




# Bickmore — Actuarial

## Actuarial Review of the Excess Workers' Compensation Program

*Outstanding Liabilities as of June 30, 2024  
Forecast for Program Year 2024-25*

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

April 30, 2024



## 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, 2024 for its self-insured workers’ compensation program utilizing data valued as of December 31, 2023. 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, 2024. 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 2024-25 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 Casualty Actuarial Society continuing education requirements and the American Academy of Actuaries’ qualification standards to sign Statements of Actuarial Opinion.

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Mike Harrington, FCAS, MAAA  
Managing Partner

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Greg Beaulieu, FCAS, MAAA  
Senior Actuarial Manager

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York Lee  
Senior Actuarial Analyst

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## EXECUTIVE SUMMARY

### Net Claim Liabilities

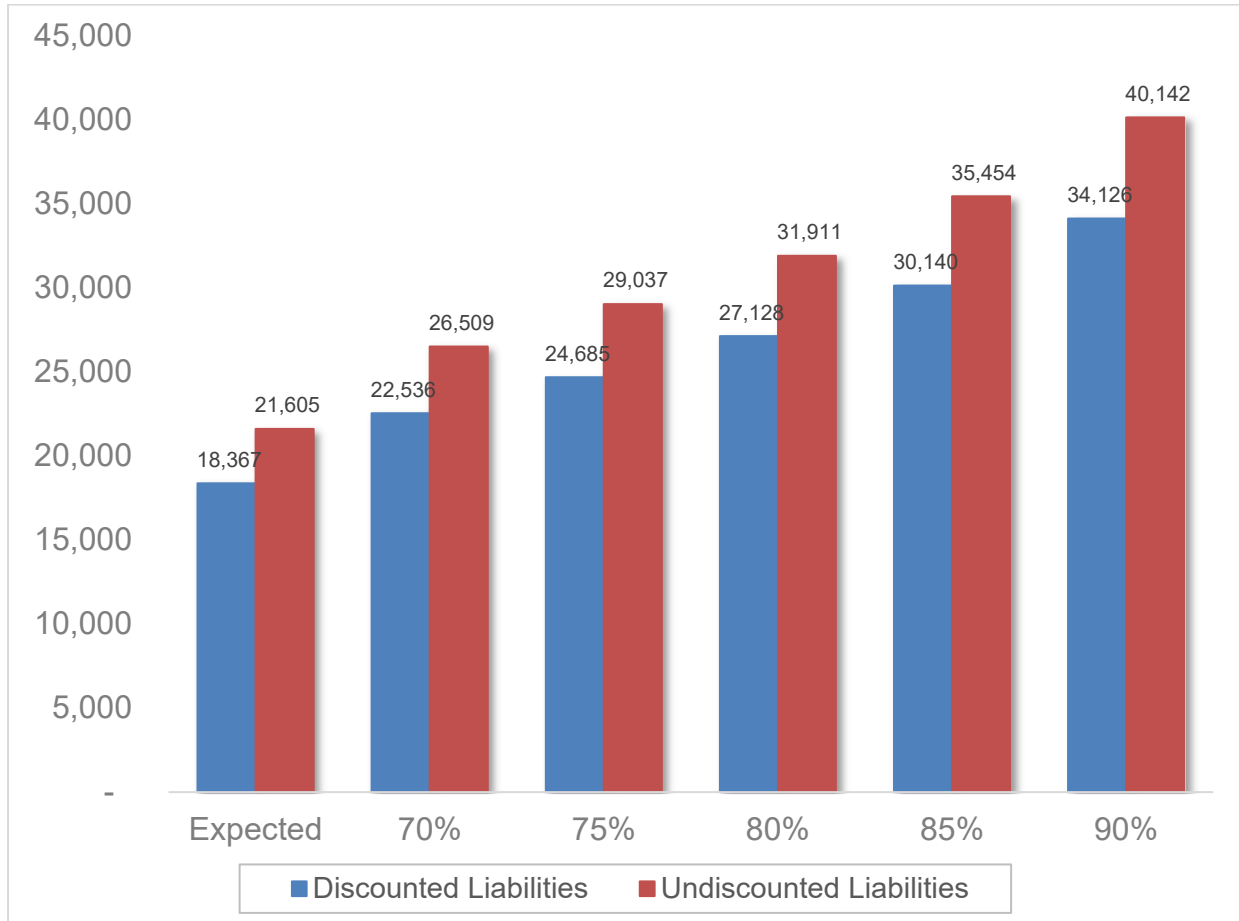
The following table presents our conclusions regarding ICRMA's net claim liabilities.

Loss & LAE Claim Liabilities  
As of June 30, 2024, Net of Reinsurance

<u>Confidence Level</u>	<u>Undiscounted</u>	<u>2.0% Discount</u>
Expected	\$21,605,000	\$18,367,000
70%	26,509,000	22,536,000
75%	29,037,000	24,685,000
80%	31,911,000	27,128,000
85%	35,454,000	30,140,000
90%	40,142,000	34,126,000
98%	63,955,000	54,370,000
99%	77,120,000	65,562,000
99.5%	141,483,000	120,279,000

The following graph displays the program's net claim liabilities as of June 30, 2024 as shown on the prior page.

**Loss & LAE Claim Liabilities  
As of June 30, 2024, 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.

Discounted recommendation assumes that all earnings on the assets invested (which are equal to the recommended discounted reserve level) will accrue to the program. The discount for future earnings should only be reflected, however, when the total indicated funds are available for investment and are expected to earn the indicated yield rate until all claims are closed.

## 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.

### Funding Guidelines for Claims Incurred in 2024-25

#### \$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	1.264	1.642	1.843	2.081	2.379	2.787
\$500K	0.704	0.914	1.026	1.158	1.325	1.552
\$750K	0.278	0.361	0.405	0.457	0.523	0.613
\$1M	0.000	0.000	0.000	0.000	0.000	0.000
Loss Funding*	772,000	1,002,000	1,125,000	1,270,000	1,453,000	1,701,000

#### \$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	1.020	1.325	1.487	1.679	1.919	2.249
\$500K	0.568	0.738	0.828	0.935	1.069	1.252
\$750K	0.224	0.291	0.327	0.369	0.422	0.494
\$1M	0.000	0.000	0.000	0.000	0.000	0.000
Loss Funding*	623,000	809,000	908,000	1,025,000	1,172,000	1,373,000

\* 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 2024-25:

<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**

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)
7/1/2024	6/30/2025	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 April 13, 2023 and relied on data evaluated as of December 31, 2022. The current analysis relies on data evaluated as of December 31, 2023.

### 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	\$896	\$43,560	\$42,664
2003-04	21,249	(156,967)	(178,216)
2004-05	1,759	315,515	313,756
2005-06	2,215	91,272	89,057
2006-07	3,298	(30,332)	(33,630)
2007-08	11,151	304,151	293,001
2008-09	6,490	(53,342)	(59,832)
2009-10	15,577	44,223	28,646
2010-11	22,530	(165,375)	(187,905)
2011-12	63,559	64,750	1,191
2012-13	23,467	(57,293)	(80,760)
2013-14	46,304	759,894	713,590
2014-15	56,473	(183,351)	(239,823)
2015-16	49,002	0	(49,002)
2016-17	61,443	(146,853)	(208,296)
2017-18	63,788	268,316	204,528
2018-19	61,772	4,718	(57,054)
2019-20	119,921	85,014	(34,908)
2020-21	196,784	0	(196,784)
2021-22	189,189	0	(189,189)
2022-23	100,473	0	(100,473)
<b>Total</b>	<b>\$1,117,338</b>	<b>\$1,187,900</b>	<b>\$70,561</b>

<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	\$138,000	\$160,000	\$22,000	15.9%
2003-04	945,000	765,000	(180,000)	-19.0%
2004-05	1,003,000	1,272,000	269,000	26.8%
2005-06	846,000	894,000	48,000	5.7%
2006-07	951,000	913,000	(38,000)	-4.0%
2007-08	2,594,000	2,811,000	217,000	8.4%
2008-09	1,271,000	1,216,000	(55,000)	-4.3%
2009-10	2,062,000	1,982,000	(80,000)	-3.9%
2010-11	2,485,000	2,389,000	(96,000)	-3.9%
2011-12	4,652,000	4,645,000	(7,000)	-0.2%
2012-13	1,374,000	1,331,000	(43,000)	-3.1%
2013-14	2,150,000	2,600,000	450,000	20.9%
2014-15	1,968,000	2,151,000	183,000	9.3%
2015-16	1,377,000	1,551,000	174,000	12.6%
2016-17	1,629,000	1,636,000	7,000	0.4%
2017-18	1,222,000	1,222,000	0	0.0%
2018-19	972,000	972,000	0	0.0%
2019-20	1,186,000	1,186,000	0	0.0%
2020-21	1,191,000	1,054,000	(137,000)	-11.5%
2021-22	928,000	734,000	(194,000)	-20.9%
2022-23	693,000	611,000	(82,000)	-11.8%
<b>Total</b>	<b>\$31,637,000</b>	<b>\$32,095,000</b>	<b>\$458,000</b>	<b>1.4%</b>

<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.

**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, 2023 to our current report's estimated liability for outstanding claims as of June 30, 2024.

**Outstanding Claim Liabilities for Loss and LAE**

	Prior Report at June 30, 2023	Current Report at June 30, 2024	Change
Loss and ALAE Reserves:	\$22,584,000	\$21,511,000	(\$1,073,000)
ULAE Reserves:	227,000	94,000	(133,000)
Total Reserves:	\$22,811,000	\$21,605,000	(\$1,206,000)
Offset for Investment Income at 2%:	(3,508,000)	(3,238,000)	270,000
Discounted Claim Liabilities:	\$19,303,000	\$18,367,000	(\$936,000)

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

The following table compares our funding estimate for the 2023-24 year from our prior report to our funding estimate of the 2024-25 year from our current report.

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

Layer	Last Review 2023-24 2.0% Disc 75% CL Loss Rate	This Review 2024-25 2.0% Disc 75% CL Loss Rate	% Change From Prior
\$350K-\$1.00M	1.493	1.487	-0.4%
\$500K-\$1.00M	0.831	0.828	-0.4%
\$750K-\$1.00M	0.328	0.327	-0.3%

**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, 2024, Net of Reinsurance

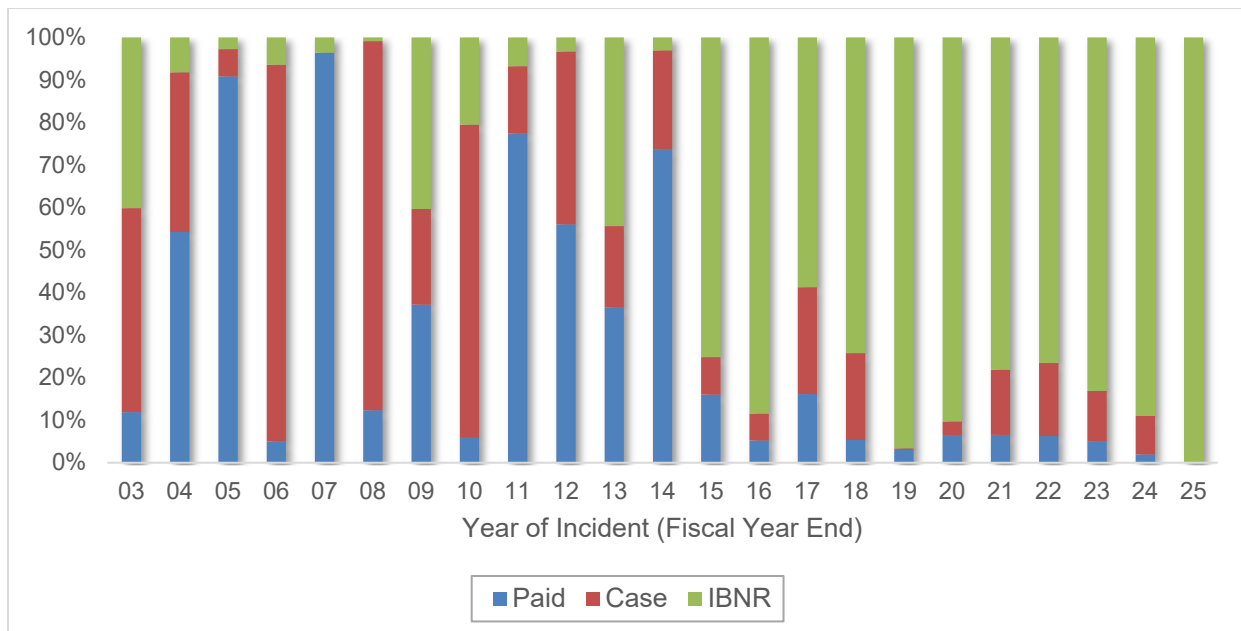
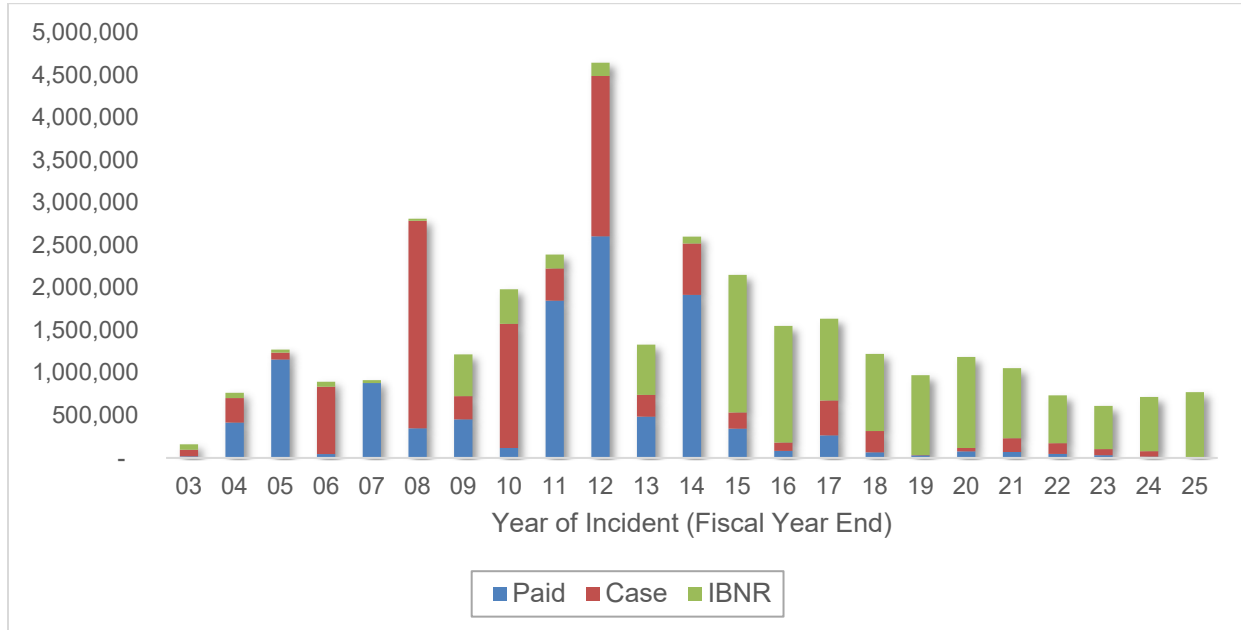
Fiscal Year	Case Reserves	Incurred but Not Reported (IBNR)	Total Liabilities
2002-03	\$76,703	\$64,297	\$141,000
2003-04	286,980	63,103	350,083
2004-05	81,364	35,281	116,645
2005-06	792,211	57,675	849,885
2006-07	0	32,786	32,786
2007-08	2,439,441	25,135	2,464,576
2008-09	273,538	490,786	764,324
2009-10	1,459,768	407,201	1,866,970
2010-11	377,826	162,678	540,504
2011-12	1,886,283	155,376	2,041,658
2012-13	254,907	590,930	845,837
2013-14	603,755	79,633	683,389
2014-15	189,255	1,617,398	1,806,653
2015-16	97,978	1,371,906	1,469,885
2016-17	411,437	960,885	1,372,323
2017-18	249,490	907,510	1,157,000
2018-19	3,718	939,282	943,000
2019-20	38,014	1,070,986	1,109,000
2020-21	161,000	824,000	985,000
2021-22	126,000	562,000	688,000
2022-23	72,000	508,000	580,000
<u>2023-24</u>	64,649	637,351	702,000
<b>Total Loss &amp; ALAE</b>	<b>\$9,946,317</b>	<b>\$11,564,200</b>	<b>\$21,510,516</b>
<b>ULAE</b>		<b>94,000</b>	<b>94,000</b>
<b>Total Loss &amp; LAE</b>	<b>\$9,946,317</b>	<b>\$11,658,200</b>	<b>\$21,604,516</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, 2024<sup>1</sup>**



<sup>1</sup> Projected 2024-25 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, 2024.

Valuation Date: The data underlying this study are valued as of December 31, 2023.

Review Date and Information 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. This recommendation assumes that all earnings on the assets invested (which are equal to the recommended discounted reserve level) will accrue to the program. The discount for future earnings should only be reflected, however, when the total indicated funds are available for investment and are expected to earn the indicated yield rate until all claims are closed.

