Centric
Actuarial Solutions

Actuarial Report
As of March 31, 2019

Riverside Community College District
4800 Magnolia Ave
Riverside, CA 92506

April 22, 2019

Prepared By: Dustin Gary
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April 22, 2019

Mr. Michael Simmons
Director, Risk Management
Riverside Community College District
4800 Magnolia Ave
Riverside, CA 92506

Dear Mr. Simmons:

Enclosed is our actuarial report for RCCD's workers' compensation and general liability programs. The liability estimates are for reporting purposes as of 3/31/2019 using data valued as of the same date. A summary of the estimates can be found in Section 2 of the report.

Dustin Gary is a Fellow of the Casualty Actuarial Society and a member of the American Academy of Actuaries. Dustin meets the Qualification Standards of the American Academy of Actuaries to provide the estimates in this report.

We have enjoyed working with you on this important project and look forward to providing you with actuarial services in the future. If you have any questions regarding this report, or need assistance with any other matter, feel free to contact Dustin Gary at (913) 317-8681.

Sincerely,
Centric Actuarial Solutions, LLC

Dustin Gary, FCAS, MAAA
Consulting Actuary

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Section 1: Background and Scope

Background

Opening in September 1916, Riverside Community College District ("RCCD") is the seventh oldest community college in California. RCCD is a three-college higher education system serving 1.4 million people living in Riverside County with enrollment exceeding 35,000 students. Colleges are located in the cities of Riverside, Moreno Valley, and Norco—three of the fastest growing areas in the county. Riverside Community College District is committed to excellence. Some 368 full-time faculty and 831 associated faculty, together with 703 professional and support staff, are involved in the continual development of programs to prepare a qualified workforce for the 21 century.

Insurance Program Overview

RCCD self-insures its workers' compensation and general and employment practices liability exposures. The current SIR is $500,000 for workers' compensation and $100,000 for liability. York serves as RCCD's third party administrator for workers' compensation claims and Carl Warren currently handles the liability claims.

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Scope of Analysis

Riverside Community College District ("RCCD") has engaged Centric Actuarial Solutions, LLC ("Centric") to complete an independent actuarial analysis of its self-insured workers' compensation and liability programs. In our analysis, we have performed the following:

- Estimated the unpaid liability for losses and allocated loss adjustment expenses (ALAE) for workers' compensation and general liability as of 3/31/2019. The unpaid claim amounts are limited to RCCD's historical self-insured retentions.

- Forecasted expected ultimate losses and ALAE for the 2019-20 policy period for workers' compensation and liability.

A summary of our findings can be found in Section 2 of this report. The remainder of this document outlines important limitations associated with our work, rules for distributing the report, and a description of the methodology employed in our analysis.

Purpose

It is our understanding that the estimates contained in this analysis will be used by RCCD for financial reporting and budgeting purposes.

Section 2: Summary of Findings

Table 1 summarizes our range of reasonably possible outcomes for the unpaid claim liability as of 3/31/2019. Each value within the range should be considered a reasonable value on a stand-alone basis. It is important to note that the range is narrower, perhaps considerably, than the range of possible outcomes and does not represent any sort of confidence level around the mean of the underlying statistical distribution.

TABLE 1: UNPAID CLAIM LIABILITY as of 3/31/2019

Line of Insurance	Low Estimate	Central Estimate	High Estimate
Workers' Comp	2,539,302	2,821,447	3,103,592
GL & EPLI	583,112	647,902	712,692
Total	**3,122,414**	**3,469,349**	**3,816,284**

Table 2 displays forecasted ultimate losses and ALAE by line of business for the 2019-20 policy period. The results should be considered actuarial central estimates. We have estimated the exposures listed in the table for the upcoming policy year.

TABLE 2: LOSS FORECAST for 2019-2020

Line of Insurance	Loss Rate	Payroll	Projected Losses
Workers' Comp	0.89	150,000,000	1,340,000
GL & EPLI	0.15	150,000,000	220,000
Total			**1,560,000**

Section 3: Analysis

Overview

Our study provides independent estimates of RCCD's liability for unpaid claims associated with its workers' compensation and liability self-insurance plans. To determine unpaid claim liability, we first estimate ultimate losses for each policy period using various actuarial techniques. We then review amounts RCCD has paid for these claims through the accounting date of our analysis. The difference between ultimate losses and amounts paid-to-date equals the unpaid claim liability.

