0	14,683,988	0	14,683,988	14,683,988
2012-2013	9,630,539	0	0	9,630,539	0	0	9,630,539	0	9,630,539	9,630,539
2013-2014	10,722,391	0	0	10,722,391	0	0	10,722,391	0	10,722,391	10,722,391
2014-2015	9,105,861	0	0	9,105,861	0	0	9,105,861	0	9,105,861	9,105,861
2015-2016	8,475,506	0	0	8,475,506	0	0	8,475,506	0	8,475,506	8,475,506
2016-2017	12,409,564	0	0	12,409,564	0	0	12,409,564	0	12,409,564	12,409,564
2017-2018	6,995,660	0	0	6,995,660	0	0	6,995,660	0	6,995,660	6,995,660
2018-2019	5,673,731	0	0	5,673,731	0	0	5,673,731	0	5,673,731	5,673,731
2019-2020	6,725,028	0	0	6,725,028	0	0	6,725,028	0	6,725,028	6,725,028
2020-2021	4,763,260	0	0	4,763,260	0	0	4,763,260	0	4,763,260	4,763,260
2021-2022	2,079,760	0	0	2,079,760	0	0	2,079,760	0	2,079,760	2,079,760
2022-2023	140,523	0	0	140,523	0	0	140,523	0	140,523	140,523
Total	\$170,378,174	\$0	\$0	\$170,378,174	\$0	\$0	\$170,378,174	\$0	\$170,378,174	\$170,378,174

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Losses between \$100,000 and \$1,000,000.
- (C)
- (D)
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of SIR.
- (G) Sum of incurred losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss.

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Paid Losses as of 12/31/22

Accident Year (A)	Unlimited Paid (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over SIR (F)	Paid Over \$100,000 (G)	Paid Capped at \$100,000 (H)	Paid \$100,000 to SIR Layer (I)	Paid Capped at SIR (J)	Paid Capped at SIR & Aggregate (K)
2002-2003	\$808,114	\$0	\$0	\$808,114	\$0	\$0	\$808,114	\$0	\$808,114	\$808,114
2003-2004	9,001,156	0	0	9,001,156	0	0	9,001,156	0	9,001,156	9,001,156
2004-2005	8,006,692	0	0	8,006,692	0	0	8,006,692	0	8,006,692	8,006,692
2005-2006	9,758,901	0	0	9,758,901	0	0	9,758,901	0	9,758,901	9,758,901
2006-2007	6,670,960	0	0	6,670,960	0	0	6,670,960	0	6,670,960	6,670,960
2007-2008	6,038,905	0	0	6,038,905	0	0	6,038,905	0	6,038,905	6,038,905
2008-2009	7,063,894	0	0	7,063,894	0	0	7,063,894	0	7,063,894	7,063,894
2009-2010	8,682,317	0	0	8,682,317	0	0	8,682,317	0	8,682,317	8,682,317
2010-2011	9,267,448	0	0	9,267,448	0	0	9,267,448	0	9,267,448	9,267,448
2011-2012	10,064,779	0	0	10,064,779	0	0	10,064,779	0	10,064,779	10,064,779
2012-2013	7,212,594	0	0	7,212,594	0	0	7,212,594	0	7,212,594	7,212,594
2013-2014	8,054,416	0	0	8,054,416	0	0	8,054,416	0	8,054,416	8,054,416
2014-2015	6,285,217	0	0	6,285,217	0	0	6,285,217	0	6,285,217	6,285,217
2015-2016	5,290,772	0	0	5,290,772	0	0	5,290,772	0	5,290,772	5,290,772
2016-2017	6,561,049	0	0	6,561,049	0	0	6,561,049	0	6,561,049	6,561,049
2017-2018	4,057,427	0	0	4,057,427	0	0	4,057,427	0	4,057,427	4,057,427
2018-2019	2,835,706	0	0	2,835,706	0	0	2,835,706	0	2,835,706	2,835,706
2019-2020	2,871,260	0	0	2,871,260	0	0	2,871,260	0	2,871,260	2,871,260
2020-2021	1,993,165	0	0	1,993,165	0	0	1,993,165	0	1,993,165	1,993,165
2021-2022	709,397	0	0	709,397	0	0	709,397	0	709,397	709,397
2022-2023	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$121,234,170</b>	<b>\$0</b>	<b>\$0</b>	<b>\$121,234,170</b>	<b>\$0</b>	<b>\$0</b>	<b>\$121,234,170</b>	<b>\$0</b>	<b>\$121,234,170</b>	<b>\$121,234,170</b>

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Losses between \$100,000 and \$1,000,000.
- (C)
- (D)
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of SIR.
- (G) Sum of paid losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss.