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, 2023. 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 2024-2025 Losses  
Undiscounted

2024-2025

(A) Selected Undiscounted \$100K - \$1M Base Rate: \$4.630

	Expected	70%	75%	80%	85%	90%	95%
(B) Confidence Level Factors:	1.000	1.299	1.458	1.646	1.882	2.205	2.738

(C) Undiscounted \$100K - \$1M Base Rates:	\$4.630	\$6.014	\$6.751	\$7.621	\$8.714	\$10.209	\$12.677
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MRL	MRL Discount	Rates	Rates	Rates	Rates	Rates	Rates	Rates
100,000	1.000	\$4.630	\$6.014	\$6.751	\$7.621	\$8.714	\$10.209	\$12.677
150,000	0.753	3.486	4.529	5.084	5.739	6.562	7.687	9.546
200,000	0.557	2.579	3.350	3.760	4.245	4.854	5.686	7.061
250,000	0.440	2.037	2.646	2.970	3.353	3.834	4.492	5.578
300,000	0.332	1.537	1.997	2.241	2.530	2.893	3.389	4.209
350,000	0.273	1.264	1.642	1.843	2.081	2.379	2.787	3.461
400,000	0.215	0.995	1.293	1.451	1.639	1.874	2.195	2.726
500,000	0.152	0.704	0.914	1.026	1.158	1.325	1.552	1.927
750,000	0.060	0.278	0.361	0.405	0.457	0.523	0.613	0.761
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		\$3.366	\$4.372	\$4.908	\$5.540	\$6.335	\$7.422	\$9.216
\$350K-\$500K		0.560	0.728	0.817	0.923	1.054	1.235	1.534
\$500K-\$750K		0.426	0.553	0.621	0.701	0.802	0.939	1.166
\$750K-\$1M		0.278	0.361	0.405	0.457	0.523	0.613	0.761
\$1M-\$1.25M		0.083	0.108	0.121	0.137	0.156	0.183	0.227
\$1.25M-\$1.5M		0.037	0.048	0.054	0.061	0.070	0.082	0.101
\$1.5M-\$2M		0.106	0.138	0.155	0.174	0.199	0.234	0.290
\$2M-\$3M		0.134	0.174	0.195	0.221	0.252	0.295	0.367
\$3M-\$5M		0.162	0.210	0.236	0.267	0.305	0.357	0.444
<u>Undiscounted:</u>								
\$100K-\$1M		\$4.630	\$6.014	\$6.751	\$7.621	\$8.714	\$10.209	\$12.677
\$350K-\$1M		1.264	1.642	1.843	2.081	2.379	2.787	3.461
\$500K-\$1M		0.704	0.914	1.026	1.158	1.325	1.552	1.927
\$750K-\$1M		0.278	0.361	0.405	0.457	0.523	0.613	0.761
\$1M-\$1.25M		0.083	0.108	0.121	0.137	0.156	0.183	0.227
\$1.25M-\$1.5M		0.037	0.048	0.054	0.061	0.070	0.082	0.101
\$1.5M-\$2M		0.106	0.138	0.155	0.174	0.199	0.234	0.290
\$2M-\$3M		0.134	0.174	0.195	0.221	0.252	0.295	0.367
\$3M-\$5M		0.162	0.210	0.236	0.267	0.305	0.357	0.444



ICRMA - Excess Workers' Compensation  
Pooled Layer

Funding Options for Program Year 2024-2025 Losses  
Discounted at 2.00%

		<u>2024-2025</u>							
(A)	Selected Undiscounted \$100K - \$1M Base Rate:	\$4.630							
(B)	Discount Factor for Future Funding (Based on 2.00%):	0.807							
(C)	Discounted \$100K - \$1M Base Rate:	\$3.736							
(D)	Confidence Level Factors:	Expected	70%	75%	80%	85%	90%	95%	
		1.000	1.299	1.458	1.646	1.882	2.205	2.738	
(E)	Discounted \$100K - \$1M Base Rates:	\$3.736	\$4.853	\$5.447	\$6.149	\$7.031	\$8.238	\$10.229	
	MRL	MRL Discount	Rates	Rates	Rates	Rates	Rates	Rates	
	100,000	1.000	\$3.736	\$4.853	\$5.447	\$6.149	\$7.031	\$8.238	\$10.229
	150,000	0.753	2.813	3.654	4.102	4.630	5.294	6.203	7.702
	200,000	0.557	2.081	2.703	3.034	3.425	3.916	4.589	5.698
	250,000	0.440	1.644	2.135	2.397	2.706	3.094	3.625	4.501
	300,000	0.332	1.240	1.611	1.808	2.041	2.334	2.735	3.396
	350,000	0.273	1.020	1.325	1.487	1.679	1.919	2.249	2.793
	400,000	0.215	0.803	1.043	1.171	1.322	1.512	1.771	2.199
	500,000	0.152	0.568	0.738	0.828	0.935	1.069	1.252	1.555
	750,000	0.060	0.224	0.291	0.327	0.369	0.422	0.494	0.614
	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		\$2.716	\$3.528	\$3.960	\$4.470	\$5.112	\$5.989	\$7.436
	\$350K-\$500K		0.452	0.587	0.659	0.744	0.850	0.997	1.238
	\$500K-\$750K		0.344	0.447	0.501	0.566	0.647	0.758	0.941
	\$750K-\$1M		0.224	0.291	0.327	0.369	0.422	0.494	0.614
	\$1M-\$1.25M		0.067	0.087	0.098	0.111	0.126	0.148	0.183
	\$1.25M-\$1.5M		0.030	0.039	0.044	0.049	0.056	0.066	0.081
	\$1.5M-\$2M		0.086	0.111	0.125	0.140	0.161	0.189	0.234
	\$2M-\$3M		0.108	0.140	0.157	0.178	0.203	0.238	0.296
	\$3M-\$5M		0.131	0.169	0.190	0.215	0.246	0.288	0.358
	<u>Discounted:</u>								
	\$100K-\$1M		\$3.736	\$4.853	\$5.447	\$6.149	\$7.031	\$8.238	\$10.229
	\$350K-\$1M		1.020	1.325	1.487	1.679	1.919	2.249	2.793
	\$500K-\$1M		0.568	0.738	0.828	0.935	1.069	1.252	1.555
	\$750K-\$1M		0.224	0.291	0.327	0.369	0.422	0.494	0.614
	\$1M-\$1.25M		0.067	0.087	0.098	0.111	0.126	0.148	0.183
	\$1.25M-\$1.5M		0.030	0.039	0.044	0.049	0.056	0.066	0.081
	\$1.5M-\$2M		0.086	0.111	0.125	0.140	0.161	0.189	0.234
	\$2M-\$3M		0.108	0.140	0.157	0.178	0.203	0.238	0.296
	\$3M-\$5M		0.131	0.169	0.190	0.215	0.246	0.288	0.358

ICRMA - Excess Workers' Compensation  
Pooled Layer

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

(A) Estimated based on \$1M Ultimate Less \$100K Ultimate:	\$4.725
(B) Estimated based on \$900K xs \$100K Analysis:	\$4.535
(C) Prior Selected Base Loss Rate (\$100K - \$1M Layer):	\$4.620
(D) Selected Base Loss Rate (\$100K - \$1M Layer):	\$4.630
(E) Factor to \$100K - \$1M Layer:	1.000
(F) Selected Base Loss Rate (\$100K - \$1M Layer):	\$4.630

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	1.024	1.033	4.0%	0.039	0.040	0.990
29	1.030	1.041	1.0%	0.048	0.049	0.975
28	1.038	1.052	1.2%	0.059	0.061	0.962
27	1.048	1.065	1.5%	0.072	0.076	0.952
26	1.060	1.082	1.8%	0.089	0.094	0.945
25	1.076	1.104	2.2%	0.109	0.116	0.938
24	1.096	1.131	2.7%	0.133	0.143	0.933
23	1.121	1.166	3.2%	0.163	0.175	0.929
22	1.154	1.212	3.9%	0.198	0.214	0.925
21	1.196	1.272	1.5%	0.209	0.229	0.912
20	1.206	1.297	1.8%	0.222	0.246	0.901
19	1.218	1.327	1.8%	0.236	0.265	0.891
18	1.230	1.361	1.9%	0.251	0.284	0.881
17	1.245	1.397	2.1%	0.267	0.306	0.873
16	1.262	1.440	2.2%	0.283	0.327	0.865
15	1.284	1.487	2.5%	0.302	0.352	0.858
14	1.313	1.544	2.8%	0.324	0.380	0.852
13	1.349	1.612	2.9%	0.346	0.409	0.846
12	1.393	1.693	3.0%	0.369	0.439	0.841
11	1.452	1.783	3.7%	0.398	0.476	0.837
10	1.528	1.907	4.0%	0.430	0.516	0.834
9	1.623	2.065	5.0%	0.471	0.565	0.833
8	1.752	2.301	5.0%	0.511	0.616	0.830
7	1.926	2.603	6.1%	0.562	0.677	0.830
6	2.174	3.097	6.9%	0.620	0.746	0.830
5	2.597	3.942	7.5%	0.682	0.821	0.830
4	3.408	5.599	8.1%	0.748	0.902	0.830
3	5.257	10.216	6.8%	0.801	0.970	0.826
2	11.375	33.021	2.8%	0.812	0.997	0.814
1	47.665	371.397	0.3%	0.799	1.000	0.799
0						0.807

## 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
2011-2012	14,158	17,589	20,505	22,591	23,959	25,059	25,890	27,335	29,842	31,424	32,775	33,828	35,098	36,057	36,057	36,057
2012-2013	13,182	16,250	18,318	19,781	20,817	21,670	22,256	23,080	24,560	25,393	25,544	25,544	25,544	25,544	25,544	25,544
2013-2014	13,708	16,682	18,714	20,208	21,471	22,380	23,150	24,440	26,175	27,070	27,369	27,619	28,119	29,119	29,535	29,535
2014-2015	13,993	17,630	20,112	21,849	23,040	23,748	24,291	24,813	25,463	25,567	25,567	25,567	25,567	25,567	25,567	25,567
2015-2016	13,762	16,773	18,821	20,356	21,477	22,352	23,026	23,962	25,307	25,539	25,539	25,539	25,539	25,539	25,539	25,539
2016-2017	13,579	17,965	21,091	23,053	24,699	25,926	27,017	28,779	30,724	31,520	32,020	32,520	32,889	32,889	32,889	32,889
2017-2018	10,306	13,283	15,499	17,029	18,258	19,222	19,827	20,704	21,517	21,939	22,130	22,130	22,130	22,130	22,130	22,130
2018-2019	7,467	9,688	11,435	12,938	14,298	15,327	16,085	17,349	17,942	18,036	18,036	18,036	18,036	18,036	18,036	18,036
2019-2020	11,892	15,612	18,495	20,669	22,208	23,282	24,071	25,034	25,800	26,104	26,128	26,128	26,128	26,128	26,128	26,128
2020-2021	15,794	20,344	23,649	25,943	27,456	28,371	28,902	29,492	29,930	30,018	30,018	30,018	30,018	30,018	30,018	30,018
2021-2022	16,357	20,611	23,776	25,692	26,864	27,695	28,243	28,851	28,926	28,926	28,926	28,926	28,926	28,926	28,926	28,926
2022-2023	14,900	19,273	22,308	24,647	26,313	27,420	28,262	29,263	30,321	30,481	30,481	30,481	30,481	30,481	30,481	30,481
11/12-22/23	159,098	201,700	232,722	254,755	270,862	282,452	291,022	303,102	316,507	322,016	324,533	326,336	328,475	330,434	330,850	330,850
16/17-22/23	90,294	116,776	136,252	149,970	160,097	167,243	172,408	179,473	185,160	187,024	187,739	188,239	188,609	188,609	188,609	188,609
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
2011-2012	1.000	1.242	1.448	1.596	1.692	1.770	1.829	1.931	2.108	2.219	2.315	2.389	2.479	2.547	2.547	2.547
2012-2013	1.000	1.233	1.390	1.501	1.579	1.644	1.688	1.751	1.863	1.926	1.938	1.938	1.938	1.938	1.938	1.938
2013-2014	1.000	1.217	1.365	1.474	1.566	1.633	1.689	1.783	1.909	1.975	1.997	2.015	2.051	2.124	2.155	2.155
2014-2015	1.000	1.260	1.437	1.561	1.647	1.697	1.736	1.773	1.820	1.827	1.827	1.827	1.827	1.827	1.827	1.827
2015-2016	1.000	1.219	1.368	1.479	1.561	1.624	1.673	1.741	1.839	1.856	1.856	1.856	1.856	1.856	1.856	1.856
2016-2017	1.000	1.323	1.553	1.698	1.819	1.909	1.990	2.119	2.263	2.321	2.358	2.395	2.422	2.422	2.422	2.422
2017-2018	1.000	1.289	1.504	1.652	1.772	1.865	1.924	2.009	2.088	2.129	2.147	2.147	2.147	2.147	2.147	2.147
2018-2019	1.000	1.297	1.531	1.733	1.915	2.053	2.154	2.324	2.403	2.416	2.416	2.416	2.416	2.416	2.416	2.416
2019-2020	1.000	1.313	1.555	1.738	1.868	1.958	2.024	2.105	2.170	2.195	2.197	2.197	2.197	2.197	2.197	2.197
2020-2021	1.000	1.288	1.497	1.643	1.738	1.796	1.830	1.867	1.895	1.901	1.901	1.901	1.901	1.901	1.901	1.901
2021-2022	1.000	1.260	1.454	1.571	1.642	1.693	1.727	1.764	1.768	1.768	1.768	1.768	1.768	1.768	1.768	1.768
2022-2023	1.000	1.293	1.497	1.654	1.766	1.840	1.897	1.964	2.035	2.046	2.046	2.046	2.046	2.046	2.046	2.046
11/12-22/23	1.000	1.268	1.463	1.601	1.702	1.775	1.829	1.905	1.989	2.024	2.040	2.051	2.065	2.077	2.080	2.080
16/17-22/23	1.000	1.293	1.509	1.661	1.773	1.852	1.909	1.988	2.051	2.071	2.079	2.085	2.089	2.089	2.089	2.089
Industry	1.000	1.231	1.412	1.528	1.612	1.674	1.722	1.785	1.870	1.908	1.926	1.944	1.963	1.982	1.999	2.033
WCIRB	1.000	1.130	1.198	1.241	1.271	1.294	1.309	1.334	1.367	1.374	1.396	1.424	1.442	1.465	1.489	1.524
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:			\$32,811,000
(B) Actual Paid as of 12/31/23:			10,339,000
(C) Projected Paid 1/1/24 to 6/30/24:			\$961,000
(D) Outstanding Loss & ALAE as of 6/30/24:			\$21,511,000
Outstanding ULAE as of 6/30/24:			94,000
Outstanding Loss & LAE as of 6/30/24:			\$21,605,000
(E) Discount Factor: 2.00%			0.850
(F) Discounted Outstanding Loss & ALAE as of 6/30/24:			\$18,287,000
Discounted Outstanding ULAE as of 6/30/24:			80,000
Discounted Outstanding Loss & LAE as of 6/30/24:			\$18,367,000
(G) Confidence Level	Factor	Undiscounted Outstanding	Discounted Outstanding
70%	1.227	26,509,000	22,536,000
75%	1.344	29,037,000	24,685,000
80%	1.477	31,911,000	27,128,000
85%	1.641	35,454,000	30,140,000
90%	1.858	40,142,000	34,126,000
95%	2.202	47,574,000	40,444,000
98%	2.960	63,955,000	54,370,000

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	\$138,000	\$93,000	\$207,000	\$160,000	\$281,000
2003-2004	945,000	763,000	1,515,000	765,000	1,065,000
2004-2005	1,003,000	1,276,000	949,000	1,272,000	1,372,000
2005-2006	846,000	870,000	795,000	894,000	1,623,000
2006-2007	951,000	909,000	628,000	913,000	941,000
2007-2008	2,594,000	2,859,000	1,487,000	2,811,000	4,926,000
2008-2009	1,271,000	791,000	1,655,000	1,216,000	1,872,000
2009-2010	2,062,000	1,676,000	2,005,000	1,982,000	3,584,000
2010-2011	2,485,000	2,360,000	2,129,000	2,389,000	2,853,000
2011-2012	4,652,000	4,645,000	2,156,000	4,645,000	6,397,000
2012-2013	1,374,000	887,000	2,132,000	1,331,000	2,057,000
2013-2014	2,150,000	2,749,000	2,162,000	2,600,000	3,186,000
2014-2015	1,968,000	740,000	2,333,000	2,151,000	3,701,000
2015-2016	1,377,000	415,000	2,292,000	1,551,000	2,812,000
2016-2017	1,629,000	861,000	1,642,000	1,636,000	2,813,000
2017-2018	1,222,000	462,000	1,234,000	1,222,000	2,215,000
2018-2019	972,000	151,000	960,000	972,000	1,781,000
2019-2020	1,186,000	223,000	860,000	1,186,000	2,138,000
2020-2021	1,191,000	261,000	917,000	1,054,000	1,899,000
2021-2022	928,000	514,000	954,000	734,000	1,324,000
2022-2023	693,000	547,000	674,000	611,000	1,109,000
2023-2024	662,000	718,000	713,000	716,000	1,318,000
Total	\$32,299,000	\$24,770,000	\$30,399,000	\$32,811,000	\$51,267,000

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 12/31/23 (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	\$84,703	1.042	0.040	0.347	\$8,277	\$93,000
2003-2004	4,999,878	700,897	1.043	0.041	0.303	62,113	763,000
2004-2005	5,269,669	1,235,719	1.044	0.042	0.180	39,839	1,276,000
2005-2006	5,265,675	835,325	1.046	0.044	0.151	34,985	870,000
2006-2007	3,715,408	879,214	1.049	0.047	0.169	29,511	909,000
2007-2008	3,863,419	2,784,865	1.053	0.050	0.385	74,371	2,859,000
2008-2009	3,812,865	700,214	1.058	0.055	0.434	91,013	791,000
2009-2010	4,211,653	1,555,799	1.064	0.060	0.476	120,285	1,676,000
2010-2011	4,109,363	2,215,322	1.073	0.068	0.518	144,748	2,360,000
2011-2012	3,891,226	4,478,624	1.084	0.077	0.554	165,992	4,645,000
2012-2013	3,787,326	693,070	1.100	0.091	0.563	194,036	887,000
2013-2014	3,645,167	2,513,367	1.122	0.109	0.593	235,613	2,749,000
2014-2015	3,738,753	466,602	1.133	0.117	0.624	272,959	740,000
2015-2016	3,614,575	126,094	1.144	0.126	0.634	288,747	415,000
2016-2017	3,007,421	641,115	1.155	0.134	0.546	220,035	861,000
2017-2018	2,276,344	285,490	1.167	0.143	0.542	176,430	462,000
2018-2019	2,020,005	4,718	1.179	0.152	0.475	145,844	151,000
2019-2020	3,016,230	85,014	1.191	0.160	0.285	137,540	223,000
2020-2021	3,005,526	0	1.399	0.285	0.305	261,255	261,000
2021-2022	3,137,740	0	2.168	0.539	0.304	514,138	514,000
2022-2023	3,022,632	0	5.312	0.812	0.223	547,326	547,000
2023-2024	3,345,393	18,649	53.120	0.981	0.213	699,030	718,000
Total		\$20,304,800				\$4,464,087	\$24,770,000

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 2024-2025 (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	\$4.630	2.073	2.233	0.155	0.347	\$596,317	\$207,000
2003-2004	4.630	2.467	1.877	0.162	0.303	4,999,878	1,515,000
2004-2005	4.630	3.084	1.501	0.120	0.180	5,269,669	949,000
2005-2006	4.630	3.218	1.439	0.105	0.151	5,265,675	795,000
2006-2007	4.630	2.936	1.577	0.107	0.169	3,715,408	628,000
2007-2008	5.152	2.634	1.956	0.197	0.385	3,863,419	1,487,000
2008-2009	5.152	2.366	2.178	0.199	0.434	3,812,865	1,655,000
2009-2010	5.152	2.092	2.463	0.193	0.476	4,211,653	2,005,000
2010-2011	5.152	1.903	2.707	0.191	0.518	4,109,363	2,129,000
2011-2012	5.152	1.808	2.850	0.194	0.554	3,891,226	2,156,000
2012-2013	5.152	1.767	2.916	0.193	0.563	3,787,326	2,132,000
2013-2014	5.152	1.710	3.013	0.197	0.593	3,645,167	2,162,000
2014-2015	5.152	1.625	3.170	0.197	0.624	3,738,753	2,333,000
2015-2016	5.152	1.613	3.194	0.199	0.634	3,614,575	2,292,000
2016-2017	4.990	1.625	3.071	0.178	0.546	3,007,421	1,642,000
2017-2018	4.856	1.552	3.129	0.173	0.542	2,276,344	1,234,000
2018-2019	4.856	1.446	3.358	0.142	0.475	2,020,005	960,000
2019-2020	4.750	1.378	3.447	0.083	0.285	3,016,230	860,000
2020-2021	4.750	1.276	3.723	0.082	0.305	3,005,526	917,000
2021-2022	4.713	1.193	3.951	0.077	0.304	3,137,740	954,000
2022-2023	4.630	1.132	4.090	0.055	0.223	3,022,632	674,000
2023-2024	4.630	1.050	4.410	0.048	0.213	3,345,393	713,000
Total						\$77,352,584	\$30,399,000

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, 2023

Program Year	Reported Claims As of 12/31/23 (A)	Closed Claims As of 12/31/23 (B)	Open Claims As of 12/31/23 (C)	Paid Losses As of 12/31/23 (D)	Case Reserves As of 12/31/23 (E)	Reported Losses As of 12/31/23 (F)
2002-2003	1	0	1	\$0	\$84,703	\$84,703
2003-2004	10	4	6	407,917	292,980	700,897
2004-2005	4	0	4	1,152,355	83,364	1,235,719
2005-2006	4	0	4	25,115	810,211	835,325
2006-2007	3	3	0	879,214	0	879,214
2007-2008	5	0	5	283,424	2,501,441	2,784,865
2008-2009	2	0	2	428,676	271,538	700,214
2009-2010	4	1	3	49,030	1,506,768	1,555,799
2010-2011	5	3	2	1,827,496	387,826	2,215,322
2011-2012	8	1	7	2,518,342	1,960,283	4,478,624
2012-2013	5	2	3	449,163	243,907	693,070
2013-2014	4	0	4	1,879,611	633,755	2,513,367
2014-2015	3	0	3	253,347	213,255	466,602
2015-2016	2	1	1	116	125,978	126,094
2016-2017	3	1	2	185,677	455,437	641,115
2017-2018	3	0	3	0	285,490	285,490
2018-2019	1	0	1	0	4,718	4,718
2019-2020	1	0	1	0	85,014	85,014
2020-2021	0	0	0	0	0	0
2021-2022	0	0	0	0	0	0
2022-2023	0	0	0	0	0	0
2023-2024	1	0	1	0	18,649	18,649
<b>Total</b>	<b>69</b>	<b>16</b>	<b>53</b>	<b>\$10,339,484</b>	<b>\$9,965,317</b>	<b>\$20,304,800</b>