We have also provided a forecast of ultimate losses for the current policy period to assist RCCD in budgeting its future costs. To develop this forecast, we analyze historical ultimate losses and adjust these amounts to account for conditions expected in the future. Loss rates are calculated for each period by dividing ultimate losses by exposure amounts. This step adjusts for differences in exposure levels between the historical and forecast periods. We also apply trend factors to account for differences in frequency and severity of claims and benefit level factors to adjust for law changes.

Data Compilation

The initial phase of our actuarial analysis involves collecting historical loss and exposure data along with detailed information regarding RCCD's insurance programs. We also obtain information from insurance industry sources in cases where client data is unavailable or is not credible. The loss data provided is on an unlimited basis. We limit individual claims to historical retention levels in the Data section of our analysis. Below is a listing of data used in our analysis along with the source of the information:

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- Details of insurance program by policy year.
  Source: RCCD and insurance carriers

- Excel-based loss runs from Travelers and Broadspire valued as of 3/31/19.
  Source: TPA's and RCCD

- Loss development triangles
  Source: Based on historical loss runs provided by RCCD

- Audited and projected payroll information by policy period.
  Source: RCCD and insurance carriers

- Industry loss development, exposure trend, and benefit level factors.
  Source: 2018 NCCI Annual Statistical Bulletin, 2018 NAIC Statistical Compilation

- Industry loss trend factors.
  Source: 2018 NCCI State of the Line Presentation, WTW Claims Index

Actuarial Methods

The most important task of our actuarial analysis is estimating ultimate losses for each policy year. Losses have reached their ultimate value when all claims have closed and there is no longer a possibility of a late reported or re-opened claim. Several different actuarial procedures have been applied to estimate the ultimate value of losses for each policy year. Each actuarial technique provides a measure of loss development, or the expected change in value of losses from the evaluation date to the point in which all claims have closed.

There are three primary factors which contribute to the development of losses over time. First, it is difficult for claims adjusters to accurately estimate the settlement value of an individual claim when it is first reported. The case reserve is constantly being adjusted up or down as additional information is learned about a claim. Generally, an upward trend in the aggregate value of a group of claims is observed as a policy period matures.

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Secondly, some claims may take several years to be reported. A significant portion of claims for some long-tail lines of insurance, such as workers' compensation or general liability, are not reported until well after the end of a policy period. Finally, certain claims re-open after initially being closed and may require additional loss payments.

We use standard procedures common to the actuarial profession to estimate ultimate losses. A description of the actuarial methods used in this analysis can be found below.

Incurred Loss Development Method

In this methodology, incurred losses for each policy period are multiplied by loss development factors (LDFs) to arrive at estimates for each period's ultimate loss value. The LDFs are ratios that measure the growth of a body of losses from an immature period to the point when all claims have closed. To calculate the LDFs used in this methodology, incurred losses are organized by policy year and displayed at multiple evaluation dates in the form of a loss triangle. The evaluation dates are usually in annual increments and are used to determine the age of each policy period, or the length of time in months from the policy inception. Age-to-age LDFs are calculated for each period by dividing the incurred losses at a particular evaluation age by those from the evaluation age immediately preceding it. Cumulative LDFs are derived by multiplying successive age-to-age LDFs. The Incurred Loss Development Method assumes that case reserve adequacy remains consistent over time. It also assumes that there have been no major changes in claim settlement rates.

Paid Loss Development Method

This methodology is similar to the Incurred Loss Development Method except that the LDFs are calculated based on and applied to paid losses instead of incurred losses. The Paid Loss Development assumes that the relative speed at which claims are settled remains consistent over time. A disadvantage of this method is that it ignores any information provided by the case reserves in determining the ultimate settlement value of claims. An advantage of this method is that it is not distorted by unusual changes in case reserves.

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Expected Loss Method

This technique relies on historical loss experience to derive estimates for the ultimate loss value of a particular policy period. Unlike the methods above, this procedure does not rely on the loss experience for the policy period being estimated. The inherent assumption in this method is that the loss experience for the policy period being estimated will resemble the average experience of historical periods after adjustments are made for loss trends and exposure changes. This method works particularly well for immature policy periods with limited or sporadic loss activity.

Paid/Incurred Bornhuetter-Ferguson Methods

These techniques blend the results of the loss development and expected loss methods. To calculate ultimate loss values using the Bornhuetter-Ferguson method, a weighted average of the results using the methods above is calculated according to the formula: B-F = (1/LDF) x (Loss Development Method) + (1-1/LDF) x (Expected Loss Method). The Bornhuetter-Ferguson methodology can be applied to either paid or incurred losses.