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Case Reserves as of 12/31/22

Accident Year (A)	Unlimited Reserves (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over SIR (F)	Reserves Over \$100,000 (G)	Reserves Capped at \$100,000 (H)	Reserves \$100,000 to SIR Layer (I)	Reserves Capped at SIR (J)	Reserves Capped at SIR & Aggregate (K)
2002-2003	\$135,439	\$0	\$0	\$135,439	\$0	\$0	\$135,439	\$0	\$135,439	\$135,439
2003-2004	1,755,306	0	0	1,755,306	0	0	1,755,306	0	1,755,306	1,755,306
2004-2005	1,221,648	0	0	1,221,648	0	0	1,221,648	0	1,221,648	1,221,648
2005-2006	2,409,124	0	0	2,409,124	0	0	2,409,124	0	2,409,124	2,409,124
2006-2007	829,986	0	0	829,986	0	0	829,986	0	829,986	829,986
2007-2008	1,262,846	0	0	1,262,846	0	0	1,262,846	0	1,262,846	1,262,846
2008-2009	1,942,762	0	0	1,942,762	0	0	1,942,762	0	1,942,762	1,942,762
2009-2010	1,675,604	0	0	1,675,604	0	0	1,675,604	0	1,675,604	1,675,604
2010-2011	2,441,260	0	0	2,441,260	0	0	2,441,260	0	2,441,260	2,441,260
2011-2012	4,619,209	0	0	4,619,209	0	0	4,619,209	0	4,619,209	4,619,209
2012-2013	2,417,945	0	0	2,417,945	0	0	2,417,945	0	2,417,945	2,417,945
2013-2014	2,667,975	0	0	2,667,975	0	0	2,667,975	0	2,667,975	2,667,975
2014-2015	2,820,645	0	0	2,820,645	0	0	2,820,645	0	2,820,645	2,820,645
2015-2016	3,184,734	0	0	3,184,734	0	0	3,184,734	0	3,184,734	3,184,734
2016-2017	5,848,514	0	0	5,848,514	0	0	5,848,514	0	5,848,514	5,848,514
2017-2018	2,938,233	0	0	2,938,233	0	0	2,938,233	0	2,938,233	2,938,233
2018-2019	2,838,025	0	0	2,838,025	0	0	2,838,025	0	2,838,025	2,838,025
2019-2020	3,853,768	0	0	3,853,768	0	0	3,853,768	0	3,853,768	3,853,768
2020-2021	2,770,096	0	0	2,770,096	0	0	2,770,096	0	2,770,096	2,770,096
2021-2022	1,370,363	0	0	1,370,363	0	0	1,370,363	0	1,370,363	1,370,363
2022-2023	140,523	0	0	140,523	0	0	140,523	0	140,523	140,523
Total	\$49,144,004	\$0	\$0	\$49,144,004	\$0	\$0	\$49,144,004	\$0	\$49,144,004	\$49,144,004

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Appendix B, Page 19, Column (B) - Appendix B, Page 20, Column (B).
- (C) Appendix B, Page 19, Column (C) - Appendix B, Page 20, Column (C).
- (D) Appendix B, Page 19, Column (D) - Appendix B, Page 20, Column (D).
- (E) (B) + (C) - (D).
- (F) Sum of case reserves in excess of SIR.
- (G) Sum of case reserves in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss.