ICRMA - Excess Workers' Compensation  
Pooled Layer

Estimated IBNR as of December 31, 2023 and June 30, 2024

Program Year	Projected Ultimate Losses (A)	Reported	Estimated	Reported	Reported	Estimated
		Losses As of 12/31/23 (B)	IBNR As of 12/31/23 (C)	Losses From 01/01/24 to 06/30/24 (D)	Losses As of 06/30/24 (E)	IBNR As of 06/30/24 (F)
2002-2003	\$160,000	\$84,703	\$75,297	\$11,000	\$95,703	\$64,297
2003-2004	765,000	700,897	64,103	1,000	701,897	63,103
2004-2005	1,272,000	1,235,719	36,281	1,000	1,236,719	35,281
2005-2006	894,000	835,325	58,675	1,000	836,325	57,675
2006-2007	913,000	879,214	33,786	1,000	880,214	32,786
2007-2008	2,811,000	2,784,865	26,135	1,000	2,785,865	25,135
2008-2009	1,216,000	700,214	515,786	25,000	725,214	490,786
2009-2010	1,982,000	1,555,799	426,201	19,000	1,574,799	407,201
2010-2011	2,389,000	2,215,322	173,678	11,000	2,226,322	162,678
2011-2012	4,645,000	4,478,624	166,376	11,000	4,489,624	155,376
2012-2013	1,331,000	693,070	637,930	47,000	740,070	590,930
2013-2014	2,600,000	2,513,367	86,633	7,000	2,520,367	79,633
2014-2015	2,151,000	466,602	1,684,398	67,000	533,602	1,617,398
2015-2016	1,551,000	126,094	1,424,906	53,000	179,094	1,371,906
2016-2017	1,636,000	641,115	994,885	34,000	675,115	960,885
2017-2018	1,222,000	285,490	936,510	29,000	314,490	907,510
2018-2019	972,000	4,718	967,282	28,000	32,718	939,282
2019-2020	1,186,000	85,014	1,100,986	30,000	115,014	1,070,986
2020-2021	1,054,000	0	1,054,000	230,000	230,000	824,000
2021-2022	734,000	0	734,000	172,000	172,000	562,000
2022-2023	611,000	0	611,000	103,000	103,000	508,000
2023-2024	716,000	18,649	339,351	60,000	78,649	637,351
<b>Total</b>	<b>\$32,811,000</b>	<b>\$20,304,800</b>	<b>\$12,148,199</b>	<b>\$942,000</b>	<b>\$21,246,800</b>	<b>\$11,564,200</b>

ICRMA - Excess Workers' Compensation  
Pooled Layer

Paid Losses from 01/01/24 to 06/30/24 and from 07/01/24 to 06/30/25

Program Year	Projected Ultimate Losses (A)	Paid Losses As of 12/31/23 (B)	Outstanding Liability As of 12/31/23 (C)	Paid Losses From 01/01/24 to 06/30/24 (D)	Paid Losses As of 06/30/24 (E)	Outstanding Liability As of 06/30/24 (F)	Paid Losses From 07/01/24 to 06/30/25 (G)
2002-2003	\$160,000	\$0	\$160,000	\$19,000	\$19,000	\$141,000	\$20,000
2003-2004	765,000	407,917	357,083	7,000	414,917	350,083	49,000
2004-2005	1,272,000	1,152,355	119,645	3,000	1,155,355	116,645	5,000
2005-2006	894,000	25,115	868,885	19,000	44,115	849,885	39,000
2006-2007	913,000	879,214	33,786	1,000	880,214	32,786	1,000
2007-2008	2,811,000	283,424	2,527,576	63,000	346,424	2,464,576	123,000
2008-2009	1,216,000	428,676	787,324	23,000	451,676	764,324	40,000
2009-2010	1,982,000	49,030	1,932,970	66,000	115,030	1,866,970	114,000
2010-2011	2,389,000	1,827,496	561,504	21,000	1,848,496	540,504	39,000
2011-2012	4,645,000	2,518,342	2,126,658	85,000	2,603,342	2,041,658	161,000
2012-2013	1,331,000	449,163	881,837	36,000	485,163	845,837	70,000
2013-2014	2,600,000	1,879,611	720,389	37,000	1,916,611	683,389	64,000
2014-2015	2,151,000	253,347	1,897,653	91,000	344,347	1,806,653	179,000
2015-2016	1,551,000	116	1,550,885	81,000	81,116	1,469,885	147,000
2016-2017	1,636,000	185,677	1,450,323	78,000	263,677	1,372,323	145,000
2017-2018	1,222,000	0	1,222,000	65,000	65,000	1,157,000	124,000
2018-2019	972,000	0	972,000	29,000	29,000	943,000	104,000
2019-2020	1,186,000	0	1,186,000	77,000	77,000	1,109,000	135,000
2020-2021	1,054,000	0	1,054,000	69,000	69,000	985,000	128,000
2021-2022	734,000	0	734,000	46,000	46,000	688,000	87,000
2022-2023	611,000	0	611,000	31,000	31,000	580,000	65,000
2023-2024	716,000	0	358,000	14,000	14,000	702,000	48,000
2024-2025	772,000						16,000
<b>Total</b>	<b>\$33,583,000</b>	<b>\$10,339,484</b>	<b>\$22,113,516</b>	<b>\$961,000</b>	<b>\$11,300,484</b>	<b>\$21,510,516</b>	<b>\$1,903,000</b>

**Undiscounted Current Liabilities as of 06/30/24: \$1,887,000**

**Discounted Current Liabilities as of 06/30/24: \$1,868,000**

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 12/31/23 (A)		As of 12/31/23 (C)	As of 06/30/24 (D)		As of 06/30/24 (F)
2002-2003	\$160,000	0.927	\$148,294	\$141,000	0.929	\$130,950
2003-2004	357,083	0.919	328,009	350,083	0.925	323,811
2004-2005	119,645	0.907	108,485	116,645	0.912	106,404
2005-2006	868,885	0.896	778,625	849,885	0.901	765,948
2006-2007	33,786	0.886	29,942	32,786	0.891	29,212
2007-2008	2,527,576	0.877	2,217,159	2,464,576	0.881	2,172,365
2008-2009	787,324	0.869	684,059	764,324	0.873	667,209
2009-2010	1,932,970	0.861	1,664,835	1,866,970	0.865	1,614,443
2010-2011	561,504	0.855	480,002	540,504	0.858	463,659
2011-2012	2,126,658	0.849	1,805,712	2,041,658	0.852	1,739,238
2012-2013	881,837	0.843	743,813	845,837	0.846	715,826
2013-2014	720,389	0.839	604,262	683,389	0.841	574,504
2014-2015	1,897,653	0.835	1,585,139	1,806,653	0.837	1,512,043
2015-2016	1,550,885	0.833	1,292,043	1,469,885	0.834	1,225,443
2016-2017	1,450,323	0.831	1,205,883	1,372,323	0.833	1,142,460
2017-2018	1,222,000	0.830	1,014,558	1,157,000	0.830	960,791
2018-2019	972,000	0.830	806,874	943,000	0.830	782,759
2019-2020	1,186,000	0.830	984,473	1,109,000	0.830	920,648
2020-2021	1,054,000	0.830	874,557	985,000	0.830	817,545
2021-2022	734,000	0.828	607,414	688,000	0.830	570,699
2022-2023	611,000	0.820	501,008	580,000	0.826	478,832
2023-2024	358,000	0.807	288,784	702,000	0.814	571,699
<b>Total</b>	<b>\$22,113,516</b>		<b>\$18,753,930</b>	<b>\$21,510,516</b>		<b>\$18,286,488</b>

(G) Discount Factor at 12/31/23 for Overall Reserve: 0.848  
(H) Discount Factor at 6/30/24 for Overall Reserve: 0.850

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  
Pooled Layer

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
<b>Total/Avg</b>	<b>\$3,812,865</b>		<b>0.199</b>	<b>\$4,211,653</b>		<b>0.193</b>	<b>\$4,109,363</b>		<b>0.191</b>

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  
Pooled Layer

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
Total/Avg	\$3,738,753		0.197	\$3,614,575		0.199	\$3,007,421		0.178

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	\$22,462	\$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	372,299	500,000	0.152
City of Glendora	174,552	500,000	0.173	184,241	500,000	0.167	159,626	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	158,667	500,000	0.152
City of Inglewood	555,498	1,000,000	0.025	577,584	1,000,000	0.017	690,986	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	93,363	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	122,176	500,000	0.152
City of Santa Ana	1,118,861	2,000,000	0.000	1,188,219	2,000,000	0.000	1,265,033	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
Total/Avg	\$3,005,526		0.082	\$3,137,740		0.077	\$3,022,632		0.055

ICRMA - Excess Workers' Compensation  
Pooled Layer

Average MRL Discount Factor

	Payroll (00s) 2023-2024	MRL 2023-2024	MRL Discount 2023-2024	Payroll (00s) 2024-2025	MRL 2024-2025	MRL Discount 2024-2025
City of Adelanto	\$26,573	\$350,000	0.273	\$27,370	\$350,000	0.273
City of Alhambra	0	0	0.000	0	0	0.000
City of Arcadia	0	0	0.000	0	0	0.000
City of Azusa	0	0	0.000	0	0	0.000
City of Baldwin Park	0	0	0.000	0	0	0.000
City of Bell	0	0	0.000	0	0	0.000
City of Buena Park	0	0	0.000	0	0	0.000
City of Culver City	0	0	0.000	0	0	0.000
City of Downey	0	0	0.000	0	0	0.000
City of El Monte	0	0	0.000	0	0	0.000
City of El Segundo	400,038	500,000	0.152	412,039	500,000	0.152
City of Glendora	221,219	500,000	0.152	227,856	500,000	0.152
City of Hermosa Beach	0	0	0.000	0	0	0.000
City of Huntington Park	154,936	500,000	0.152	159,584	500,000	0.152
City of Inglewood	838,960	1,000,000	0.000	864,129	1,000,000	0.000
City of La Habra	0	0	0.000	0	0	0.000
City of Lynwood	107,606	500,000	0.152	110,834	500,000	0.152
City of Manhattan Beach	0	0	0.000	0	0	0.000
City of Monrovia	0	0	0.000	0	0	0.000
City of Monterey Park	0	0	0.000	0	0	0.000
City of Redondo Beach	0	0	0.000	0	0	0.000
City of San Fernando	132,805	500,000	0.152	136,789	500,000	0.152
City of Santa Ana	1,463,256	2,000,000	0.000	1,507,154	2,000,000	0.000
City of Upland	0	0	0.000	0	0	0.000
City of Vernon	0	0	0.000	0	0	0.000
City of Whittier	0	0	0.000	0	0	0.000
<b>Total/Avg</b>	<b>\$3,345,393</b>		<b>0.048</b>	<b>\$3,445,755</b>		<b>0.048</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 2023-2024 (E)	Loss Rate at 2023-2024 Level (F)
2002-2003	2,130,024	3,145,000	1,014,976	1,001,216	1.975	2.002
2003-2004	16,942,000	27,606,000	10,664,000	8,189,800	2.351	3.061
2004-2005	15,019,000	25,081,000	10,062,000	8,420,930	2.938	3.511
2005-2006	17,540,000	30,023,000	12,483,000	8,209,188	3.066	4.662
2006-2007	12,549,000	20,490,000	7,941,000	5,651,135	2.797	3.930
2007-2008	11,917,000	20,101,000	8,184,000	5,733,314	2.509	3.581
2008-2009	11,884,000	21,272,000	9,388,000	5,521,028	2.254	3.833
2009-2010	12,697,000	23,775,000	11,078,000	5,951,065	1.993	3.710
2010-2011	13,531,000	25,750,000	12,219,000	5,666,812	1.813	3.909
2011-2012	13,663,000	29,036,000	15,373,000	5,233,699	1.722	5.058
2012-2013	12,533,000	22,767,000	10,234,000	4,968,972	1.684	3.468
2013-2014	13,056,000	25,002,000	11,946,000	4,665,813	1.629	4.171
2014-2015	13,373,000	23,409,000	10,036,000	4,669,703	1.548	3.327
2015-2016	12,823,000	22,378,000	9,555,000	4,406,167	1.537	3.333
2016-2017	12,864,000	25,621,000	12,757,000	3,575,824	1.548	5.523
2017-2018	9,695,000	18,135,000	8,440,000	2,640,559	1.479	4.727
2018-2019	6,934,000	14,748,000	7,814,000	2,286,645	1.378	4.709
2019-2020	10,887,000	21,351,000	10,464,000	3,329,918	1.313	4.126
2020-2021	13,817,000	25,250,000	11,433,000	3,236,951	1.216	4.295
2021-2022	14,045,000	27,047,000	13,002,000	3,297,765	1.137	4.483
2022-2023	12,937,000	26,489,000	13,552,000	3,098,197	1.078	4.715
2023-2024						
					Average 12/13-21/22:	\$4.216
					Average 16/17-21/22:	4.405
					Prior Selected Rate:	4.360
					Selected 2023-2024 Rate:	\$4.500
					Benefit Level & Trend Factor to 2024-2025:	1.050
					Selected 2024-2025 Rate:	\$4.725

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	\$3,145,013	\$3,119,519	\$3,146,095	\$3,124,138	\$3,179,918	\$3,145,000
2003-2004	27,605,541	27,490,261	27,580,953	27,376,131	25,628,928	27,606,000
2004-2005	25,081,197	25,494,674	25,053,761	25,324,925	23,043,744	25,081,000
2005-2006	30,022,931	29,309,612	29,981,747	29,177,400	27,288,180	30,023,000
2006-2007	20,490,380	20,651,092	20,484,752	20,591,386	19,802,244	20,490,000
2007-2008	20,100,900	19,687,247	20,087,844	19,644,898	19,069,282	20,101,000
2008-2009	21,271,637	20,832,563	21,216,764	20,692,069	19,297,368	21,272,000
2009-2010	23,774,523	23,730,696	23,693,509	23,452,157	20,918,160	23,775,000
2010-2011	25,749,791	25,504,420	25,654,376	25,182,256	22,623,702	25,750,000
2011-2012	29,036,188	27,031,125	28,842,766	26,545,612	23,187,544	29,036,000
2012-2013	22,871,405	22,662,926	22,812,735	22,503,033	21,585,336	22,767,000
2013-2014	24,645,662	25,358,910	24,567,930	24,948,352	22,823,280	25,002,000
2014-2015	23,147,109	23,671,079	23,180,622	23,683,012	23,733,696	23,409,000
2015-2016	22,056,918	22,699,432	22,108,859	22,779,194	23,100,066	22,378,000
2016-2017	25,847,574	25,395,398	25,706,402	24,938,239	23,525,040	25,621,000
2017-2018	17,721,317	18,621,873	17,740,438	18,454,646	18,009,888	18,135,000
2018-2019	14,353,842	15,112,221	14,405,953	15,118,322	10,784,125	14,748,000
2019-2020	20,136,438	21,802,675	20,363,039	22,338,684	15,952,116	21,351,000
2020-2021	24,428,488	27,847,636	24,407,571	26,092,233	31,518,570	25,250,000
2021-2022	25,957,712	30,291,625	26,122,180	27,971,605	43,156,464	27,047,000
2022-2023	26,724,931	25,168,116	26,489,244	26,023,452	23,040,996	26,489,000
Totals						\$478,476,000

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)
2002-2003	2,130,024	2,138,535	2,130,026	2,138,544	2,130,100	2,130,024
2003-2004	16,958,538	16,924,468	16,958,577	16,925,195	16,941,184	16,942,000
2004-2005	15,018,932	14,968,944	15,019,079	14,970,050	15,019,353	15,019,000
2005-2006	17,540,350	17,423,763	17,540,640	17,425,824	17,540,686	17,540,000
2006-2007	12,549,153	12,455,066	12,549,361	12,456,932	12,549,141	12,549,000
2007-2008	11,916,828	11,843,409	11,917,029	11,845,664	11,917,094	11,917,000
2008-2009	11,883,817	11,673,979	11,883,996	11,678,621	11,883,996	11,884,000
2009-2010	12,696,556	12,680,568	12,696,770	12,684,067	12,696,705	12,697,000
2010-2011	13,530,752	13,513,282	13,530,973	13,518,962	13,531,375	13,531,000
2011-2012	13,663,222	13,673,677	13,663,448	13,667,499	13,663,027	13,663,000
2012-2013	12,532,624	12,338,587	12,532,820	12,341,741	12,533,164	12,533,000
2013-2014	13,056,221	13,279,648	13,056,425	13,276,528	13,055,760	13,056,000
2014-2015	13,373,453	13,336,774	13,373,668	13,342,377	13,372,800	13,373,000
2015-2016	12,822,953	12,939,064	12,823,153	12,928,710	12,823,162	12,823,000
2016-2017	12,863,664	13,167,021	12,863,863	13,141,928	12,863,760	12,864,000
2017-2018	9,561,950	9,827,292	9,562,640	9,817,831	9,694,880	9,695,000
2018-2019	6,841,188	6,962,365	6,845,983	7,085,116	5,718,570	6,934,000
2019-2020	10,895,452	10,767,043	10,900,368	10,983,819	8,331,528	10,887,000
2020-2021	13,898,771	13,671,701	13,881,709	13,379,530	16,205,072	13,817,000
2021-2022	14,068,482	14,424,611	14,028,176	14,062,642	21,856,302	14,045,000
2022-2023	13,320,666	12,000,022	13,258,254	12,616,120	11,487,894	12,937,000
Totals						\$260,836,024

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)
2002-2003	2,130,024	1.460	3,109,835	1,001,216	3.106
2003-2004	16,942,000	1.763	29,868,746	8,189,800	3.647
2004-2005	15,019,000	2.235	33,567,465	8,420,930	3.986
2005-2006	17,540,000	2.366	41,499,640	8,209,188	5.055
2006-2007	12,549,000	2.190	27,482,310	5,651,135	4.863
2007-2008	11,917,000	1.993	23,750,581	5,733,314	4.143
2008-2009	11,884,000	1.816	21,581,344	5,521,028	3.909
2009-2010	12,697,000	1.628	20,670,716	5,951,065	3.473
2010-2011	13,531,000	1.503	20,337,093	5,666,812	3.589
2011-2012	13,663,000	1.449	19,797,687	5,233,699	3.783
2012-2013	12,533,000	1.437	18,009,921	4,968,972	3.624
2013-2014	13,056,000	1.411	18,422,016	4,665,813	3.948
2014-2015	13,373,000	1.360	18,187,280	4,669,703	3.895
2015-2016	12,823,000	1.369	17,554,687	4,406,167	3.984
2016-2017	12,864,000	1.400	18,009,600	3,575,824	5.036
2017-2018	9,695,000	1.357	13,156,115	2,640,559	4.982
2018-2019	6,934,000	1.283	8,896,322	2,286,645	3.891
2019-2020	10,887,000	1.239	13,488,993	3,329,918	4.051
2020-2021	13,817,000	1.165	16,096,805	3,236,951	4.973
2021-2022	14,045,000	1.105	15,519,725	3,297,765	4.706
2022-2023	12,937,000	1.063	13,752,031	3,098,197	4.439
Totals	\$260,836,024		\$412,758,912	\$99,754,701	\$4.138
18/19-22/23	58,620,000		67,753,876	15,249,476	4.443
19/20-22/23	51,686,000		58,857,554	12,962,831	4.540
20/21-22/23	40,799,000		45,368,561	9,632,913	4.710
			Selected \$100K Loss Rate:		\$4.410
			Prior Selected \$100K Loss Rate:		\$4.350