Summary Exhibits

The attached exhibits in this report provide a summary of findings, supporting calculations, and the data which served as the basis for our analysis. A brief description of the Summary Exhibits can be found below. The remaining exhibits are more technical in nature. In lieu of a detailed description, we have provided footnotes on each exhibit which outline the calculations.

Exhibit 1 – Calculation of Unpaid Claim Liability – Net of Insurance Recoveries

Exhibit 1 provides our estimates of ultimate losses by policy year limited to historical retentions. We have also shown paid losses and incurred losses. Unpaid claim liability is calculated by subtracting paid amounts from the ultimate losses. This amount can be viewed as the sum of case reserves and IBNR. Claims adjusters estimate case reserves for each individual claim. IBNR is an actuarial estimate made in bulk and provides for future development on knowns claims and the cost of late reported and/or re-opened claims.

Exhibit 2 - Reconciliation

Exhibit 2 contains a reconciliation between our current estimate of the unpaid claim liability and the estimate from our previous actuarial study. The change in unpaid claim liability equals the change in ultimate losses for prior periods, plus the ultimate losses for new claims since our last study, less amounts paid since our prior report.

Exhibit 3 – Ultimate Loss Comparison

Exhibit 3 compares our ultimate loss estimates by policy year to results from previous studies. This exhibit also provides a restatement of prior unpaid claim liability amounts based on current ultimate loss estimates. The difference between the original and restated amounts demonstrate the level of uncertainty associated with our estimates.

Exhibit 4 – Claim Statistics

Exhibit 4 contains exposure amounts, ultimate losses, ultimate claim counts, frequency, severity, and loss rates. We have provided this information for historical policy periods as well as a forecast for the upcoming period. We use this information to identify trends in historical loss experience and to evaluate the reasonableness of our ultimate loss estimates.

Section 4: Limitations

Any estimate of loss liabilities and future loss events is subject to considerable uncertainty. Although we have employed generally accepted actuarial techniques and methodologies in our analysis, actual loss results will undoubtedly vary from our estimates, perhaps significantly. There can be no guarantee that actual losses will not exceed the level indicated by our estimates. We have identified several factors, both general and specific, which increase the risk associated with our estimates. A brief description of the major risk factors follows.

Data

In preparing our analysis, we relied on data and other information supplied to us by RCCD and others. This information consisted of an insurance program summary, exposure by policy period, and detailed loss data. We have performed a general review of the reasonableness and consistency but have not conducted a detailed audit of the data. Our review consists mainly of comparing the data to information from previous reports to determine if there are any abnormalities.

We have relied on RCCD's assertions regarding details of past insurance plans. We have not inspected the prior insurance agreements in detail to verify retention amounts or other parameters. We have only provided estimates for the policy periods and lines of insurance identified in our analysis. Liabilities may exist in addition to those outlined in this report for prior policy periods or lines of business which we were not requested to review.

We were provided loss information in detailed format and summarized the data ourselves, including capping individual claims at historical retention levels. In certain cases, this process involves grouping multiple claims together since they are related to a single occurrence. This is a very manual process and involves making various assumptions which could lead to errors.

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The results of our analysis are dependent upon the accuracy and completeness of the underlying data. We recommend that RCCD and its auditors carefully review the Data Exhibits contained in this report. Any discrepancies in the information provided to us should be reported immediately so that we can produce an amended report.

Inherent Uncertainty

The calculations and estimates contained in this report rely on the assumption that future loss activity will resemble events of the past after adjustments for changes in historical claim costs. Factors that influence the future cost of claims include inflation, legislative changes, claim settlement practices, litigation rates, and emergence of large losses. Changes in any of these factors contribute to the variability of actual results from their expected value. In performing our analysis, we have not anticipated any major changes to the legal, social, or economic environment nor have we made provisions for new types or classes of losses not represented in RCCD's historical loss experience.

Industry Information

In certain cases, we have relied upon insurance industry benchmarks to supplement RCCD's data. Assumptions regarding future loss development, payout patterns, loss rates, increased limits experience, frequency/severity trends and benefit level changes have been partially based on these industry benchmarks. An additional element of uncertainty is added due to the reliance on this information. We have made every effort to ensure that the benchmarks used in our analysis are based on the latest available industry data and provide a reasonable indication of RCCD's future loss experience.