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Claim Counts as of 12/31/22

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
2002-2003	8	0	0	8	5	0	0	5	3	3
2003-2004	77	0	0	77	55	0	0	55	22	22
2004-2005	62	0	0	62	47	0	0	47	15	15
2005-2006	78	0	0	78	56	0	0	56	22	22
2006-2007	59	0	0	59	40	0	0	40	19	19
2007-2008	49	0	0	49	30	0	0	30	19	19
2008-2009	55	0	0	55	36	0	0	36	19	19
2009-2010	66	0	0	66	51	0	0	51	15	15
2010-2011	74	0	0	74	46	0	0	46	28	28
2011-2012	75	0	0	75	42	0	0	42	33	33
2012-2013	63	0	0	63	35	0	0	35	28	28
2013-2014	64	0	0	64	35	0	0	35	29	29
2014-2015	77	0	0	77	31	0	0	31	46	46
2015-2016	63	0	0	63	27	0	0	27	36	36
2016-2017	86	0	0	86	28	0	0	28	58	58
2017-2018	62	0	0	62	17	0	0	17	45	45
2018-2019	42	0	0	42	3	0	0	3	39	39
2019-2020	65	0	0	65	4	0	0	4	61	61
2020-2021	63	0	0	63	2	0	0	2	61	61
2021-2022	38	0	0	38	0	0	0	0	38	38
2022-2023	4	0	0	4	0	0	0	0	4	4
Total	1,230	0	0	1,230	590	0	0	590	640	640

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by ICRMA.
- (C)
- (D)
- (E) (B) + (C) - (D).
- (F) Provided by ICRMA.
- (G)
- (H)
- (I) (F) + (G) - (H).
- (J) (B) - (F).
- (K) (E) - (I).

ICRMA - Excess Workers' Compensation - \$900K xs \$100K Analysis

Exposure Measures

Accident Year	Total Payroll (\$00) (A)	Inflation Trend Factor (B)	Trended Payroll (\$00) (C)
2002-2003	596,317	1.638	976,767
2003-2004	4,999,878	1.598	7,989,805
2004-2005	5,269,669	1.559	8,215,413
2005-2006	5,265,675	1.521	8,009,092
2006-2007	3,715,408	1.484	5,513,665
2007-2008	3,863,419	1.448	5,594,231
2008-2009	3,812,865	1.413	5,387,578
2009-2010	4,211,653	1.379	5,807,869
2010-2011	4,109,363	1.345	5,527,094
2011-2012	3,891,226	1.312	5,105,288
2012-2013	3,787,326	1.280	4,847,778
2013-2014	3,645,167	1.249	4,552,813
2014-2015	3,738,753	1.219	4,557,540
2015-2016	3,614,575	1.189	4,297,730
2016-2017	3,007,421	1.160	3,488,609
2017-2018	2,276,344	1.132	2,576,822
2018-2019	2,020,005	1.104	2,230,085
2019-2020	3,016,230	1.077	3,248,479
2020-2021	3,005,526	1.051	3,158,807
2021-2022	3,137,740	1.025	3,216,184
2022-2023	2,962,051	1.000	2,962,051
2023-2024	2,908,752	1.000	2,908,752

Notes:

- (A) Provided by ICRMA.
- (B) Based on WCIRB.
- (C) (A) x (B).

ICRMA - Excess Workers' Compensation

Outstanding Liability for  
Unallocated Loss Adjustment Expenses  
as of 6/30/22

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2022-2023	67.0	\$1,007	1.000	\$1,007	\$67,469
2023-2024	47.1	1,007	1.050	1,057	49,785
2024-2025	33.8	1,007	1.103	1,111	37,552
2025-2026	23.3	1,007	1.158	1,166	27,168
2026-2027	17.5	1,007	1.216	1,225	21,438
2027-2028	12.3	1,007	1.277	1,286	15,818
2028-2029	9.1	1,007	1.341	1,350	12,285
2029-2030	6.7	1,007	1.408	1,418	9,501
2030-2031	5.2	1,007	1.478	1,488	7,738
2031-2032	3.5	1,007	1.552	1,563	5,471
2032-2033	2.3	1,007	1.630	1,641	3,774
2033-2034	1.7	1,007	1.712	1,724	2,931
2034-2035	1.4	1,007	1.798	1,811	2,535
2035-2036	1.2	1,007	1.888	1,901	2,281
2036-2037	1.0	1,007	1.982	1,996	1,996
2037-2038	0.8	1,007	2.081	2,096	1,677
2038-2039	0.6	1,007	2.185	2,200	1,320
2039-2040	0.4	1,007	2.294	2,310	924