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 12/31/23 (B)	Reported Loss Development Factor (C)	Estimated Ultimate Limited Losses (D)	\$1M Limited Reported Losses of 12/31/23 (E)	Reported Loss Development Factor (F)	Estimated Ultimate Losses (G)
2002-2003	2,127,896	1.001	2,130,024	3,101,591	1.014	3,145,013
2003-2004	16,924,688	1.002	16,958,538	27,170,808	1.016	27,605,541
2004-2005	14,974,010	1.003	15,018,932	24,661,944	1.017	25,081,197
2005-2006	17,470,468	1.004	17,540,350	29,463,132	1.019	30,022,931
2006-2007	12,499,156	1.004	12,549,153	20,088,607	1.020	20,490,380
2007-2008	11,869,351	1.004	11,916,828	19,668,200	1.022	20,100,900
2008-2009	11,836,471	1.004	11,883,817	20,773,083	1.024	21,271,637
2009-2010	12,645,972	1.004	12,696,556	23,149,486	1.027	23,774,523
2010-2011	13,476,844	1.004	13,530,752	24,975,549	1.031	25,749,791
2011-2012	13,608,787	1.004	13,663,222	28,054,288	1.035	29,036,188
2012-2013	12,482,693	1.004	12,532,624	21,949,525	1.042	22,871,405
2013-2014	13,004,205	1.004	13,056,221	23,449,726	1.051	24,645,662
2014-2015	13,320,172	1.004	13,373,453	21,898,873	1.057	23,147,109
2015-2016	12,771,865	1.004	12,822,953	20,769,226	1.062	22,056,918
2016-2017	12,812,414	1.004	12,863,664	24,224,530	1.067	25,847,574
2017-2018	9,523,855	1.004	9,561,950	16,515,673	1.073	17,721,317
2018-2019	6,813,933	1.004	6,841,188	13,302,912	1.079	14,353,842
2019-2020	10,852,044	1.004	10,895,452	18,558,929	1.085	20,136,438
2020-2021	13,706,875	1.014	13,898,771	20,861,219	1.171	24,428,488
2021-2022	13,209,842	1.065	14,068,482	18,254,369	1.422	25,957,712
2022-2023	9,773,049	1.363	13,320,666	12,298,634	2.173	26,724,931
Totals	\$255,704,590		\$261,123,596	\$433,190,304		\$474,169,497

## 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

Limited 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
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	13,004,205
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	13,320,172	
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	12,771,865		
2016-2017	3,157,480	10,438,180	13,121,634	13,626,614	13,828,954	13,282,939	12,843,717	12,812,414			
2017-2018	2,319,352	8,135,719	9,622,324	10,339,580	10,117,345	9,630,111	9,523,855				
2018-2019	1,249,705	4,800,601	6,496,852	6,798,214	6,897,954	6,813,933					
2019-2020	2,569,965	8,204,082	10,220,313	11,046,457	10,852,044						
2020-2021	3,214,130	9,701,409	12,771,610	13,706,875							
2021-2022	3,294,725	10,285,738	13,209,842								
2022-2023	2,465,617	9,773,049									
2023-2024	2,995,599										

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
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	0.999
2013-2014	3.499	1.253	1.063	0.964	1.014	0.977	0.973	1.001	0.996	1.001	
2014-2015	3.765	1.311	1.022	1.019	0.978	1.005	0.983	0.984	0.998		
2015-2016	3.578	1.230	1.066	1.013	1.002	0.987	0.982	0.996			
2016-2017	3.306	1.257	1.038	1.015	0.961	0.967	0.998				
2017-2018	3.508	1.183	1.075	0.979	0.952	0.989					
2018-2019	3.841	1.353	1.046	1.015	0.988						
2019-2020	3.192	1.246	1.081	0.982							
2020-2021	3.018	1.316	1.073								
2021-2022	3.122	1.284									
2022-2023	3.964										

	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	3.479	1.269	1.058	0.999	0.987	0.996	0.992	1.000	1.002	1.000	0.999
Dollar-Weighted Averages											
3-yr	3.316	1.284	1.070	0.989	0.964	0.980	0.987	0.994	0.995	0.994	0.996
4-yr	3.289	1.294	1.071	0.997	0.975	0.987	0.984	0.998	0.997	0.994	0.997
Industry Factors	2.794	1.252	1.051	1.006	1.005	1.003	1.003	1.003	1.003	1.003	1.002
Prior	3.125	1.250	1.050	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	3.125	1.280	1.050	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	4.259	1.363	1.065	1.014	1.004	1.004	1.004	1.004	1.004	1.004	1.004

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

## Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 12/31/23 (B)	Paid Loss Development Factor (C)	Estimated Ultimate Limited Losses (D)	\$1M Limited Paid Losses of 12/31/23 (E)	Paid Loss Development Factor (F)	Estimated Ultimate Losses (G)
2002-2003	2,127,896	1.005	2,138,535	2,942,943	1.060	3,119,519
2003-2004	16,823,527	1.006	16,924,468	25,812,452	1.065	27,490,261
2004-2005	14,864,889	1.007	14,968,944	23,826,799	1.070	25,494,674
2005-2006	17,285,480	1.008	17,423,763	27,239,416	1.076	29,309,612
2006-2007	12,343,971	1.009	12,455,066	19,086,037	1.082	20,651,092
2007-2008	11,714,549	1.011	11,843,409	18,061,695	1.090	19,687,247
2008-2009	11,524,165	1.013	11,673,979	18,955,927	1.099	20,832,563
2009-2010	12,480,874	1.016	12,680,568	21,359,763	1.111	23,730,696
2010-2011	13,248,315	1.020	13,513,282	22,670,595	1.125	25,504,420
2011-2012	13,353,200	1.024	13,673,677	23,669,987	1.142	27,031,125
2012-2013	11,990,852	1.029	12,338,587	19,503,379	1.162	22,662,926
2013-2014	12,793,495	1.038	13,279,648	21,274,253	1.192	25,358,910
2014-2015	12,713,798	1.049	13,336,774	19,291,833	1.227	23,671,079
2015-2016	12,172,215	1.063	12,939,064	17,859,506	1.271	22,699,432
2016-2017	12,202,985	1.079	13,167,021	19,151,884	1.326	25,395,398
2017-2018	8,925,787	1.101	9,827,292	13,339,450	1.396	18,621,873
2018-2019	6,139,652	1.134	6,962,365	10,101,752	1.496	15,112,221
2019-2020	9,002,544	1.196	10,767,043	13,086,840	1.666	21,802,675
2020-2021	10,294,955	1.328	13,671,701	14,092,933	1.976	27,847,636
2021-2022	9,246,546	1.560	14,424,611	11,865,110	2.553	30,291,625
2022-2023	5,305,050	2.262	12,000,022	6,051,483	4.159	25,168,116
Totals	\$236,554,745		\$260,009,819	\$369,244,036		\$481,483,100

## 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
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	12,793,495
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	12,713,798	
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	12,172,215		
2016-2017	811,036	6,113,371	8,605,890	10,363,426	11,294,920	11,926,590	12,097,782	12,202,985			
2017-2018	624,427	4,273,385	6,246,029	7,624,441	8,379,788	8,854,613	8,925,787				
2018-2019	352,545	2,503,802	3,964,835	4,964,002	5,514,365	6,139,652					
2019-2020	742,796	4,402,128	7,007,642	8,136,181	9,002,544						
2020-2021	1,130,281	5,822,880	8,681,372	10,294,955							
2021-2022	1,089,290	6,777,263	9,246,546								
2022-2023	911,385	5,305,050									
2023-2024	975,692										
	<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
2002-2003											
2003-2004											1.004
2004-2005										1.005	1.003
2005-2006									1.014	1.007	1.008
2006-2007								1.013	1.013	1.015	1.009
2007-2008							1.022	1.020	1.014	1.007	1.010
2008-2009						1.054	1.032	1.010	1.014	1.013	1.014
2009-2010					1.053	1.025	1.011	1.017	1.011	1.008	1.003
2010-2011				1.085	1.064	1.030	1.027	1.011	1.006	1.004	1.006
2011-2012			1.209	1.087	1.051	1.037	1.026	1.018	1.026	0.989	1.010
2012-2013		1.505	1.163	1.089	1.050	1.033	1.014	1.013	1.017	1.006	1.011
2013-2014	8.031	1.535	1.186	1.079	1.057	1.025	0.990	1.027	1.015	1.006	
2014-2015	6.860	1.588	1.205	1.125	1.056	1.020	1.014	1.020	1.005		
2015-2016	6.078	1.492	1.187	1.134	1.066	1.035	1.025	1.013			
2016-2017	7.538	1.408	1.204	1.090	1.056	1.014	1.009				
2017-2018	6.844	1.462	1.221	1.099	1.057	1.008					
2018-2019	7.102	1.584	1.252	1.111	1.113						
2019-2020	5.926	1.592	1.161	1.106							
2020-2021	5.152	1.491	1.186								
2021-2022	6.222	1.364									
2022-2023	5.821										
Average	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	6.557	1.502	1.197	1.101	1.062	1.028	1.017	1.016	1.014	1.006	1.008
Dollar-Weighted Averages											
3-yr	5.719	1.467	1.190	1.105	1.069	1.020	1.016	1.020	1.012	1.000	1.009
4-yr	5.759	1.482	1.198	1.100	1.068	1.020	1.009	1.018	1.016	1.001	1.008
Industry											
Factors	3.503	1.627	1.223	1.107	1.059	1.035	1.023	1.018	1.015	1.011	1.010
Prior	6.000	1.550	1.200	1.110	1.055	1.035	1.027	1.015	1.013	1.011	1.009
Selected	6.000	1.450	1.175	1.110	1.055	1.030	1.020	1.015	1.013	1.011	1.009
Cumulated	13.572	2.262	1.560	1.328	1.196	1.134	1.101	1.079	1.063	1.049	1.038

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

Exposure and Development Method  
Based on Reported Losses

Accident Year	Trended Payroll (\$00) (A)	Reported Losses as of 12/31/23 (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)
2002-2003	1,001,216	3,101,591	1.014	0.014	3.175	44,504	3,146,095
2003-2004	8,189,800	27,170,808	1.016	0.016	3.130	410,145	27,580,953
2004-2005	8,420,930	24,661,944	1.017	0.017	2.737	391,817	25,053,761
2005-2006	8,209,188	29,463,132	1.019	0.019	3.325	518,615	29,981,747
2006-2007	5,651,135	20,088,607	1.020	0.020	3.505	396,145	20,484,752
2007-2008	5,733,314	19,668,200	1.022	0.022	3.327	419,644	20,087,844
2008-2009	5,521,028	20,773,083	1.024	0.023	3.494	443,681	21,216,764
2009-2010	5,951,065	23,149,486	1.027	0.026	3.516	544,023	23,693,509
2010-2011	5,666,812	24,975,549	1.031	0.030	3.993	678,827	25,654,376
2011-2012	5,233,699	28,054,288	1.035	0.034	4.431	788,478	28,842,766
2012-2013	4,968,972	21,949,525	1.042	0.040	4.343	863,210	22,812,735
2013-2014	4,665,813	23,449,726	1.051	0.049	4.891	1,118,204	24,567,930
2014-2015	4,669,703	21,898,873	1.057	0.054	5.083	1,281,749	23,180,622
2015-2016	4,406,167	20,769,226	1.062	0.058	5.242	1,339,633	22,108,859
2016-2017	3,575,824	24,224,530	1.067	0.063	6.578	1,481,872	25,706,402
2017-2018	2,640,559	16,515,673	1.073	0.068	6.821	1,224,765	17,740,438
2018-2019	2,286,645	13,302,912	1.079	0.073	6.608	1,103,041	14,405,953
2019-2020	3,329,918	18,558,929	1.085	0.078	6.946	1,804,110	20,363,039
2020-2021	3,236,951	20,861,219	1.171	0.146	7.504	3,546,352	24,407,571
2021-2022	3,297,765	18,254,369	1.422	0.297	8.033	7,867,811	26,122,180
2022-2023	3,098,197	12,298,634	2.173	0.540	8.482	14,190,610	26,489,244
Totals	\$99,754,701	\$433,190,304				\$40,457,236	\$473,647,540

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 12/31/23 (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)
2002-2003	1,001,216	2,942,943	1.060	0.057	3.175	181,195	3,124,138
2003-2004	8,189,800	25,812,452	1.065	0.061	3.130	1,563,679	27,376,131
2004-2005	8,420,930	23,826,799	1.070	0.065	2.737	1,498,126	25,324,925
2005-2006	8,209,188	27,239,416	1.076	0.071	3.325	1,937,984	29,177,400
2006-2007	5,651,135	19,086,037	1.082	0.076	3.505	1,505,349	20,591,386
2007-2008	5,733,314	18,061,695	1.090	0.083	3.327	1,583,203	19,644,898
2008-2009	5,521,028	18,955,927	1.099	0.090	3.494	1,736,142	20,692,069
2009-2010	5,951,065	21,359,763	1.111	0.100	3.516	2,092,394	23,452,157
2010-2011	5,666,812	22,670,595	1.125	0.111	3.993	2,511,661	25,182,256
2011-2012	5,233,699	23,669,987	1.142	0.124	4.431	2,875,625	26,545,612
2012-2013	4,968,972	19,503,379	1.162	0.139	4.343	2,999,654	22,503,033
2013-2014	4,665,813	21,274,253	1.192	0.161	4.891	3,674,099	24,948,352
2014-2015	4,669,703	19,291,833	1.227	0.185	5.083	4,391,179	23,683,012
2015-2016	4,406,167	17,859,506	1.271	0.213	5.242	4,919,688	22,779,194
2016-2017	3,575,824	19,151,884	1.326	0.246	6.578	5,786,355	24,938,239
2017-2018	2,640,559	13,339,450	1.396	0.284	6.821	5,115,196	18,454,646
2018-2019	2,286,645	10,101,752	1.496	0.332	6.608	5,016,570	15,118,322
2019-2020	3,329,918	13,086,840	1.666	0.400	6.946	9,251,844	22,338,684
2020-2021	3,236,951	14,092,933	1.976	0.494	7.504	11,999,300	26,092,233
2021-2022	3,297,765	11,865,110	2.553	0.608	8.033	16,106,495	27,971,605
2022-2023	3,098,197	6,051,483	4.159	0.760	8.482	19,971,969	26,023,452
Totals	\$99,754,701	\$369,244,036				\$106,717,707	\$475,961,743

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)
2002-2003	1,001,216	2,130,024	1.460	3,109,835	3.106	2.127	1.493	3.175
2003-2004	8,189,800	16,942,000	1.763	29,868,746	3.647	2.069	1.513	3.130
2004-2005	8,420,930	15,019,000	2.235	33,567,465	3.986	1.784	1.534	2.737
2005-2006	8,209,188	17,540,000	2.366	41,499,640	5.055	2.137	1.556	3.325
2006-2007	5,651,135	12,549,000	2.190	27,482,310	4.863	2.221	1.578	3.505
2007-2008	5,733,314	11,917,000	1.993	23,750,581	4.143	2.079	1.600	3.327
2008-2009	5,521,028	11,884,000	1.816	21,581,344	3.909	2.152	1.624	3.494
2009-2010	5,951,065	12,697,000	1.628	20,670,716	3.473	2.134	1.648	3.516
2010-2011	5,666,812	13,531,000	1.503	20,337,093	3.589	2.388	1.672	3.993
2011-2012	5,233,699	13,663,000	1.449	19,797,687	3.783	2.611	1.697	4.431
2012-2013	4,968,972	12,533,000	1.437	18,009,921	3.624	2.522	1.722	4.343
2013-2014	4,665,813	13,056,000	1.411	18,422,016	3.948	2.798	1.748	4.891
2014-2015	4,669,703	13,373,000	1.360	18,187,280	3.895	2.864	1.775	5.083
2015-2016	4,406,167	12,823,000	1.369	17,554,687	3.984	2.910	1.801	5.242
2016-2017	3,575,824	12,864,000	1.400	18,009,600	5.036	3.597	1.829	6.578
2017-2018	2,640,559	9,695,000	1.357	13,156,115	4.982	3.672	1.858	6.821
2018-2019	2,286,645	6,902,000	1.283	8,855,266	3.873	3.504	1.886	6.608
2019-2020	3,329,918	10,831,000	1.239	13,419,609	4.030	3.628	1.915	6.946
2020-2021	3,236,951	13,785,000	1.165	16,059,525	4.961	3.858	1.945	7.504
2021-2022	3,297,765	14,247,000	1.105	15,742,935	4.774	4.068	1.975	8.033
2022-2023	3,098,197	12,660,000	1.063	13,457,580	4.344	4.229	2.006	8.482
Total/Avg	\$99,754,701	\$260,641,024		\$412,539,951	\$4.136			
18/19-22/23	15,249,476	58,425,000		67,534,915	4.429			
19/20-22/23	12,962,831	51,523,000		58,679,649	4.527			
				Selected Limited Rate:	\$4.495			
				Prior Selected Limited Rate:	\$4.315			

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 2017-2018 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)
2002-2003	13,361	238	3,179,918
2003-2004	15,402	1,664	25,628,928
2004-2005	14,304	1,611	23,043,744
2005-2006	18,180	1,501	27,288,180
2006-2007	20,692	957	19,802,244
2007-2008	21,719	878	19,069,282
2008-2009	24,932	774	19,297,368
2009-2010	27,344	765	20,918,160
2010-2011	29,886	757	22,623,702
2011-2012	31,208	743	23,187,544
2012-2013	29,814	724	21,585,336
2013-2014	31,699	720	22,823,280
2014-2015	35,318	672	23,733,696
2015-2016	36,207	638	23,100,066
2016-2017	44,220	532	23,525,040
2017-2018	43,293	416	18,009,888
2018-2019	31,625	341	10,784,125
2019-2020	32,423	492	15,952,116
2020-2021	34,185	922	31,518,570
2021-2022	35,696	1,209	43,156,464
2022-2023	36,748	627	23,040,996
Total		17,181	\$461,268,647

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)
2002-2003	2,130,024	238	8,950	0.865	7,742	8,950	1.493	13,361
2003-2004	16,942,000	1,664	10,181	1.071	10,904	10,181	1.513	15,402
2004-2005	15,019,000	1,611	9,323	1.393	12,987	9,323	1.534	14,304
2005-2006	17,540,000	1,501	11,686	1.512	17,669	11,686	1.556	18,180
2006-2007	12,549,000	957	13,113	1.435	18,817	13,113	1.578	20,692
2007-2008	11,917,000	878	13,573	1.339	18,174	13,573	1.600	21,719
2008-2009	11,884,000	774	15,354	1.251	19,208	15,354	1.624	24,932
2009-2010	12,697,000	765	16,597	1.150	19,087	16,597	1.648	27,344
2010-2011	13,531,000	757	17,875	1.089	19,466	17,875	1.672	29,886
2011-2012	13,663,000	743	18,389	1.076	19,787	18,389	1.697	31,208
2012-2013	12,533,000	724	17,311	1.094	18,938	17,311	1.722	29,814
2013-2014	13,056,000	720	18,133	1.101	19,964	18,133	1.748	31,699
2014-2015	13,373,000	672	19,900	1.088	21,651	19,900	1.775	35,318
2015-2016	12,823,000	638	20,099	1.123	22,571	20,099	1.801	36,207
2016-2017	12,864,000	532	24,180	1.177	28,460	24,180	1.829	44,220
2017-2018	9,695,000	416	23,305	1.169	27,244	23,305	1.858	43,293
2018-2019	6,934,000	341	20,334	1.133	23,038	16,770	1.886	31,625
2019-2020	10,887,000	492	22,128	1.122	24,828	16,934	1.915	32,423
2020-2021	13,817,000	922	14,986	1.081	16,200	17,576	1.945	34,185
2021-2022	14,045,000	1,209	11,617	1.051	12,209	18,078	1.975	35,696
2022-2023	12,937,000	627	20,633	1.037	21,396	18,322	2.006	36,748