(G) Total ULAE Outstanding as of 6/30/22: \$271,663

(H) Total ULAE Outstanding as of 12/31/22: \$248,908

Notes:

- (A) We assume fiscal years will be 7/1 to 6/30.
- (B) Based on an estimated claim closing pattern.
- (C) Based on claims administration payment information provided by ICRMA.
- (D) We assume ULAE costs will increase at 5.0% per year.
- (E) (C) x (D).
- (F) (B) x (E).
- (G) Total of Column (F).
- (H) (G) from this page and the next, interpolated to 12/31/22.

This exhibit shows the calculation of the outstanding ULAE based on the expected pattern of claims closings and assumptions about future claims administration costs per open claim.



ICRMA - Excess Workers' Compensation

Outstanding Liability for  
Unallocated Loss Adjustment Expenses  
as of 6/30/23

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2023-2024	50.9	\$1,007	1.050	\$1,057	\$53,801
2024-2025	36.7	1,007	1.103	1,111	40,774
2025-2026	25.5	1,007	1.158	1,166	29,733
2026-2027	19.2	1,007	1.216	1,225	23,520
2027-2028	13.6	1,007	1.277	1,286	17,490
2028-2029	10.1	1,007	1.341	1,350	13,635
2029-2030	7.5	1,007	1.408	1,418	10,635
2030-2031	5.8	1,007	1.478	1,488	8,630
2031-2032	4.0	1,007	1.552	1,563	6,252
2032-2033	2.7	1,007	1.630	1,641	4,431
2033-2034	2.0	1,007	1.712	1,724	3,448
2034-2035	1.6	1,007	1.798	1,811	2,898
2035-2036	1.4	1,007	1.888	1,901	2,661
2036-2037	1.2	1,007	1.982	1,996	2,395
2037-2038	1.0	1,007	2.081	2,096	2,096
2038-2039	0.8	1,007	2.185	2,200	1,760
2039-2040	0.6	1,007	2.294	2,310	1,386
2040-2041	0.4	1,007	2.409	2,426	970

(G) Total ULAE Outstanding as of 6/30/23: \$226,515

Notes:

- (A) We assume fiscal years will be 7/1 to 6/30.
- (B) Based on an estimated claim closing pattern.
- (C) Based on claims administration payment information provided by ICRMA.
- (D) We assume ULAE costs will increase at 5.0% per year.
- (E) (C) x (D).
- (F) (B) x (E).
- (G) Total of Column (F).

This exhibit shows the calculation of the outstanding ULAE based on the expected pattern of claims closings and assumptions about future claims administration costs per open claim.

ICRMA - Excess Workers' Compensation

Outstanding Liability for  
Unallocated Loss Adjustment Expenses  
as of 6/30/24

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2024-2025	40.5	\$1,007	1.103	\$1,111	\$44,996
2025-2026	28.4	1,007	1.158	1,166	33,114
2026-2027	21.4	1,007	1.216	1,225	26,215
2027-2028	15.3	1,007	1.277	1,286	19,676
2028-2029	11.4	1,007	1.341	1,350	15,390
2029-2030	8.5	1,007	1.408	1,418	12,053
2030-2031	6.6	1,007	1.478	1,488	9,821
2031-2032	4.6	1,007	1.552	1,563	7,190
2032-2033	3.2	1,007	1.630	1,641	5,251
2033-2034	2.4	1,007	1.712	1,724	4,138
2034-2035	1.9	1,007	1.798	1,811	3,441
2035-2036	1.6	1,007	1.888	1,901	3,042
2036-2037	1.4	1,007	1.982	1,996	2,794
2037-2038	1.2	1,007	2.081	2,096	2,515
2038-2039	1.0	1,007	2.185	2,200	2,200
2039-2040	0.8	1,007	2.294	2,310	1,848
2040-2041	0.6	1,007	2.409	2,426	1,456
2041-2042	0.4	1,007	2.529	2,547	1,019

(G) Total ULAE Outstanding as of 6/30/24: \$196,159

Notes:

- (A) We assume fiscal years will be 7/1 to 6/30.
- (B) Based on an estimated claim closing pattern.
- (C) Based on claims administration payment information provided by ICRMA.
- (D) We assume ULAE costs will increase at 5.0% per year.
- (E) (C) x (D).
- (F) (B) x (E).
- (G) Total of Column (F).