Average Limited Severity: \$19,064  
18/19-22/23: 19,534  
19/20-22/23: 18,658

Selected Limited Severity: \$19,000  
Prior Selected Limited Severity: \$20,000

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)
2002-2003	238	239	238	100	2.377	1.679	3.991
2003-2004	1,664	1,664	1,664	819	2.032	1.638	3.328
2004-2005	1,611	1,622	1,611	842	1.913	1.598	3.057
2005-2006	1,501	1,504	1,501	821	1.828	1.559	2.850
2006-2007	957	955	957	565	1.693	1.521	2.575
2007-2008	878	876	878	573	1.531	1.484	2.272
2008-2009	774	771	774	552	1.402	1.448	2.030
2009-2010	765	764	765	595	1.285	1.412	1.814
2010-2011	757	748	757	567	1.336	1.378	1.841
2011-2012	743	731	743	523	1.420	1.344	1.908
2012-2013	724	715	724	497	1.457	1.312	1.912
2013-2014	720	718	720	467	1.543	1.280	1.975
2014-2015	672	651	672	467	1.439	1.249	1.797
2015-2016	638	628	638	441	1.448	1.218	1.764
2016-2017	532	517	532	358	1.488	1.188	1.768
2017-2018	416	408	416	264	1.575	1.160	1.827
2018-2019	341	331	341	229	1.491	1.132	1.688
2019-2020	492	487	492	333	1.478	1.104	1.632
2020-2021	922	1,003	922	324	2.848	1.077	3.067
2021-2022	1,114	1,303	1,209	330	3.665	1.051	3.852
2022-2023	613	641	627	310	2.024	1.025	2.075
Total	17,072	17,276	17,181	9,975			2.354
17/18-21/22	3,285	3,532	3,380	1,479			2.484

(H) Selected 2023-2024 Frequency: 3.000  
Prior: 3.000

Program Year:	2023-2024	2024-2025
(I) Trend Factor:	1.000	1.025
(J) Selected Frequency:	3.000	3.075
(K) Estimated Payroll (\$000,000)	\$335	\$345
(L) Ultimate Claims:	1,004	1,060

Notes:

- (A) From Appendix A, Page 16, (C).
- (B) From Appendix A, Page 17, (C).
- (C) Selected from (A) and (B).
- (D) From Appendix A, Page 26, (C) divided by 10,000.
- (E) (C) / (D).
- (F) From Appendix A, Page 20.
- (G) (E) x (F).
- (H) The selected frequency of 3.000 is based on (G).
- (I) From Appendix A, Page 20.
- (J) (H) x (I).
- (K) From Appendix A, Page 26, (C) divided by 10,000.
- (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 12/31/2023 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
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	957	1.000	957	2.576
2007-2008	878	1.000	878	2.273
2008-2009	774	1.000	774	2.030
2009-2010	765	1.000	765	1.815
2010-2011	757	1.000	757	1.841
2011-2012	743	1.000	743	1.908
2012-2013	723	1.001	724	1.912
2013-2014	719	1.002	720	1.975
2014-2015	670	1.003	672	1.797
2015-2016	635	1.004	638	1.764
2016-2017	529	1.006	532	1.767
2017-2018	413	1.008	416	1.827
2018-2019	337	1.011	341	1.688
2019-2020	485	1.014	492	1.631
2020-2021	906	1.018	922	3.068
2021-2022	1,088	1.024	1,114	3.550
2022-2023	587	1.044	613	2.028
Total	16,980		17,072	2.342

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 12/31/2023 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2002-2003	235	1.015	239	4.008
2003-2004	1,638	1.016	1,664	3.328
2004-2005	1,593	1.018	1,622	3.078
2005-2006	1,473	1.021	1,504	2.856
2006-2007	933	1.024	955	2.570
2007-2008	853	1.027	876	2.267
2008-2009	749	1.030	771	2.022
2009-2010	740	1.033	764	1.813
2010-2011	721	1.037	748	1.819
2011-2012	702	1.041	731	1.877
2012-2013	684	1.046	715	1.888
2013-2014	682	1.053	718	1.970
2014-2015	614	1.061	651	1.741
2015-2016	583	1.077	628	1.736
2016-2017	470	1.099	517	1.718
2017-2018	360	1.132	408	1.792
2018-2019	281	1.177	331	1.639
2019-2020	390	1.248	487	1.615
2020-2021	755	1.329	1,003	3.337
2021-2022	912	1.429	1,303	4.153
2022-2023	417	1.536	641	2.121
Total	15,785		17,276	2.362

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
2002-2003												238	238	238
2003-2004											1,664	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	757
2011-2012			729	735	737	740	742	742	742	742	743	743	743	
2012-2013		706	717	719	719	719	722	723	723	723	723	723		
2013-2014	295	697	708	711	713	717	718	718	719	719	719			
2014-2015	270	643	659	663	665	667	669	670	670	670				
2015-2016	250	608	624	627	632	633	634	634	635					
2016-2017	232	514	523	526	529	529	529	529						
2017-2018	172	409	412	415	415	414	413							
2018-2019	156	323	331	338	336	337								
2019-2020	197	470	479	480	485									
2020-2021	349	898	902	906										
2021-2022	492	1,072	1,088											
2022-2023	309	587												
2023-2024	232													

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
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	1.000
2010-2011				1.004	1.001	1.007	1.004	1.001	1.001	1.000	1.001	1.000	1.000	1.000
2011-2012			1.008	1.003	1.004	1.003	1.000	1.000	1.000	1.001	1.000	1.000		
2012-2013		1.016	1.003	1.000	1.000	1.004	1.001	1.000	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	1.000				
2014-2015	2.381	1.025	1.006	1.003	1.003	1.003	1.001	1.000	1.000					
2015-2016	2.432	1.026	1.005	1.008	1.002	1.002	1.000	1.002						
2016-2017	2.216	1.018	1.006	1.006	1.000	1.000	1.000							
2017-2018	2.378	1.007	1.007	1.000	0.998	0.998								
2018-2019	2.071	1.025	1.021	0.994	1.003									
2019-2020	2.386	1.019	1.002	1.010										
2020-2021	2.573	1.004	1.004											
2021-2022	2.179	1.015												
2022-2023	1.900													
Average	2.288	1.017	1.007	1.003	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	2.223	1.012	1.007	1.002	1.000	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000
4-yr	2.247	1.013	1.007	1.003	1.001	1.001	1.000	1.001	1.000	1.000	1.001	1.000	1.000	1.000
Industry Factors	2.453	1.040	1.009	1.008	1.006	1.006	1.004	1.002	1.002	1.002	1.002	1.002	1.001	1.001
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	1.004	1.003	1.003	1.002	1.002	1.001	1.001	1.001	1.001	1.000	1.000
Cumulated	2.453	1.044	1.024	1.018	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
2002-2003												234	234	234
2003-2004											1,607	1,615	1,617	1,624
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	721
2011-2012			529	566	596	621	643	663	672	684	689	697	702	
2012-2013		457	514	561	593	622	641	660	667	673	677	684		
2013-2014	99	441	490	534	588	613	635	648	664	677	682			
2014-2015	105	420	464	498	532	559	575	590	604	614				
2015-2016	105	384	444	480	512	533	559	576	583					
2016-2017	80	319	356	388	411	435	452	470						
2017-2018	73	260	287	300	324	347	360							
2018-2019	57	225	241	250	265	281								
2019-2020	80	311	338	361	390									
2020-2021	131	695	728	755										
2021-2022	167	875	912											
2022-2023	163	417												
2023-2024	102													

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
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	1.003
2010-2011				1.052	1.055	1.036	1.036	1.023	1.014	1.017	0.997	0.999	1.001	
2011-2012			1.070	1.053	1.042	1.035	1.031	1.014	1.018	1.007	1.012	1.007		
2012-2013		1.125	1.091	1.057	1.049	1.031	1.030	1.011	1.009	1.006	1.010			
2013-2014	4.455	1.111	1.090	1.101	1.043	1.036	1.020	1.025	1.020	1.007				
2014-2015	4.000	1.105	1.073	1.068	1.051	1.029	1.026	1.024	1.017					
2015-2016	3.657	1.156	1.081	1.067	1.041	1.049	1.030	1.012						
2016-2017	3.988	1.116	1.090	1.059	1.058	1.039	1.040							
2017-2018	3.562	1.104	1.045	1.080	1.071	1.037								
2018-2019	3.947	1.071	1.037	1.060	1.060									
2019-2020	3.888	1.087	1.068	1.080										
2020-2021	5.305	1.047	1.037											
2021-2022	5.240	1.042												
2022-2023	2.558													
Average	4.060	1.096	1.068	1.068	1.051	1.035	1.028	1.016	1.014	1.008	1.006	1.003	1.002	1.004
Claim-Weighted Averages														
3-yr	4.310	1.052	1.045	1.075	1.063	1.043	1.032	1.020	1.015	1.007	1.006	1.004	1.000	1.006
4-yr	4.248	1.054	1.045	1.070	1.056	1.038	1.028	1.018	1.016	1.009	1.007	1.004	1.001	1.005
Industry Factors	2.753	1.242	1.074	1.064	1.046	1.030	1.023	1.016	1.011	1.008	1.005	1.006	1.004	1.004
Prior	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
Selected	4.250	1.075	1.075	1.065	1.060	1.040	1.030	1.020	1.015	1.008	1.007	1.005	1.004	1.004
Cumulated	6.528	1.536	1.429	1.329	1.248	1.177	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 2023-2024 Loss Rate Level (B)	Factor to 2024-2025 Loss Rate Level (C)	Factor to 2025-2026 Loss Rate Level (D)	Factor to 2026-2027 Loss Rate Level (E)	Factor to 2023-2024 Frequency Level (F)	Factor to 2024-2025 Frequency Level (G)	Factor to 2025-2026 Frequency Level (H)	Factor to 2026-2027 Frequency Level (I)	Factor to 2023-2024 Severity Level (J)
2002-2003	0.784	1.460	1.511	1.556	1.603	1.679	1.720	1.764	1.808	0.865
2003-2004	0.975	1.763	1.825	1.879	1.936	1.638	1.678	1.721	1.764	1.071
2004-2005	1.274	2.235	2.313	2.382	2.454	1.598	1.637	1.679	1.721	1.393
2005-2006	1.389	2.366	2.448	2.521	2.597	1.559	1.598	1.638	1.679	1.512
2006-2007	1.324	2.190	2.266	2.334	2.404	1.521	1.559	1.598	1.638	1.435
2007-2008	1.241	1.993	2.062	2.124	2.188	1.484	1.520	1.559	1.598	1.339
2008-2009	1.165	1.816	1.879	1.936	1.994	1.448	1.483	1.521	1.559	1.251
2009-2010	1.076	1.628	1.685	1.736	1.788	1.412	1.447	1.484	1.521	1.150
2010-2011	1.023	1.503	1.556	1.602	1.651	1.378	1.412	1.448	1.484	1.089
2011-2012	1.016	1.449	1.499	1.544	1.590	1.344	1.378	1.413	1.448	1.076
2012-2013	1.037	1.437	1.487	1.532	1.578	1.312	1.344	1.379	1.413	1.094
2013-2014	1.049	1.411	1.460	1.504	1.549	1.280	1.312	1.345	1.379	1.101
2014-2015	1.042	1.360	1.407	1.450	1.493	1.249	1.280	1.312	1.345	1.088
2015-2016	1.081	1.369	1.417	1.460	1.503	1.218	1.248	1.280	1.312	1.123
2016-2017	1.137	1.400	1.448	1.492	1.537	1.188	1.218	1.249	1.280	1.177
2017-2018	1.136	1.357	1.404	1.447	1.490	1.160	1.188	1.219	1.249	1.169
2018-2019	1.106	1.283	1.327	1.367	1.408	1.132	1.160	1.189	1.219	1.133
2019-2020	1.100	1.239	1.282	1.321	1.361	1.104	1.131	1.160	1.189	1.122
2020-2021	1.065	1.165	1.205	1.242	1.279	1.077	1.104	1.132	1.160	1.081
2021-2022	1.041	1.105	1.143	1.178	1.213	1.051	1.077	1.104	1.132	1.051
2022-2023	1.032	1.063	1.100	1.133	1.167	1.025	1.050	1.077	1.104	1.037
2023-2024	1.000	1.000	1.035	1.066	1.098	1.000	1.025	1.051	1.077	1.000
2024-2025	0.996	--	1.000	1.030	1.061	--	1.000	1.025	1.051	--
2025-2026	0.996	--	--	1.000	1.030	--	--	1.000	1.025	--
2026-2027	0.996	--	--	--	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	1,001,216	2,130,024	0.784	1.668	3.104
2003-2004	8,189,800	16,942,000	0.975	2.018	3.644
2004-2005	8,420,930	15,019,000	1.274	2.272	3.983
2005-2006	8,209,188	17,540,000	1.389	2.967	5.051
2006-2007	5,651,135	12,549,000	1.324	2.940	4.859
2007-2008	5,733,314	11,917,000	1.241	2.580	4.140
2008-2009	5,521,028	11,884,000	1.165	2.507	3.906
2009-2010	5,951,065	12,697,000	1.076	2.296	3.473
2010-2011	5,666,812	13,531,000	1.023	2.443	3.588
2011-2012	5,233,699	13,663,000	1.016	2.651	3.780
2012-2013	4,968,972	12,533,000	1.037	2.616	3.622
2013-2014	4,665,813	13,056,000	1.049	2.935	3.945
2014-2015	4,669,703	13,373,000	1.042	2.983	3.892
2015-2016	4,406,167	12,823,000	1.081	3.145	3.984
2016-2017	3,575,824	12,864,000	1.137	4.092	5.032
2017-2018	2,640,559	9,695,000	1.136	4.170	4.979
2018-2019	2,286,645	6,902,000	1.106	3.338	3.869
2019-2020	3,329,918	10,831,000	1.100	3.579	4.028
2020-2021	3,236,951	13,785,000	1.065	4.537	4.958
2021-2022	3,297,765	14,247,000	1.041	4.498	4.772
2022-2023	3,098,197	12,660,000	1.032	4.218	4.344

	R-Squared	Fitted Trend
Total Fits: Total	0.818	1.035
Total ex-22/23	0.821	1.035
10-Yr Fits: 11/12-20/21	0.723	1.056
12/13-21/22	0.727	1.056
5-Yr Fits: 14/15-18/19	0.273	1.052
15/16-19/20	0.005	1.006
18/19-22/23	0.625	1.072

Selected Trend: 1.030  
Prior Selected Trend: 1.030

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

Incurred Losses as of 12/31/23

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	\$3,101,591	\$0	\$0	\$3,101,591	\$0	\$973,695	\$2,127,896	\$973,695	\$3,101,591	\$3,101,591
2003-2004	27,170,808	0	0	27,170,808	0	10,246,120	16,924,688	10,246,120	27,170,808	27,170,808
2004-2005	24,966,557	0	0	24,966,557	304,612	9,992,547	14,974,010	9,687,934	24,661,944	24,661,944
2005-2006	29,588,299	0	0	29,588,299	125,167	12,117,830	17,470,468	11,992,663	29,463,132	29,463,132
2006-2007	20,088,607	0	0	20,088,607	0	7,589,452	12,499,156	7,589,452	20,088,607	20,088,607
2007-2008	21,237,520	0	0	21,237,520	1,569,320	9,368,170	11,869,351	7,798,849	19,668,200	19,668,200
2008-2009	20,773,083	0	0	20,773,083	0	8,936,612	11,836,471	8,936,612	20,773,083	20,773,083
2009-2010	23,900,183	0	0	23,900,183	750,696	11,254,210	12,645,972	10,503,514	23,149,486	23,149,486
2010-2011	25,641,557	0	0	25,641,557	666,008	12,164,713	13,476,844	11,498,705	24,975,549	24,975,549
2011-2012	30,502,210	0	0	30,502,210	2,447,922	16,893,424	13,608,787	14,445,501	28,054,288	28,054,288
2012-2013	21,949,525	0	0	21,949,525	0	9,466,832	12,482,693	9,466,832	21,949,525	21,949,525
2013-2014	25,336,809	0	0	25,336,809	1,887,083	12,332,604	13,004,205	10,445,521	23,449,726	23,449,726
2014-2015	21,898,873	0	0	21,898,873	0	8,578,701	13,320,172	8,578,701	21,898,873	21,898,873
2015-2016	20,769,226	0	0	20,769,226	0	7,997,361	12,771,865	7,997,361	20,769,226	20,769,226
2016-2017	24,232,093	0	0	24,232,093	7,563	11,419,679	12,812,414	11,412,116	24,224,530	24,224,530
2017-2018	16,515,673	0	0	16,515,673	0	6,991,818	9,523,855	6,991,818	16,515,673	16,515,673
2018-2019	13,302,912	0	0	13,302,912	0	6,488,979	6,813,933	6,488,979	13,302,912	13,302,912
2019-2020	18,558,929	0	0	18,558,929	0	7,706,885	10,852,044	7,706,885	18,558,929	18,558,929
2020-2021	20,861,219	0	0	20,861,219	0	7,154,344	13,706,875	7,154,344	20,861,219	20,861,219
2021-2022	18,254,369	0	0	18,254,369	0	5,044,526	13,209,842	5,044,526	18,254,369	18,254,369
2022-2023	12,298,634	0	0	12,298,634	0	2,525,585	9,773,049	2,525,585	12,298,634	12,298,634
2023-2024	3,745,518	0	0	3,745,518	0	749,919	2,995,599	749,919	3,745,518	3,745,518
Total	\$444,694,194	\$0	\$0	\$444,694,194	\$7,758,372	\$185,994,005	\$258,700,189	\$178,235,632	\$436,935,822	\$436,935,822

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 12/31/23

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	\$2,942,943	\$0	\$0	\$2,942,943	\$0	\$815,047	\$2,127,896	\$815,047	\$2,942,943	\$2,942,943
2003-2004	25,812,452	0	0	25,812,452	0	8,988,924	16,823,527	8,988,924	25,812,452	25,812,452
2004-2005	23,954,223	0	0	23,954,223	127,425	9,089,334	14,864,889	8,961,909	23,826,799	23,826,799
2005-2006	27,239,416	0	0	27,239,416	0	9,953,937	17,285,480	9,953,937	27,239,416	27,239,416
2006-2007	19,086,037	0	0	19,086,037	0	6,742,067	12,343,971	6,742,067	19,086,037	19,086,037
2007-2008	18,061,695	0	0	18,061,695	0	6,347,146	11,714,549	6,347,146	18,061,695	18,061,695
2008-2009	18,955,927	0	0	18,955,927	0	7,431,762	11,524,165	7,431,762	18,955,927	18,955,927
2009-2010	21,361,510	0	0	21,361,510	1,747	8,880,636	12,480,874	8,878,888	21,359,763	21,359,763
2010-2011	23,198,777	0	0	23,198,777	528,182	9,950,462	13,248,315	9,422,280	22,670,595	22,670,595
2011-2012	25,141,152	0	0	25,141,152	1,471,165	11,787,952	13,353,200	10,316,787	23,669,987	23,669,987
2012-2013	19,503,379	0	0	19,503,379	0	7,512,527	11,990,852	7,512,527	19,503,379	19,503,379
2013-2014	22,790,755	0	0	22,790,755	1,516,502	9,997,260	12,793,495	8,480,758	21,274,253	21,274,253
2014-2015	19,291,833	0	0	19,291,833	0	6,578,035	12,713,798	6,578,035	19,291,833	19,291,833
2015-2016	17,859,506	0	0	17,859,506	0	5,687,292	12,172,215	5,687,292	17,859,506	17,859,506
2016-2017	19,151,884	0	0	19,151,884	0	6,948,899	12,202,985	6,948,899	19,151,884	19,151,884
2017-2018	13,339,450	0	0	13,339,450	0	4,413,663	8,925,787	4,413,663	13,339,450	13,339,450
2018-2019	10,101,752	0	0	10,101,752	0	3,962,101	6,139,652	3,962,101	10,101,752	10,101,752
2019-2020	13,086,840	0	0	13,086,840	0	4,084,296	9,002,544	4,084,296	13,086,840	13,086,840
2020-2021	14,092,933	0	0	14,092,933	0	3,797,978	10,294,955	3,797,978	14,092,933	14,092,933
2021-2022	11,865,110	0	0	11,865,110	0	2,618,564	9,246,546	2,618,564	11,865,110	11,865,110
2022-2023	6,051,483	0	0	6,051,483	0	746,433	5,305,050	746,433	6,051,483	6,051,483
2023-2024	1,061,434	0	0	1,061,434	0	85,742	975,692	85,742	1,061,434	1,061,434
Total	\$373,950,491	\$0	\$0	\$373,950,491	\$3,645,021	\$136,420,054	\$237,530,437	\$132,775,033	\$370,305,470	\$370,305,470