This exhibit shows the calculation of the outstanding ULAE based on the expected pattern of claims closings and assumptions about future claims administration costs per open claim.

ICRMA - Excess Workers' Compensation

Projected Reported Claims

Accident Year	Claims Reported During the Year Ending at:									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
2003-2004										
2004-2005										
2005-2006										
2006-2007										
2007-2008										
2008-2009										2.0
2009-2010									4.0	3.0
2010-2011								5.0	5.0	5.0
2011-2012							4.0	7.0	8.0	7.0
2012-2013						2.0	3.0	3.0	5.0	5.0
2013-2014					1.0	2.0	3.0	4.0	4.0	4.0
2014-2015				1.0	1.0	2.0	4.0	4.0	4.0	4.0
2015-2016			2.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0
2016-2017		1.0	1.0	4.0	3.0	3.0	4.0	4.0	4.0	4.0
2017-2018	0.0	1.0	2.0	2.0	1.0	3.0	3.0	3.0	3.0	3.0
2018-2019	0.0	0.0	0.0	0.0	3.0	3.0	3.0	3.0	3.0	3.0
2019-2020	0.0	0.0	0.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
2020-2021	0.0	0.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
2021-2022	0.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
2022-2023	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
2023-2024	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
2024-2025	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
2025-2026	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Reported CDFs	1.108	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
% Unreported	0.097	0.007	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
% Rep in Period	0.903	0.090	0.007	0.000	0.000	0.000	0.000	0.000	0.000	0.000
% Unrep Rep	0.903	0.928	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

ICRMA - Excess Workers' Compensation

Projected Reported Claims

Accident Year	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	Ult.
2003-2004					9.0	9.0	8.0	9.0	9.0	9.0
2004-2005				2.0	2.0	3.0	3.0	3.0	3.0	3.0
2005-2006			3.0	3.0	4.0	5.0	5.0	5.0	5.0	5.0
2006-2007		4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
2007-2008	3.0	3.0	5.0	6.0	5.0	5.0	5.0	5.0	5.0	5.0
2008-2009	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
2009-2010	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
2010-2011	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
2011-2012	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
2012-2013	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
2013-2014	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
2014-2015	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
2015-2016	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
2016-2017	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
2017-2018	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
2018-2019	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
2019-2020	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
2020-2021	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
2021-2022	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
2022-2023	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
2023-2024	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
2024-2025	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
2025-2026	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Reported CDFs	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
% Unreported	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
% Rep in Period	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
% Unrep Rep	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	

ICRMA - Excess Workers' Compensation

Projected Open Claims

Accident Year	Claims Open at End of Year:									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
2016-2017		1.0	1.0	4.0	3.0	2.0	2.3	1.7	1.3	1.0
2017-2018		1.0	2.0	2.0	1.0	2.3	1.7	1.3	1.0	0.8
2018-2019	0.0	0.0	0.0	0.0	2.3	1.7	1.3	1.0	0.8	0.6
2019-2020	0.0	0.0	0.0	3.0	2.3	1.7	1.3	1.0	0.8	0.6
2020-2021	0.0	0.0	3.0	2.3	1.7	1.3	1.0	0.8	0.6	0.5
2021-2022	0.0	3.8	2.9	2.2	1.7	1.3	1.0	0.8	0.6	0.5
2022-2023	3.8	2.9	2.2	1.7	1.3	1.0	0.8	0.6	0.5	0.4
2023-2024	3.8	2.9	2.2	1.7	1.3	1.0	0.8	0.6	0.5	0.4
2024-2025	3.8	2.9	2.2	1.7	1.3	1.0	0.8	0.6	0.5	0.4
2025-2026	3.8	2.9	2.2	1.7	1.3	1.0	0.8	0.6	0.5	0.4
<u>% of Active Claims</u>										
<u>Closed in Period</u>										
Third Diagonal:										
Second Diagonal: 0.500										
Last Diagonal: 0.333 0.250										
From CSAC:	0.551	0.603	0.313	0.299	0.260	0.295	0.252	0.223	0.203	0.183
From App D:	0.641	0.838	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior:	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Selected:	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
<u>% Active Claims</u>										
Remaining open:	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750
CSAC Rptd LDF	1.120	1.018	1.011	1.007	1.004	1.002	1.001	1.000	1.000	1.000
CSAC Clsd LDF	2.032	1.270	1.176	1.120	1.087	1.061	1.045	1.035	1.027	1.022
Rptd LDF	1.108	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Clsd LDF	1.728	1.080	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

ICRMA - Excess Workers' Compensation

Projected Open Claims

Accident Year	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months
2016-2017	0.8	0.6	0.5	0.4	0.3	0.2	0.2	0.2	0.2
2017-2018	0.6	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2
2018-2019	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2
2019-2020	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2
2020-2021	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
2021-2022	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
2022-2023	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
2023-2024	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
2024-2025	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
2025-2026	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
<u>% of Active Claims</u>									
<u>Closed in Period</u>									
Third Diagonal:				0.333					
Second Diagonal:									
Last Diagonal:						0.500			
From CSAC:	0.180	0.165	0.132	0.076	0.083	0.090	0.100	0.111	0.125
From App D:	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior:	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Selected:	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
<u>% Active Claims</u>									
Remaining open:	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750
CSAC Rptd LDF	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
CSAC Clsd LDF	1.018	1.015	1.013	1.012	1.011	1.010	1.009	1.008	1.007
Rptd LDF	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

ICRMA - Excess Workers' Compensation

Projected Active Claims

Accident Year	Claims Active During the Year Ending at:									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
2003-2004	0.0									
2004-2005	0.0									
2005-2006	0.0									
2006-2007	0.0									
2007-2008	0.0									
2008-2009	0.0									
2009-2010	0.0									2.0
2010-2011	0.0								3.0	2.0
2011-2012	0.0							6.0	7.0	6.0
2012-2013	0.0						2.0	2.0	4.0	4.0
2013-2014	0.0						3.0	4.0	4.0	4.0
2014-2015	0.0					2.0	4.0	4.0	3.0	2.3
2015-2016	0.0				2.0	2.0	1.0	1.0	0.8	0.6
2016-2017	0.0			4.0	3.0	3.0	3.0	2.3	1.7	1.3
2017-2018	0.0		2.0	2.0	1.0	3.0	2.3	1.7	1.3	1.0
2018-2019	0.0	0.0	0.0	0.0	3.0	2.3	1.7	1.3	1.0	0.8
2019-2020	0.0	0.0	0.0	4.0	3.0	2.3	1.7	1.3	1.0	0.8
2020-2021	0.0	0.0	4.0	3.0	2.3	1.7	1.3	1.0	0.8	0.6
2021-2022	0.0	5.0	3.8	2.9	2.2	1.7	1.3	1.0	0.8	0.6
2022-2023	5.0	3.8	2.9	2.2	1.7	1.3	1.0	0.8	0.6	0.5
2023-2024	5.0	3.8	2.9	2.2	1.7	1.3	1.0	0.8	0.6	0.5
2024-2025	5.0	3.8	2.9	2.2	1.7	1.3	1.0	0.8	0.6	0.5
2025-2026	5.0	3.8	2.9	2.2	1.7	1.3	1.0	0.8	0.6	0.5

Number of Claims Active During the Calendar Year:

Outstanding	1	2	3	4	5	6	7	8	9	10
as of 6/30/22:	67.0	47.1	33.8	23.3	17.5	12.3	9.1	6.7	5.2	3.5
as of 6/30/23:	50.9	36.7	25.5	19.2	13.6	10.1	7.5	5.8	4.0	2.7
as of 6/30/24:	40.5	28.4	21.4	15.3	11.4	8.5	6.6	4.6	3.2	2.4
as of 6/30/25:	32.2	24.3	17.5	13.1	9.8	7.6	5.4	3.8	2.9	2.3
as of 6/30/26:	28.1	20.4	15.3	11.5	8.9	6.4	4.6	3.5	2.8	2.3