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 12/31/23

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	\$158,648	\$0	\$0	\$158,648	\$0	\$158,648	\$0	\$158,648	\$158,648	\$158,648
2003-2004	1,358,356	0	0	1,358,356	0	1,257,195	101,161	1,257,195	1,358,356	1,358,356
2004-2005	1,012,333	0	0	1,012,333	177,188	903,213	109,120	726,025	835,146	835,146
2005-2006	2,348,882	0	0	2,348,882	125,167	2,163,893	184,989	2,038,727	2,223,716	2,223,716
2006-2007	1,002,570	0	0	1,002,570	0	847,385	155,185	847,385	1,002,570	1,002,570
2007-2008	3,175,826	0	0	3,175,826	1,569,320	3,021,024	154,802	1,451,703	1,606,505	1,606,505
2008-2009	1,817,156	0	0	1,817,156	0	1,504,850	312,306	1,504,850	1,817,156	1,817,156
2009-2010	2,538,673	0	0	2,538,673	748,949	2,373,575	165,098	1,624,626	1,789,724	1,789,724
2010-2011	2,442,780	0	0	2,442,780	137,826	2,214,251	228,529	2,076,425	2,304,954	2,304,954
2011-2012	5,361,059	0	0	5,361,059	976,757	5,105,472	255,587	4,128,715	4,384,301	4,384,301
2012-2013	2,446,146	0	0	2,446,146	0	1,954,305	491,841	1,954,305	2,446,146	2,446,146
2013-2014	2,546,054	0	0	2,546,054	370,581	2,335,345	210,709	1,964,763	2,175,473	2,175,473
2014-2015	2,607,040	0	0	2,607,040	0	2,000,666	606,374	2,000,666	2,607,040	2,607,040
2015-2016	2,909,720	0	0	2,909,720	0	2,310,069	599,651	2,310,069	2,909,720	2,909,720
2016-2017	5,080,209	0	0	5,080,209	7,563	4,470,780	609,429	4,463,217	5,072,646	5,072,646
2017-2018	3,176,222	0	0	3,176,222	0	2,578,154	598,068	2,578,154	3,176,222	3,176,222
2018-2019	3,201,160	0	0	3,201,160	0	2,526,878	674,281	2,526,878	3,201,160	3,201,160
2019-2020	5,472,089	0	0	5,472,089	0	3,622,590	1,849,499	3,622,590	5,472,089	5,472,089
2020-2021	6,768,286	0	0	6,768,286	0	3,356,367	3,411,919	3,356,367	6,768,286	6,768,286
2021-2022	6,389,259	0	0	6,389,259	0	2,425,962	3,963,297	2,425,962	6,389,259	6,389,259
2022-2023	6,247,151	0	0	6,247,151	0	1,779,152	4,467,999	1,779,152	6,247,151	6,247,151
2023-2024	2,684,084	0	0	2,684,084	0	664,176	2,019,908	664,176	2,684,084	2,684,084
Total	\$70,743,703	\$0	\$0	\$70,743,703	\$4,113,351	\$49,573,951	\$21,169,752	\$45,460,600	\$66,630,352	\$66,630,352

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 12/31/23

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	1,638	0	0	1,638	26	26
2004-2005	1,611	0	0	1,611	1,593	0	0	1,593	18	18
2005-2006	1,501	0	0	1,501	1,473	0	0	1,473	28	28
2006-2007	957	0	0	957	933	0	0	933	24	24
2007-2008	878	0	0	878	853	0	0	853	25	25
2008-2009	774	0	0	774	749	0	0	749	25	25
2009-2010	765	0	0	765	740	0	0	740	25	25
2010-2011	757	0	0	757	721	0	0	721	36	36
2011-2012	743	0	0	743	702	0	0	702	41	41
2012-2013	723	0	0	723	684	0	0	684	39	39
2013-2014	719	0	0	719	682	0	0	682	37	37
2014-2015	670	0	0	670	614	0	0	614	56	56
2015-2016	635	0	0	635	583	0	0	583	52	52
2016-2017	529	0	0	529	470	0	0	470	59	59
2017-2018	413	0	0	413	360	0	0	360	53	53
2018-2019	337	0	0	337	281	0	0	281	56	56
2019-2020	485	0	0	485	390	0	0	390	95	95
2020-2021	906	0	0	906	755	0	0	755	151	151
2021-2022	1,088	0	0	1,088	912	0	0	912	176	176
2022-2023	587	0	0	587	417	0	0	417	170	170
2023-2024	232	0	0	232	102	0	0	102	130	130
Total	17,212	0	0	17,212	15,887	0	0	15,887	1,325	1,325

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	1.679	1,001,216
2003-2004	4,999,878	1.638	8,189,800
2004-2005	5,269,669	1.598	8,420,930
2005-2006	5,265,675	1.559	8,209,188
2006-2007	3,715,408	1.521	5,651,135
2007-2008	3,863,419	1.484	5,733,314
2008-2009	3,812,865	1.448	5,521,028
2009-2010	4,211,653	1.413	5,951,065
2010-2011	4,109,363	1.379	5,666,812
2011-2012	3,891,226	1.345	5,233,699
2012-2013	3,787,326	1.312	4,968,972
2013-2014	3,645,167	1.280	4,665,813
2014-2015	3,738,753	1.249	4,669,703
2015-2016	3,614,575	1.219	4,406,167
2016-2017	3,007,421	1.189	3,575,824
2017-2018	2,276,344	1.160	2,640,559
2018-2019	2,020,005	1.132	2,286,645
2019-2020	3,016,230	1.104	3,329,918
2020-2021	3,005,526	1.077	3,236,951
2021-2022	3,137,740	1.051	3,297,765
2022-2023	3,022,632	1.025	3,098,197
2023-2024	3,345,393	1.000	3,345,393
2024-2025	3,445,755	1.000	3,445,755

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 2023-2024 (C)	Loss Rate at 2023-2024 Level (D)
2002-2003	1,015,000	1,001,216	1.975	2.002
2003-2004	10,675,000	8,189,800	2.351	3.064
2004-2005	10,088,000	8,420,930	2.938	3.520
2005-2006	12,514,000	8,209,188	3.066	4.674
2006-2007	7,951,000	5,651,135	2.797	3.935
2007-2008	8,198,000	5,733,314	2.509	3.588
2008-2009	9,421,000	5,521,028	2.254	3.846
2009-2010	11,127,000	5,951,065	1.993	3.726
2010-2011	12,279,000	5,666,812	1.813	3.928
2011-2012	15,516,000	5,233,699	1.722	5.105
2012-2013	10,324,000	4,968,972	1.684	3.499
2013-2014	11,833,000	4,665,813	1.629	4.131
2014-2015	9,878,000	4,669,703	1.548	3.275
2015-2016	9,311,000	4,406,167	1.537	3.248
2016-2017	13,009,000	3,575,824	1.548	5.632
2017-2018	8,395,000	2,640,559	1.479	4.702
2018-2019	7,838,000	2,286,645	1.378	4.723
2019-2020	10,336,000	3,329,918	1.313	4.076
2020-2021	11,401,000	3,236,951	1.216	4.283
2021-2022	12,539,000	3,297,765	1.137	4.323
2022-2023	12,534,000	3,098,197	1.078	4.361
2023-2024				
			Average 12/13-21/22:	\$4.189
			Average 16/17-21/22:	4.261
			Prior Selected Rate:	4.360
			Selected 2023-2024 Rate:	\$4.320
			Benefit Level & Trend Factor to 2024-2025:	1.050
			Selected 2024-2025 Rate:	\$4.535

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)
2002-2003	\$1,014,590	\$970,721	\$1,014,304	\$977,484	\$1,015,000	\$1,015,000
2003-2004	10,686,703	10,795,698	10,683,644	10,771,033	10,674,972	10,675,000
2004-2005	10,114,204	10,861,834	10,111,642	10,727,357	10,088,020	10,088,000
2005-2006	12,544,326	12,183,619	12,543,138	12,243,414	12,513,995	12,514,000
2006-2007	7,961,335	8,339,936	7,963,156	8,268,687	7,951,017	7,951,000
2007-2008	8,212,188	7,952,973	8,208,781	8,003,271	8,197,994	8,198,000
2008-2009	9,454,935	9,453,201	9,454,650	9,447,401	9,420,992	9,421,000
2009-2010	11,175,739	11,515,918	11,171,223	11,427,313	11,126,976	11,127,000
2010-2011	12,338,110	12,522,210	12,333,744	12,467,715	12,279,000	12,279,000
2011-2012	15,658,924	14,123,681	15,640,381	14,506,625	15,516,000	15,516,000
2012-2013	10,413,515	10,645,250	10,406,455	10,548,231	10,323,999	10,324,000
2013-2014	11,719,875	12,619,368	11,735,264	12,361,819	11,833,024	11,833,000
2014-2015	9,719,668	10,327,515	9,734,242	10,163,176	9,877,998	9,878,000
2015-2016	9,148,981	9,554,650	9,175,447	9,473,996	9,311,022	9,311,000
2016-2017	13,180,994	12,723,434	13,150,031	12,837,058	13,009,040	13,009,000
2017-2018	8,159,451	8,968,564	8,178,615	8,629,696	8,394,986	8,395,000
2018-2019	7,650,506	9,259,429	7,568,532	8,024,628	6,495,881	7,838,000
2019-2020	9,178,900	11,930,227	9,443,770	11,227,237	10,668,918	10,336,000
2020-2021	10,008,928	15,529,931	10,401,653	12,400,499	13,189,392	11,401,000
2021-2022	10,936,533	19,272,631	11,735,018	13,343,212	14,114,565	12,539,000
2022-2023	13,415,905	18,678,735	12,513,057	12,554,281	15,202,293	12,534,000
Totals						\$216,182,000

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 12/31/23 (B)	Reported Loss Development Factor (C)	Estimated Ultimate \$100K - \$1M Losses (D)
2002-2003	973,695	1.042	1,014,590
2003-2004	10,246,120	1.043	10,686,703
2004-2005	9,687,934	1.044	10,114,204
2005-2006	11,992,663	1.046	12,544,326
2006-2007	7,589,452	1.049	7,961,335
2007-2008	7,798,849	1.053	8,212,188
2008-2009	8,936,612	1.058	9,454,935
2009-2010	10,503,514	1.064	11,175,739
2010-2011	11,498,705	1.073	12,338,110
2011-2012	14,445,501	1.084	15,658,924
2012-2013	9,466,832	1.100	10,413,515
2013-2014	10,445,521	1.122	11,719,875
2014-2015	8,578,701	1.133	9,719,668
2015-2016	7,997,361	1.144	9,148,981
2016-2017	11,412,116	1.155	13,180,994
2017-2018	6,991,818	1.167	8,159,451
2018-2019	6,488,979	1.179	7,650,506
2019-2020	7,706,885	1.191	9,178,900
2020-2021	7,154,344	1.399	10,008,928
2021-2022	5,044,526	2.168	10,936,533
2022-2023	2,525,585	5.312	13,415,905
Totals	\$177,485,714		\$212,694,310

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
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	10,445,521
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	8,578,701	
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	7,997,361		
2016-2017	824,055	3,137,906	7,001,346	10,055,303	12,046,341	11,804,723	12,409,564	11,412,116			
2017-2018	245,252	2,486,599	5,260,280	6,139,771	7,490,180	6,995,660	6,991,818				
2018-2019	167,159	1,625,581	3,167,629	4,939,936	5,673,731	6,488,979					
2019-2020	346,650	1,845,014	4,197,303	6,725,028	7,706,885						
2020-2021	88,892	1,944,993	4,763,260	7,154,344							
2021-2022	57,346	2,079,760	5,044,526								
2022-2023	140,523	2,525,585									
2023-2024	749,919										

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
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	0.983
2013-2014	8.396	1.857	1.383	1.110	1.099	1.165	1.011	1.019	1.003	0.974	
2014-2015	8.384	2.382	1.304	1.259	1.099	1.138	1.084	0.878	0.942		
2015-2016	9.657	1.625	1.256	1.390	1.059	0.936	0.940	0.944			
2016-2017	3.808	2.231	1.436	1.198	0.980	1.051	0.920				
2017-2018	10.139	2.115	1.167	1.220	0.934	0.999					
2018-2019	9.725	1.949	1.560	1.149	1.144						
2019-2020	5.322	2.275	1.602	1.146							
2020-2021	21.880	2.449	1.502								
2021-2022	36.267	2.426									
2022-2023	17.973										

	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	13.155	2.158	1.394	1.208	1.055	1.055	1.007	1.012	1.028	0.999	1.033
Dollar-Weighted Averages											
3-yr	22.842	2.386	1.552	1.172	1.003	0.999	0.976	0.947	1.002	0.974	1.050
4-yr	13.254	2.291	1.435	1.182	1.018	1.031	0.985	0.966	1.019	0.979	1.040
Industry Factors	4.362	1.973	1.381	1.179	1.083	1.042	1.027	1.015	1.011	1.010	1.010
Prior	9.000	2.250	1.450	1.190	1.100	1.075	1.050	1.045	1.035	1.025	1.020
Selected	10.000	2.450	1.550	1.175	1.010	1.010	1.010	1.010	1.010	1.010	1.020
Cumulated	53.120	5.312	2.168	1.399	1.191	1.179	1.167	1.155	1.144	1.133	1.122

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

Paid Loss Development

Accident Year (A)	\$100K - \$1M Paid Losses as of 12/31/23 (B)	Paid Loss Development Factor (C)	Estimated Ultimate \$100K - \$1M Losses (D)
2002-2003	815,047	1.191	970,721
2003-2004	8,988,924	1.201	10,795,698
2004-2005	8,961,909	1.212	10,861,834
2005-2006	9,953,937	1.224	12,183,619
2006-2007	6,742,067	1.237	8,339,936
2007-2008	6,347,146	1.253	7,952,973
2008-2009	7,431,762	1.272	9,453,201
2009-2010	8,878,888	1.297	11,515,918
2010-2011	9,422,280	1.329	12,522,210
2011-2012	10,316,787	1.369	14,123,681
2012-2013	7,512,527	1.417	10,645,250
2013-2014	8,480,758	1.488	12,619,368
2014-2015	6,578,035	1.570	10,327,515
2015-2016	5,687,292	1.680	9,554,650
2016-2017	6,948,899	1.831	12,723,434
2017-2018	4,413,663	2.032	8,968,564
2018-2019	3,962,101	2.337	9,259,429
2019-2020	4,084,296	2.921	11,930,227
2020-2021	3,797,978	4.089	15,529,931
2021-2022	2,618,564	7.360	19,272,631
2022-2023	746,433	25.024	18,678,735
Totals	\$132,689,291		\$238,229,525

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
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	8,480,758
2014-2015		194,382	860,080	1,968,914	3,175,727	3,959,614	4,720,614	5,801,585	6,285,217	6,578,035	
2015-2016		671,034	1,622,486	2,781,235	3,654,007	4,257,251	4,751,966	5,290,772	5,687,292		
2016-2017	16,672	562,485	1,988,022	4,162,333	5,025,841	5,844,641	6,561,049	6,948,899			
2017-2018		330,201	1,174,259	1,925,249	3,235,800	4,057,427	4,413,663				
2018-2019		425,225	1,052,131	2,094,977	2,835,706	3,962,101					
2019-2020		484,515	1,649,910	2,871,260	4,084,296						
2020-2021		696,846	1,993,165	3,797,978							
2021-2022		709,397	2,618,564								
2022-2023		746,433									
2023-2024	85,742										
	<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
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	1.042
2013-2014		4.070	1.807	1.366	1.242	1.390	1.075	1.043	1.043	1.053	
2014-2015		4.425	2.289	1.613	1.247	1.192	1.229	1.083	1.047		
2015-2016		2.418	1.714	1.314	1.165	1.116	1.113	1.075			
2016-2017	33.737	3.534	2.094	1.207	1.163	1.123	1.059				
2017-2018		3.556	1.640	1.681	1.254	1.088					
2018-2019		2.474	1.991	1.354	1.397						
2019-2020		3.405	1.740	1.422							
2020-2021		2.860	1.906								
2021-2022		3.691									
2022-2023											
	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	3.240	1.831	1.415	1.237	1.177	1.109	1.112	1.065	1.055	1.046
Dollar-Weighted Averages											
3-yr		3.312	1.867	1.474	1.249	1.111	1.125	1.065	1.043	1.044	1.033
4-yr		3.158	1.821	1.373	1.228	1.129	1.110	1.060	1.065	1.056	1.032
Industry											
Factors	8.015	3.238	1.934	1.454	1.263	1.177	1.137	1.098	1.067	1.057	1.050
Prior	20.000	3.000	1.800	1.350	1.220	1.150	1.110	1.090	1.070	1.055	1.050
Selected	20.000	3.400	1.800	1.400	1.250	1.150	1.110	1.090	1.070	1.055	1.050
Cumulated	500.480	25.024	7.360	4.089	2.921	2.337	2.032	1.831	1.680	1.570	1.488

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 12/31/23 (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)
2002-2003	1,001,216	973,695	1.042	0.040	1.014	40,609	1,014,304
2003-2004	8,189,800	10,246,120	1.043	0.041	1.303	437,524	10,683,644
2004-2005	8,420,930	9,687,934	1.044	0.042	1.198	423,708	10,111,642
2005-2006	8,209,188	11,992,663	1.046	0.044	1.524	550,475	12,543,138
2006-2007	5,651,135	7,589,452	1.049	0.047	1.407	373,704	7,963,156
2007-2008	5,733,314	7,798,849	1.053	0.050	1.430	409,932	8,208,781
2008-2009	5,521,028	8,936,612	1.058	0.055	1.706	518,038	9,454,650
2009-2010	5,951,065	10,503,514	1.064	0.060	1.870	667,709	11,171,223
2010-2011	5,666,812	11,498,705	1.073	0.068	2.167	835,039	12,333,744
2011-2012	5,233,699	14,445,501	1.084	0.077	2.965	1,194,880	15,640,381
2012-2013	4,968,972	9,466,832	1.100	0.091	2.078	939,623	10,406,455
2013-2014	4,665,813	10,445,521	1.122	0.109	2.536	1,289,743	11,735,264
2014-2015	4,669,703	8,578,701	1.133	0.117	2.115	1,155,541	9,734,242
2015-2016	4,406,167	7,997,361	1.144	0.126	2.122	1,178,086	9,175,447
2016-2017	3,575,824	11,412,116	1.155	0.134	3.627	1,737,915	13,150,031
2017-2018	2,640,559	6,991,818	1.167	0.143	3.143	1,186,797	8,178,615
2018-2019	2,286,645	6,488,979	1.179	0.152	3.106	1,079,553	7,568,532
2019-2020	3,329,918	7,706,885	1.191	0.160	3.260	1,736,885	9,443,770
2020-2021	3,236,951	7,154,344	1.399	0.285	3.520	3,247,309	10,401,653
2021-2022	3,297,765	5,044,526	2.168	0.539	3.764	6,690,492	11,735,018
2022-2023	3,098,197	2,525,585	5.312	0.812	3.970	9,987,472	12,513,057
Totals	\$99,754,701	\$177,485,714				\$35,681,034	\$213,166,748

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 12/31/23 (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)
2002-2003	1,001,216	815,047	1.191	0.160	1.014	162,437	977,484
2003-2004	8,189,800	8,988,924	1.201	0.167	1.303	1,782,109	10,771,033
2004-2005	8,420,930	8,961,909	1.212	0.175	1.198	1,765,448	10,727,357
2005-2006	8,209,188	9,953,937	1.224	0.183	1.524	2,289,477	12,243,414
2006-2007	5,651,135	6,742,067	1.237	0.192	1.407	1,526,620	8,268,687
2007-2008	5,733,314	6,347,146	1.253	0.202	1.430	1,656,125	8,003,271
2008-2009	5,521,028	7,431,762	1.272	0.214	1.706	2,015,639	9,447,401
2009-2010	5,951,065	8,878,888	1.297	0.229	1.870	2,548,425	11,427,313
2010-2011	5,666,812	9,422,280	1.329	0.248	2.167	3,045,435	12,467,715
2011-2012	5,233,699	10,316,787	1.369	0.270	2.965	4,189,838	14,506,625
2012-2013	4,968,972	7,512,527	1.417	0.294	2.078	3,035,704	10,548,231
2013-2014	4,665,813	8,480,758	1.488	0.328	2.536	3,881,061	12,361,819
2014-2015	4,669,703	6,578,035	1.570	0.363	2.115	3,585,141	10,163,176
2015-2016	4,406,167	5,687,292	1.680	0.405	2.122	3,786,704	9,473,996
2016-2017	3,575,824	6,948,899	1.831	0.454	3.627	5,888,159	12,837,058
2017-2018	2,640,559	4,413,663	2.032	0.508	3.143	4,216,033	8,629,696
2018-2019	2,286,645	3,962,101	2.337	0.572	3.106	4,062,527	8,024,628
2019-2020	3,329,918	4,084,296	2.921	0.658	3.260	7,142,941	11,227,237
2020-2021	3,236,951	3,797,978	4.089	0.755	3.520	8,602,521	12,400,499
2021-2022	3,297,765	2,618,564	7.360	0.864	3.764	10,724,648	13,343,212
2022-2023	3,098,197	746,433	25.024	0.960	3.970	11,807,848	12,554,281
Totals	\$99,754,701	\$132,689,291				\$87,714,840	\$220,404,131

## 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)
2002-2003	1,001,216	1,015,000	1.975	2,004,625	2.002	1.014	1.000	1.014
2003-2004	8,189,800	10,675,000	2.351	25,096,925	3.064	1.303	1.000	1.303
2004-2005	8,420,930	10,088,000	2.938	29,638,544	3.520	1.198	1.000	1.198
2005-2006	8,209,188	12,514,000	3.066	38,367,924	4.674	1.524	1.000	1.524
2006-2007	5,651,135	7,951,000	2.797	22,238,947	3.935	1.407	1.000	1.407
2007-2008	5,733,314	8,198,000	2.509	20,568,782	3.588	1.430	1.000	1.430
2008-2009	5,521,028	9,421,000	2.254	21,234,934	3.846	1.706	1.000	1.706
2009-2010	5,951,065	11,127,000	1.993	22,176,111	3.726	1.870	1.000	1.870
2010-2011	5,666,812	12,279,000	1.813	22,261,827	3.928	2.167	1.000	2.167
2011-2012	5,233,699	15,516,000	1.722	26,718,552	5.105	2.965	1.000	2.965
2012-2013	4,968,972	10,324,000	1.684	17,385,616	3.499	2.078	1.000	2.078
2013-2014	4,665,813	11,833,000	1.629	19,275,957	4.131	2.536	1.000	2.536
2014-2015	4,669,703	9,878,000	1.548	15,291,144	3.275	2.115	1.000	2.115
2015-2016	4,406,167	9,352,000	1.537	14,374,024	3.262	2.122	1.000	2.122
2016-2017	3,575,824	12,969,000	1.548	20,076,012	5.614	3.627	1.000	3.627
2017-2018	2,640,559	8,300,000	1.479	12,275,700	4.649	3.143	1.000	3.143
2018-2019	2,286,645	7,732,000	1.378	10,654,696	4.660	3.106	1.000	3.106
2019-2020	3,329,918	9,821,000	1.313	12,894,973	3.872	3.260	1.000	3.260
2020-2021	3,236,951	10,958,000	1.216	13,324,928	4.117	3.520	1.000	3.520
2021-2022	3,297,765	12,314,000	1.137	14,001,018	4.246	3.764	1.000	3.764
2022-2023	3,098,197	13,507,000	1.078	14,560,546	4.700	3.970	1.000	3.970
Total/Avg	\$99,754,701	\$215,772,000		\$394,421,785	\$3.954			
17/18-21/22	14,791,838	49,125,000		63,151,315	4.269			
18/19-22/23	15,249,476	54,332,000		65,436,161	4.291			
				Selected \$100K - \$1M Rate:	\$4.280			
				Prior Selected \$100K - \$1M Rate:	\$4.280			

## 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 2017-2018 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)
2002-2003	126,875	8	1,015,000
2003-2004	138,636	77	10,674,972
2004-2005	162,710	62	10,088,020
2005-2006	158,405	79	12,513,995
2006-2007	134,763	59	7,951,017
2007-2008	167,306	49	8,197,994
2008-2009	168,232	56	9,420,992
2009-2010	163,632	68	11,126,976
2010-2011	163,720	75	12,279,000
2011-2012	206,880	75	15,516,000
2012-2013	163,873	63	10,323,999
2013-2014	184,891	64	11,833,024
2014-2015	126,641	78	9,877,998
2015-2016	147,794	63	9,311,022
2016-2017	147,830	88	13,009,040
2017-2018	135,403	62	8,394,986
2018-2019	151,067	43	6,495,881
2019-2020	154,622	69	10,668,918
2020-2021	162,832	81	13,189,392
2021-2022	170,055	83	14,114,565
2022-2023	174,739	87	15,202,293
Total		1,389	\$221,205,084

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)
2002-2003	1,015,000	8	126,875	1.178	149,459	126,875	1.000	126,875
2003-2004	10,675,000	77	138,636	1.437	199,220	138,636	1.000	138,636
2004-2005	10,088,000	62	162,710	1.841	299,549	162,710	1.000	162,710
2005-2006	12,514,000	79	158,405	1.969	311,899	158,405	1.000	158,405
2006-2007	7,951,000	59	134,763	1.841	248,099	134,763	1.000	134,763
2007-2008	8,198,000	49	167,306	1.693	283,249	167,306	1.000	167,306
2008-2009	9,421,000	56	168,232	1.558	262,105	168,232	1.000	168,232
2009-2010	11,127,000	68	163,632	1.412	231,048	163,632	1.000	163,632
2010-2011	12,279,000	75	163,720	1.317	215,619	163,720	1.000	163,720
2011-2012	15,516,000	75	206,880	1.282	265,220	206,880	1.000	206,880
2012-2013	10,324,000	63	163,873	1.284	210,413	163,873	1.000	163,873
2013-2014	11,833,000	64	184,891	1.274	235,551	184,891	1.000	184,891
2014-2015	9,878,000	78	126,641	1.240	157,035	126,641	1.000	126,641
2015-2016	9,311,000	63	147,794	1.262	186,516	147,794	1.000	147,794
2016-2017	13,009,000	88	147,830	1.303	192,622	147,830	1.000	147,830
2017-2018	8,395,000	62	135,403	1.276	172,774	135,403	1.000	135,403
2018-2019	7,838,000	43	182,279	1.218	222,016	151,067	1.000	151,067
2019-2020	10,336,000	69	149,797	1.190	178,258	154,622	1.000	154,622
2020-2021	11,401,000	81	140,753	1.130	159,051	162,832	1.000	162,832
2021-2022	12,539,000	83	151,072	1.082	163,460	170,055	1.000	170,055
2022-2023	12,534,000	87	144,069	1.053	151,705	174,739	1.000	174,739

Average \$100K - \$1M Severity: \$214,041  
14/15-21/22: 178,967  
17/18-21/22: 179,112

Selected \$100K - \$1M Severity: \$184,000  
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)
2002-2003	8	6	8	100	0.080	1.679	0.134
2003-2004	77	65	77	819	0.094	1.638	0.154
2004-2005	62	59	62	842	0.074	1.598	0.118
2005-2006	79	68	79	821	0.096	1.559	0.150
2006-2007	59	51	59	565	0.104	1.521	0.158
2007-2008	49	40	49	573	0.085	1.484	0.126
2008-2009	56	50	56	552	0.101	1.448	0.146
2009-2010	68	70	68	595	0.114	1.412	0.161
2010-2011	75	70	75	567	0.132	1.378	0.182
2011-2012	75	69	75	523	0.143	1.344	0.192
2012-2013	63	62	63	497	0.127	1.312	0.167
2013-2014	64	69	64	467	0.137	1.280	0.175
2014-2015	78	68	78	467	0.167	1.249	0.209
2015-2016	63	75	63	441	0.143	1.218	0.174
2016-2017	88	105	88	358	0.246	1.188	0.292
2017-2018	62	96	62	264	0.235	1.160	0.273
2018-2019	43	33	43	229	0.188	1.132	0.213
2019-2020	69	88	69	333	0.207	1.104	0.229
2020-2021	81	117	81	324	0.250	1.077	0.269
2021-2022	83	0	83	330	0.252	1.051	0.265
2022-2023	96	0	87	310	0.281	1.025	0.288
Total	1,398	1,261	1,389	9,975			0.181
17/18-21/22	338	334	338	1,479			0.251

(H) Selected 2023-2024 Frequency: 0.255  
Prior: 0.255

Program Year:	2023-2024	2024-2025
(I) Trend Factor:	1.000	1.025
(J) Selected Frequency:	0.255	0.261
(K) Estimated Payroll (\$000,000)	\$335	\$345
(L) Ultimate Claims:	85	90

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 12/31/2023 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
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	79	1.000	79	0.150
2006-2007	59	1.000	59	0.159
2007-2008	49	1.000	49	0.127
2008-2009	56	1.001	56	0.147
2009-2010	68	1.002	68	0.161
2010-2011	75	1.003	75	0.182
2011-2012	75	1.004	75	0.193
2012-2013	63	1.005	63	0.166
2013-2014	64	1.006	64	0.176
2014-2015	77	1.008	78	0.209
2015-2016	62	1.010	63	0.174
2016-2017	87	1.012	88	0.292
2017-2018	61	1.014	62	0.272
2018-2019	42	1.024	43	0.213
2019-2020	66	1.044	69	0.229
2020-2021	73	1.107	81	0.270
2021-2022	64	1.301	83	0.265
2022-2023	39	2.472	96	0.318
Total	1,306		1,398	0.182

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 12/31/2023 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2002-2003	5	1.163	6	0.101
2003-2004	55	1.178	65	0.130
2004-2005	49	1.196	59	0.112
2005-2006	56	1.220	68	0.129
2006-2007	41	1.251	51	0.137
2007-2008	31	1.289	40	0.104
2008-2009	38	1.328	50	0.131
2009-2010	51	1.381	70	0.166
2010-2011	48	1.450	70	0.170
2011-2012	45	1.523	69	0.177
2012-2013	39	1.599	62	0.164
2013-2014	40	1.727	69	0.189
2014-2015	36	1.900	68	0.182
2015-2016	33	2.280	75	0.207
2016-2017	37	2.850	105	0.349
2017-2018	25	3.848	96	0.422
2018-2019	6	5.580	33	0.163
2019-2020	9	9.765	88	0.292
2020-2021	6	19.530	117	0.389
2021-2022	0	39.060	0	
2022-2023	0	78.120	0	
Total	650		1,261	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
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	75
2011-2012			57	67	71	74	76	79	85	80	78	75	75	
2012-2013		30	55	58	60	60	63	63	65	63	63	63		
2013-2014	3	30	57	71	72	69	68	66	64	64	64			
2014-2015	6	38	67	74	81	76	78	78	77	77				
2015-2016	4	32	54	64	73	74	68	63	62					
2016-2017	6	48	79	89	90	91	86	87						
2017-2018	5	41	58	62	65	62	61							
2018-2019	2	17	33	37	42	42								
2019-2020	8	30	55	65	66									
2020-2021	5	32	63	73										
2021-2022	3	38	64											
2022-2023	4	39												
2023-2024	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
2002-2003													1.000	1.000
2003-2004												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	1.030
2010-2011				1.074	1.027	1.013	0.987	0.987	0.986	0.986	1.028	1.000	1.014	
2011-2012			1.175	1.060	1.042	1.027	1.039	1.076	0.941	0.975	0.962	1.000		
2012-2013		1.833	1.055	1.034	1.000	1.050	1.000	1.032	0.969	1.000	1.000			
2013-2014	10.000	1.900	1.246	1.014	0.958	0.986	0.971	0.970	1.000	1.000				
2014-2015	6.333	1.763	1.104	1.095	0.938	1.026	1.000	0.987	1.000					
2015-2016	8.000	1.688	1.185	1.141	1.014	0.919	0.926	0.984						
2016-2017	8.000	1.646	1.127	1.011	1.011	0.945	1.012							
2017-2018	8.200	1.415	1.069	1.048	0.954	0.984								
2018-2019	8.500	1.941	1.121	1.135	1.000									
2019-2020	3.750	1.833	1.182	1.015										
2020-2021	6.400	1.969	1.159											
2021-2022	12.667	1.684												
2022-2023	9.750													
<b>Average</b>	<b>8.160</b>	<b>1.767</b>	<b>1.142</b>	<b>1.063</b>	<b>0.994</b>	<b>1.003</b>	<b>0.991</b>	<b>1.003</b>	<b>0.996</b>	<b>0.990</b>	<b>0.997</b>	<b>0.998</b>	<b>1.003</b>	<b>1.006</b>
<b>Claim-Weighted Averages</b>														
3-yr	9.083	1.820	1.159	1.055	0.990	0.947	0.983	0.981	0.990	0.990	0.995	1.000	1.000	1.018
4-yr	6.950	1.838	1.134	1.040	0.996	0.967	0.980	0.993	0.976	0.989	0.996	1.000	0.996	1.018
<b>Industry Factors</b>														
Prior	2.459	1.038	1.008	1.005	1.004	1.003	1.003	1.003	1.003	1.003	1.003	1.002	1.002	1.001
Prior	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
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 vs \$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
2002-2003												5	5	5
2003-2004											42	47	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	48
2011-2012				4	6	13	20	26	30	38	40	42	45	
2012-2013			1	5	10	14	19	28	30	32	35	39		
2013-2014				2	7	11	17	22	30	35	40			
2014-2015			1	3	7	13	22	25	31	36				
2015-2016			1	7	11	19	25	27	33					
2016-2017			2	9	11	21	28	37						
2017-2018				1	8	17	25							
2018-2019				1	3	6								
2019-2020			1	4	9									
2020-2021			2	6										
2021-2022														
2022-2023														
2023-2024														

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
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	1.000
2010-2011				1.429	2.200	1.455	1.063	1.206	1.049	1.093	0.979	1.000	1.043	
2011-2012				1.500	2.167	1.538	1.300	1.154	1.267	1.053	1.050	1.071		
2012-2013			5.000	2.000	1.400	1.357	1.474	1.071	1.067	1.094	1.114			
2013-2014				3.500	1.571	1.545	1.294	1.364	1.167	1.143				
2014-2015			3.000	2.333	1.857	1.692	1.136	1.240	1.161					
2015-2016			7.000	1.571	1.727	1.316	1.080	1.222						
2016-2017			4.500	1.222	1.909	1.333	1.321							
2017-2018				8.000	2.125	1.471								
2018-2019				3.000	2.000									
2019-2020			4.000	2.250										
2020-2021			3.000											
2021-2022														
2022-2023														
Average			4.417	2.681	1.829	1.414	1.336	1.248	1.174	1.092	1.053	1.037	1.051	1.047
Claim-Weighted Averages														
3-yr				3.333	2.000	1.368	1.187	1.270	1.132	1.095	1.041	1.029	1.023	1.054
4-yr				2.067	1.909	1.429	1.207	1.216	1.165	1.095	1.048	1.048	1.046	1.047
Industry Factors	2.815	1.254	1.062	1.045	1.032	1.026	1.017	1.012	1.010	1.010	1.008	1.007	1.005	1.003
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 2023-2024 Loss Rate Level (B)	Factor to 2024-2025 Loss Rate Level (C)	Factor to 2025-2026 Loss Rate Level (D)	Factor to 2026-2027 Loss Rate Level (E)	Factor to 2023-2024 Frequency Level (F)	Factor to 2024-2025 Frequency Level (G)	Factor to 2025-2026 Frequency Level (H)	Factor to 2026-2027 Frequency Level (I)	Factor to 2023-2024 Severity Level (J)
2002-2003	0.784	1.975	2.073	2.166	2.264	1.679	1.720	1.764	1.808	1.178
2003-2004	0.975	2.351	2.467	2.578	2.694	1.638	1.678	1.721	1.764	1.437
2004-2005	1.274	2.938	3.084	3.222	3.367	1.598	1.637	1.679	1.721	1.841
2005-2006	1.389	3.066	3.218	3.362	3.514	1.559	1.598	1.638	1.679	1.969
2006-2007	1.324	2.797	2.936	3.068	3.206	1.521	1.559	1.598	1.638	1.841
2007-2008	1.241	2.509	2.634	2.752	2.876	1.484	1.520	1.559	1.598	1.693
2008-2009	1.165	2.254	2.366	2.472	2.584	1.448	1.483	1.521	1.559	1.558
2009-2010	1.076	1.993	2.092	2.186	2.284	1.412	1.447	1.484	1.521	1.412
2010-2011	1.023	1.813	1.903	1.989	2.078	1.378	1.412	1.448	1.484	1.317
2011-2012	1.016	1.722	1.808	1.889	1.974	1.344	1.378	1.413	1.448	1.282
2012-2013	1.037	1.684	1.767	1.847	1.930	1.312	1.344	1.379	1.413	1.284
2013-2014	1.049	1.629	1.710	1.787	1.867	1.280	1.312	1.345	1.379	1.274
2014-2015	1.042	1.548	1.625	1.698	1.774	1.249	1.280	1.312	1.345	1.240
2015-2016	1.081	1.537	1.613	1.686	1.762	1.218	1.248	1.280	1.312	1.262
2016-2017	1.137	1.548	1.625	1.698	1.774	1.188	1.218	1.249	1.280	1.303
2017-2018	1.136	1.479	1.552	1.622	1.695	1.160	1.188	1.219	1.249	1.276
2018-2019	1.106	1.378	1.446	1.511	1.580	1.132	1.160	1.189	1.219	1.218
2019-2020	1.100	1.313	1.378	1.440	1.504	1.104	1.131	1.160	1.189	1.190
2020-2021	1.065	1.216	1.276	1.333	1.393	1.077	1.104	1.132	1.160	1.130
2021-2022	1.041	1.137	1.193	1.247	1.303	1.051	1.077	1.104	1.132	1.082
2022-2023	1.032	1.078	1.132	1.183	1.236	1.025	1.050	1.077	1.104	1.053
2023-2024	1.000	1.000	1.050	1.097	1.146	1.000	1.025	1.051	1.077	1.000
2024-2025	0.996	--	1.000	1.045	1.092	--	1.000	1.025	1.051	--
2025-2026	0.996	--	--	1.000	1.045	--	--	1.000	1.025	--
2026-2027	0.996	--	--	--	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	1,001,216	1,015,000	0.784	0.795	0.795
2003-2004	8,189,800	10,675,000	0.975	1.271	3.066
2004-2005	8,420,930	10,088,000	1.274	1.526	3.521
2005-2006	8,209,188	12,514,000	1.389	2.117	4.675
2006-2007	5,651,135	7,951,000	1.324	1.862	3.936
2007-2008	5,733,314	8,198,000	1.241	1.775	3.589
2008-2009	5,521,028	9,421,000	1.165	1.988	3.847
2009-2010	5,951,065	11,127,000	1.076	2.012	3.726
2010-2011	5,666,812	12,279,000	1.023	2.217	3.929
2011-2012	5,233,699	15,516,000	1.016	3.011	5.106
2012-2013	4,968,972	10,324,000	1.037	2.155	3.498
2013-2014	4,665,813	11,833,000	1.049	2.660	4.132
2014-2015	4,669,703	9,878,000	1.042	2.203	3.274
2015-2016	4,406,167	9,352,000	1.081	2.294	3.262
2016-2017	3,575,824	12,969,000	1.137	4.125	5.614
2017-2018	2,640,559	8,300,000	1.136	3.570	4.649
2018-2019	2,286,645	7,732,000	1.106	3.739	4.660
2019-2020	3,329,918	9,821,000	1.100	3.245	3.870
2020-2021	3,236,951	10,958,000	1.065	3.607	4.116
2021-2022	3,297,765	12,314,000	1.041	3.888	4.246
2022-2023	3,098,197	13,507,000	1.032	4.500	4.702