ULAE Charge:	\$1,007	\$1,057	\$1,111	\$1,166	\$1,225	\$1,286	\$1,350	\$1,418	\$1,488	\$1,563
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ULAE Costs During the Calendar Year:

Accident Year	1	2	3	4	5	6	7	8	9	10
2022-2023	\$5,035	\$4,017	\$3,222	\$2,565	\$2,083	\$1,672	\$1,350	\$1,134	\$893	\$782
2023-2024	5,285	4,222	3,381	2,695	2,186	1,755	1,418	1,190	938	821
2024-2025	5,555	4,431	3,553	2,829	2,295	1,843	1,488	1,250	985	862
2025-2026	5,830	4,655	3,729	2,970	2,411	1,934	1,563	1,313	1,034	906

The number of claims active during the calendar year are summed along the diagonals above.

The ULAE Charge is from pages 1 and 2.

The ULAE costs during the calendar year for 2022-2023 and 2023-2024 are the ULAE charge times the number of active claims.

ICRMA - Excess Workers' Compensation

Projected Active Claims

Accident Year	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months
2003-2004						5.0	4.0	5.0	5.0	5.0
2004-2005						3.0	3.0	3.0	3.0	2.3
2005-2006					4.0	5.0	5.0	5.0	3.8	2.9
2006-2007			3.0	3.0	2.0	2.0	1.0	0.8	0.6	0.5
2007-2008			5.0	6.0	5.0	5.0	3.8	2.9	2.2	1.7
2008-2009		3.0	2.0	2.0	2.0	1.5	1.1	0.8	0.6	0.5
2009-2010	2.0	2.0	3.0	3.0	2.3	1.7	1.3	1.0	0.8	0.6
2010-2011	2.0	2.0	2.0	1.5	1.1	0.8	0.6	0.5	0.4	0.3
2011-2012	7.0	7.0	5.3	4.0	3.0	2.3	1.7	1.3	1.0	0.8
2012-2013	4.0	3.0	2.3	1.7	1.3	1.0	0.8	0.6	0.5	0.4
2013-2014	3.0	2.3	1.7	1.3	1.0	0.8	0.6	0.5	0.4	0.3
2014-2015	1.7	1.3	1.0	0.8	0.6	0.5	0.4	0.3	0.2	0.2
2015-2016	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
2016-2017	1.0	0.8	0.6	0.5	0.4	0.3	0.2	0.2	0.2	0.2
2017-2018	0.8	0.6	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2
2018-2019	0.6	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2
2019-2020	0.6	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2
2020-2021	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
2021-2022	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
2022-2023	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
2023-2024	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
2024-2025	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
2025-2026	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2

Number of Claims Active During the Calendar Year:

<u>Outstanding</u>	11	12	13	14	15	16	17	18	19
as of 6/30/22:	2.3	1.7	1.4	1.2	1.0	0.8	0.6	0.4	0.2
as of 6/30/23:	2.0	1.6	1.4	1.2	1.0	0.8	0.6	0.4	0.2
as of 6/30/24:	1.9	1.6	1.4	1.2	1.0	0.8	0.6	0.4	0.2
as of 6/30/25:	1.9	1.6	1.4	1.2	1.0	0.8	0.6	0.4	0.2
as of 6/30/26:	1.9	1.6	1.4	1.2	1.0	0.8	0.6	0.4	0.2

ULAE Charge:	\$1,641	\$1,724	\$1,811	\$1,901	\$1,996	\$2,096	\$2,200	\$2,310	\$2,426	\$2,547
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ULAE Costs During the Calendar Year:

<u>Accident Year</u>	11	12	13	14	15	16	17	18	19	Total
2022-2023	\$656	\$517	\$362	\$380	\$399	\$419	\$440	\$462	\$485	\$26,873
2023-2024	690	543	380	399	419	440	462	485	509	28,218
2024-2025	724	570	399	419	440	462	485	509	535	29,634
2025-2026	760	599	419	440	462	485	509	535	562	31,116

The number of claims active during the calendar year are summed along the diagonals above.

The ULAE Charge is from pages 1 and 2.

The ULAE costs during the calendar year for 2022-2023 and 2023-2024 are the ULAE charge times the number of active claims.