		R-Squared	Fitted Trend
Total Fits:	Total	0.623	1.052
	Total ex-22/23	0.542	1.050
10-Yr Fits:	11/12-20/21	0.401	1.051
	12/13-21/22	0.604	1.067
5-Yr Fits:	14/15-18/19	0.655	1.162
	15/16-19/20	0.174	1.061
4-Yr Fits:	19/20-22/23	0.984	1.111

Selected Trend: 1.045  
Prior Selected Trend: 1.045



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

Incurred Losses as of 12/31/23

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	\$973,695	\$0	\$0	\$973,695	\$0	\$0	\$973,695	\$0	\$973,695	\$973,695
2003-2004	10,246,120	0	0	10,246,120	0	0	10,246,120	0	10,246,120	10,246,120
2004-2005	9,687,934	0	0	9,687,934	0	0	9,687,934	0	9,687,934	9,687,934
2005-2006	11,992,663	0	0	11,992,663	0	0	11,992,663	0	11,992,663	11,992,663
2006-2007	7,589,452	0	0	7,589,452	0	0	7,589,452	0	7,589,452	7,589,452
2007-2008	7,798,849	0	0	7,798,849	0	0	7,798,849	0	7,798,849	7,798,849
2008-2009	8,936,612	0	0	8,936,612	0	0	8,936,612	0	8,936,612	8,936,612
2009-2010	10,503,514	0	0	10,503,514	0	0	10,503,514	0	10,503,514	10,503,514
2010-2011	11,498,705	0	0	11,498,705	0	0	11,498,705	0	11,498,705	11,498,705
2011-2012	14,445,501	0	0	14,445,501	0	0	14,445,501	0	14,445,501	14,445,501
2012-2013	9,466,832	0	0	9,466,832	0	0	9,466,832	0	9,466,832	9,466,832
2013-2014	10,445,521	0	0	10,445,521	0	0	10,445,521	0	10,445,521	10,445,521
2014-2015	8,578,701	0	0	8,578,701	0	0	8,578,701	0	8,578,701	8,578,701
2015-2016	7,997,361	0	0	7,997,361	0	0	7,997,361	0	7,997,361	7,997,361
2016-2017	11,412,116	0	0	11,412,116	0	0	11,412,116	0	11,412,116	11,412,116
2017-2018	6,991,818	0	0	6,991,818	0	0	6,991,818	0	6,991,818	6,991,818
2018-2019	6,488,979	0	0	6,488,979	0	0	6,488,979	0	6,488,979	6,488,979
2019-2020	7,706,885	0	0	7,706,885	0	0	7,706,885	0	7,706,885	7,706,885
2020-2021	7,154,344	0	0	7,154,344	0	0	7,154,344	0	7,154,344	7,154,344
2021-2022	5,044,526	0	0	5,044,526	0	0	5,044,526	0	5,044,526	5,044,526
2022-2023	2,525,585	0	0	2,525,585	0	0	2,525,585	0	2,525,585	2,525,585
2023-2024	749,919	0	0	749,919	0	0	749,919	0	749,919	749,919
Total	\$178,235,632	\$0	\$0	\$178,235,632	\$0	\$0	\$178,235,632	\$0	\$178,235,632	\$178,235,632

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 12/31/23

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	\$815,047	\$0	\$0	\$815,047	\$0	\$0	\$815,047	\$0	\$815,047	\$815,047
2003-2004	8,988,924	0	0	8,988,924	0	0	8,988,924	0	8,988,924	8,988,924
2004-2005	8,961,909	0	0	8,961,909	0	0	8,961,909	0	8,961,909	8,961,909
2005-2006	9,953,937	0	0	9,953,937	0	0	9,953,937	0	9,953,937	9,953,937
2006-2007	6,742,067	0	0	6,742,067	0	0	6,742,067	0	6,742,067	6,742,067
2007-2008	6,347,146	0	0	6,347,146	0	0	6,347,146	0	6,347,146	6,347,146
2008-2009	7,431,762	0	0	7,431,762	0	0	7,431,762	0	7,431,762	7,431,762
2009-2010	8,878,888	0	0	8,878,888	0	0	8,878,888	0	8,878,888	8,878,888
2010-2011	9,422,280	0	0	9,422,280	0	0	9,422,280	0	9,422,280	9,422,280
2011-2012	10,316,787	0	0	10,316,787	0	0	10,316,787	0	10,316,787	10,316,787
2012-2013	7,512,527	0	0	7,512,527	0	0	7,512,527	0	7,512,527	7,512,527
2013-2014	8,480,758	0	0	8,480,758	0	0	8,480,758	0	8,480,758	8,480,758
2014-2015	6,578,035	0	0	6,578,035	0	0	6,578,035	0	6,578,035	6,578,035
2015-2016	5,687,292	0	0	5,687,292	0	0	5,687,292	0	5,687,292	5,687,292
2016-2017	6,948,899	0	0	6,948,899	0	0	6,948,899	0	6,948,899	6,948,899
2017-2018	4,413,663	0	0	4,413,663	0	0	4,413,663	0	4,413,663	4,413,663
2018-2019	3,962,101	0	0	3,962,101	0	0	3,962,101	0	3,962,101	3,962,101
2019-2020	4,084,296	0	0	4,084,296	0	0	4,084,296	0	4,084,296	4,084,296
2020-2021	3,797,978	0	0	3,797,978	0	0	3,797,978	0	3,797,978	3,797,978
2021-2022	2,618,564	0	0	2,618,564	0	0	2,618,564	0	2,618,564	2,618,564
2022-2023	746,433	0	0	746,433	0	0	746,433	0	746,433	746,433
2023-2024	85,742	0	0	85,742	0	0	85,742	0	85,742	85,742
Total	\$132,775,033	\$0	\$0	\$132,775,033	\$0	\$0	\$132,775,033	\$0	\$132,775,033	\$132,775,033

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 12/31/23

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	\$158,648	\$0	\$0	\$158,648	\$0	\$0	\$158,648	\$0	\$158,648	\$158,648
2003-2004	1,257,195	0	0	1,257,195	0	0	1,257,195	0	1,257,195	1,257,195
2004-2005	726,025	0	0	726,025	0	0	726,025	0	726,025	726,025
2005-2006	2,038,727	0	0	2,038,727	0	0	2,038,727	0	2,038,727	2,038,727
2006-2007	847,385	0	0	847,385	0	0	847,385	0	847,385	847,385
2007-2008	1,451,703	0	0	1,451,703	0	0	1,451,703	0	1,451,703	1,451,703
2008-2009	1,504,850	0	0	1,504,850	0	0	1,504,850	0	1,504,850	1,504,850
2009-2010	1,624,626	0	0	1,624,626	0	0	1,624,626	0	1,624,626	1,624,626
2010-2011	2,076,425	0	0	2,076,425	0	0	2,076,425	0	2,076,425	2,076,425
2011-2012	4,128,715	0	0	4,128,715	0	0	4,128,715	0	4,128,715	4,128,715
2012-2013	1,954,305	0	0	1,954,305	0	0	1,954,305	0	1,954,305	1,954,305
2013-2014	1,964,763	0	0	1,964,763	0	0	1,964,763	0	1,964,763	1,964,763
2014-2015	2,000,666	0	0	2,000,666	0	0	2,000,666	0	2,000,666	2,000,666
2015-2016	2,310,069	0	0	2,310,069	0	0	2,310,069	0	2,310,069	2,310,069
2016-2017	4,463,217	0	0	4,463,217	0	0	4,463,217	0	4,463,217	4,463,217
2017-2018	2,578,154	0	0	2,578,154	0	0	2,578,154	0	2,578,154	2,578,154
2018-2019	2,526,878	0	0	2,526,878	0	0	2,526,878	0	2,526,878	2,526,878
2019-2020	3,622,590	0	0	3,622,590	0	0	3,622,590	0	3,622,590	3,622,590
2020-2021	3,356,367	0	0	3,356,367	0	0	3,356,367	0	3,356,367	3,356,367
2021-2022	2,425,962	0	0	2,425,962	0	0	2,425,962	0	2,425,962	2,425,962
2022-2023	1,779,152	0	0	1,779,152	0	0	1,779,152	0	1,779,152	1,779,152
2023-2024	664,176	0	0	664,176	0	0	664,176	0	664,176	664,176
Total	\$45,460,600	\$0	\$0	\$45,460,600	\$0	\$0	\$45,460,600	\$0	\$45,460,600	\$45,460,600

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 12/31/23

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	49	0	0	49	13	13
2005-2006	79	0	0	79	56	0	0	56	23	23
2006-2007	59	0	0	59	41	0	0	41	18	18
2007-2008	49	0	0	49	31	0	0	31	18	18
2008-2009	56	0	0	56	38	0	0	38	18	18
2009-2010	68	0	0	68	51	0	0	51	17	17
2010-2011	75	0	0	75	48	0	0	48	27	27
2011-2012	75	0	0	75	45	0	0	45	30	30
2012-2013	63	0	0	63	39	0	0	39	24	24
2013-2014	64	0	0	64	40	0	0	40	24	24
2014-2015	77	0	0	77	36	0	0	36	41	41
2015-2016	62	0	0	62	33	0	0	33	29	29
2016-2017	87	0	0	87	37	0	0	37	50	50
2017-2018	61	0	0	61	25	0	0	25	36	36
2018-2019	42	0	0	42	6	0	0	6	36	36
2019-2020	66	0	0	66	9	0	0	9	57	57
2020-2021	73	0	0	73	6	0	0	6	67	67
2021-2022	64	0	0	64	0	0	0	0	64	64
2022-2023	39	0	0	39	0	0	0	0	39	39
2023-2024	4	0	0	4	0	0	0	0	4	4
Total	1,310	0	0	1,310	650	0	0	650	660	660

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	1.679	1,001,216
2003-2004	4,999,878	1.638	8,189,800
2004-2005	5,269,669	1.598	8,420,930
2005-2006	5,265,675	1.559	8,209,188
2006-2007	3,715,408	1.521	5,651,135
2007-2008	3,863,419	1.484	5,733,314
2008-2009	3,812,865	1.448	5,521,028
2009-2010	4,211,653	1.413	5,951,065
2010-2011	4,109,363	1.379	5,666,812
2011-2012	3,891,226	1.345	5,233,699
2012-2013	3,787,326	1.312	4,968,972
2013-2014	3,645,167	1.280	4,665,813
2014-2015	3,738,753	1.249	4,669,703
2015-2016	3,614,575	1.219	4,406,167
2016-2017	3,007,421	1.189	3,575,824
2017-2018	2,276,344	1.160	2,640,559
2018-2019	2,020,005	1.132	2,286,645
2019-2020	3,016,230	1.104	3,329,918
2020-2021	3,005,526	1.077	3,236,951
2021-2022	3,137,740	1.051	3,297,765
2022-2023	3,022,632	1.025	3,098,197
2023-2024	3,345,393	1.000	3,345,393
2024-2025	3,445,755	1.000	3,445,755

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 6/30/23

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	60.0	\$425	1.000	\$425	\$25,500
2024-2025	42.5	425	1.050	446	18,955
2025-2026	29.6	425	1.103	469	13,882
2026-2027	22.3	425	1.158	492	10,972
2027-2028	15.4	425	1.216	517	7,962
2028-2029	11.6	425	1.277	543	6,299
2029-2030	8.3	425	1.341	570	4,731
2030-2031	6.3	425	1.408	598	3,767
2031-2032	4.3	425	1.478	628	2,700
2032-2033	3.1	425	1.552	660	2,046
2033-2034	2.0	425	1.630	693	1,386
2034-2035	1.6	425	1.712	728	1,165
2035-2036	1.4	425	1.798	764	1,070
2036-2037	1.2	425	1.888	802	962
2037-2038	1.0	425	1.982	842	842
2038-2039	0.8	425	2.081	884	707
2039-2040	0.6	425	2.185	929	557
2040-2041	0.4	425	2.294	975	390

(G) Total ULAE Outstanding as of 6/30/23: \$103,893

(H) Total ULAE Outstanding as of 12/31/23: \$95,790

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 12/31/23.

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	46.3	\$425	1.050	\$446	\$20,650
2025-2026	32.5	425	1.103	469	15,243
2026-2027	24.5	425	1.158	492	12,054
2027-2028	17.1	425	1.216	517	8,841
2028-2029	12.9	425	1.277	543	7,005
2029-2030	9.3	425	1.341	570	5,301
2030-2031	7.1	425	1.408	598	4,246
2031-2032	4.9	425	1.478	628	3,077
2032-2033	3.6	425	1.552	660	2,376
2033-2034	2.4	425	1.630	693	1,663
2034-2035	1.9	425	1.712	728	1,383
2035-2036	1.6	425	1.798	764	1,222
2036-2037	1.4	425	1.888	802	1,123
2037-2038	1.2	425	1.982	842	1,010
2038-2039	1.0	425	2.081	884	884
2039-2040	0.8	425	2.185	929	743
2040-2041	0.6	425	2.294	975	585
2041-2042	0.4	425	2.409	1,024	410

(G) Total ULAE Outstanding as of 6/30/24: \$87,816

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 6/30/25

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)
2025-2026	36.3	\$425	1.103	\$469	\$17,025
2026-2027	27.4	425	1.158	492	13,481
2027-2028	19.3	425	1.216	517	9,978
2028-2029	14.6	425	1.277	543	7,928
2029-2030	10.6	425	1.341	570	6,042
2030-2031	8.1	425	1.408	598	4,844
2031-2032	5.7	425	1.478	628	3,580
2032-2033	4.2	425	1.552	660	2,772
2033-2034	2.9	425	1.630	693	2,010
2034-2035	2.3	425	1.712	728	1,674
2035-2036	1.9	425	1.798	764	1,452
2036-2037	1.6	425	1.888	802	1,283
2037-2038	1.4	425	1.982	842	1,179
2038-2039	1.2	425	2.081	884	1,061
2039-2040	1.0	425	2.185	929	929
2040-2041	0.8	425	2.294	975	780
2041-2042	0.6	425	2.409	1,024	614
2042-2043	0.4	425	2.529	1,075	430

(G) Total ULAE Outstanding as of 6/30/25: \$77,062

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
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	3.0	3.0
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	3.0	3.0	3.0	3.0
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	1.0	3.0	3.0	3.0	3.0	3.0
2019-2020	0.0	0.0	0.0	1.0	3.0	3.0	3.0	3.0	3.0	3.0
2020-2021	0.0	0.0	0.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
2021-2022	0.0	0.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
2022-2023	0.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
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
2026-2027	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.
2004-2005				2.0	2.0	3.0	3.0	3.0	4.0	4.0
2005-2006			3.0	3.0	4.0	5.0	5.0	4.0	4.0	4.0
2006-2007		4.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0
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	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
2015-2016	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
2016-2017	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
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	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
2020-2021	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
2021-2022	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
2022-2023	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
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
2026-2027	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
2017-2018		1.0	2.0	2.0	1.0	3.0	2.3	1.7	1.3	1.0
2018-2019		0.0	0.0	0.0	1.0	2.3	1.7	1.3	1.0	0.8
2019-2020	0.0	0.0	0.0	1.0	2.3	1.7	1.3	1.0	0.8	0.6
2020-2021	0.0	0.0	0.0	2.3	1.7	1.3	1.0	0.8	0.6	0.5
2021-2022	0.0	0.0	3.0	2.3	1.7	1.3	1.0	0.8	0.6	0.5
2022-2023	0.0	3.0	2.3	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
2026-2027	3.8	2.9	2.2	1.7	1.3	1.0	0.8	0.6	0.5	0.4
<u>% of Active Claims Closed in Period</u>										
Third Diagonal:						0.500				
Second Diagonal:						0.333		0.250		
Last Diagonal:									(0.500)	
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 Remaining open:</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
2017-2018	0.8	0.6	0.5	0.4	0.3	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
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
2026-2027	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:									
Second Diagonal:						0.500			
Last Diagonal:	0.250								
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
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							4.0	4.0	4.0
2014-2015	0.0						4.0	4.0	2.0	3.0
2015-2016	0.0					2.0	1.0	1.0	1.0	0.8
2016-2017	0.0				3.0	3.0	2.0	2.0	1.5	1.1
2017-2018	0.0			2.0	1.0	3.0	3.0	2.3	1.7	1.3
2018-2019	0.0		0.0	0.0	1.0	3.0	2.3	1.7	1.3	1.0
2019-2020	0.0	0.0	0.0	1.0	3.0	2.3	1.7	1.3	1.0	0.8
2020-2021	0.0	0.0	0.0	3.0	2.3	1.7	1.3	1.0	0.8	0.6
2021-2022	0.0	0.0	4.0	3.0	2.3	1.7	1.3	1.0	0.8	0.6
2022-2023	0.0	4.0	3.0	2.3	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
2026-2027	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:

<u>Outstanding</u>	1	2	3	4	5	6	7	8	9	10
as of 6/30/23:	60.0	42.5	29.6	22.3	15.4	11.6	8.3	6.3	4.3	3.1
as of 6/30/24:	46.3	32.5	24.5	17.1	12.9	9.3	7.1	4.9	3.6	2.4
as of 6/30/25:	36.3	27.4	19.3	14.6	10.6	8.1	5.7	4.2	2.9	2.3
as of 6/30/26:	31.2	22.2	16.8	12.3	9.4	6.7	5.0	3.5	2.8	2.3
as of 6/30/27:	26.0	19.7	14.5	11.1	8.0	6.0	4.3	3.4	2.8	2.3

ULAE Charge:	\$425	\$446	\$469	\$492	\$517	\$543	\$570	\$598	\$628	\$660
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ULAE Costs During the Calendar Year:

<u>Accident Year</u>	1	2	3	4	5	6	7	8	9	10
2023-2024	\$2,125	\$1,695	\$1,360	\$1,082	\$879	\$706	\$570	\$478	\$377	\$330
2024-2025	2,230	1,782	1,427	1,137	923	741	598	502	396	347
2025-2026	2,345	1,870	1,499	1,195	969	777	628	528	416	364
2026-2027	2,460	1,965	1,575	1,254	1,017	816	660	554	437	382

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 2023-2024 and 2024-2025 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
2004-2005							3.0	3.0	4.0	4.0
2005-2006						5.0	5.0	4.0	4.0	3.0
2006-2007			3.0	3.0	2.0	2.0	0.0	0.0	0.0	0.0
2007-2008				6.0	5.0	5.0	5.0	3.8	2.9	2.2
2008-2009			2.0	2.0	2.0	2.0	1.5	1.1	0.8	0.6
2009-2010	2.0	2.0	3.0	3.0	3.0	2.3	1.7	1.3	1.0	0.8
2010-2011	2.0	2.0	2.0	2.0	1.5	1.1	0.8	0.6	0.5	0.4
2011-2012	7.0	7.0	7.0	5.3	4.0	3.0	2.3	1.7	1.3	1.0
2012-2013	4.0	3.0	2.3	1.7	1.3	1.0	0.8	0.6	0.5	0.4
2013-2014	4.0	3.0	2.3	1.7	1.3	1.0	0.8	0.6	0.5	0.4
2014-2015	2.3	1.7	1.3	1.0	0.8	0.6	0.5	0.4	0.3	0.2
2015-2016	0.6	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2
2016-2017	0.8	0.6	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2
2017-2018	1.0	0.8	0.6	0.5	0.4	0.3	0.2	0.2	0.2	0.2
2018-2019	0.8	0.6	0.5	0.4	0.3	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
2026-2027	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 6/30/23:	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
as of 6/30/27:	1.9	1.6	1.4	1.2	1.0	0.8	0.6	0.4	0.2

ULAE Charge:	\$693	\$728	\$764	\$802	\$842	\$884	\$929	\$975	\$1,024	\$1,075
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ULAE Costs During the Calendar Year:

<u>Accident Year</u>	11	12	13	14	15	16	17	18	19	Total
2023-2024	\$277	\$218	\$153	\$160	\$168	\$177	\$186	\$195	\$205	\$11,341
2024-2025	291	229	160	168	177	186	195	205	215	11,909
2025-2026	306	241	168	177	186	195	205	215	226	12,510
2026-2027	321	253	177	186	195	205	215	226	237	13,135

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 2023-2024 and 2024-2025 are the ULAE charge times the number of active claims.