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Specific Risk Factors

In addition to the general risk factors described above, there are specific factors unique to RCCD which increase the uncertainty associated with our estimates. First, workers' compensation is a long-tailed line of insurance meaning that it may take several years, perhaps in excess of twenty, for all claims from a particular policy period to close. It is difficult, if not impossible, to predict the impact of medical inflation, legislative changes, and other factors that will influence the cost of claims this far into the future.

Secondly, RCCD is located only in the state of California. There may be legislative changes, economic conditions, or significant weather events that are unique to the state and have an impact on future costs. These factors would affect RCCD more than other organizations with operations across several states.

Over the last ten years, the workers' compensation system in California has gone through numerous legislative and judicial changes. The cost of claims in California are routinely higher than the rest of the country, claims take longer to close, and there is generally more attorney involvement in the claims settlement process versus other states. These factors also result in additional uncertainty to our estimates.

Finally, RCCD has experienced several wrongful termination and discrimination claims as part of its liability program. These claims are typically larger than RCCD's other liability claims and sometimes are reported years after the incident occurred. The unpredictability of these claims increases the uncertainty of our estimates.

Section 5: Actuarial Disclosures

Intended Measure of Estimates

We have estimated a range of reasonably possible outcomes for the unpaid claim liability in this study. The actuarial central estimate represents the expected value over the range of reasonably possible outcomes. In our report, the term "unpaid claim estimate" is defined as the amount necessary to settle 1) all remaining open claims, 2) claims that have occurred but not yet been reported, and 3) claims that may re-open in the future and require additional payments.

In general, unpaid claim liability is calculated as ultimate losses less paid losses. Self-insured organizations generally pay the full amount of the claims and then seek recoveries from excess insurers for amounts exceeding historical retentions. In calculating liabilities, we have limited losses to historical retentions. We have not reviewed amounts recovered-to-date from excess insurers or any receivable amounts RCCD has established for these recoveries.

Our estimates are for retained claims only and do not contain a provision for insurance premiums or claim handling expenses.

Dates

The evaluation and accounting dates of our study are both 3/31/2019. The review date of our analysis is 4/19/2019.

Gross vs. Net

We have provided estimate net of insurance, subrogation, and second injury fund recoveries. We have made no effort to evaluate the financial condition of RCCD's insurers or their ability to pay claims.

Discounting

Our estimates are presented on an undiscounted basis with no consideration of the time value of money.

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Loss Adjustment Expenses

Loss adjustment expenses ("LAE") are generally split between allocated loss adjustment expenses ("ALAE") and unallocated loss adjustment expenses ("ULAE"). ALAE includes expenses such as legal fees that can be assigned directly to a specific claim and usually are shown on the loss run along with medical and indemnity costs. We have grouped ALAE with losses in our analysis and our estimates contain a provision for unpaid ALAE amounts.

ULAE costs cannot readily be allocated to a specific claim file. These expenses include the salaries and overhead of a claims department, or in the case of a self-insured organization, the amount paid to a TPA to administer claims. We have <u>not</u> estimated the liability for unpaid ULAE in our analysis.

Updates from Previous Study

This analysis is an update from a previous actuarial study we completed based on data valued as of 4/30/2018. There are no changes in methods, models or assumptions since the prior study. Summary Exhibit 2 provides a reconciliation of the results between the two analyses.

Section 6: Distribution and Use

This report has been prepared for the use of RCCD management with the intended purpose of evaluating RCCD's liabilities and expected future losses. We understand that RCCD may wish to supply copies of the final report to management, external auditors, insurance brokers and other interested parties. We hereby grant permission for such distribution provided that the report is distributed in its entirety and RCCD makes the parties aware that we are available to answer any questions they may have. Furthermore, Centric Actuarial Solutions, LLC does not intend to benefit any third-party recipient of this report or create any legal duty to a third party.

Section 7: Glossary

Accident Date - The date at which an accident giving rise to a claim occurs.

Age - A measure of the relative maturity of a policy period. The age is determined by counting the number of months between the policy inception date and evaluation date.

Allocated Loss Adjustment Expense (ALAE) - Claim expenses, such as legal fees, that can be assigned to a specific claim.

Benefit Level Factor - A ratio applied to historical losses to adjust for legislative changes made to the workers' compensation system.

Case Reserve - The dollar amount, as estimated by the claims adjuster, necessary to settle an individual open claim.

Confidence Level - The probability that losses will not exceed stated estimates.

Evaluation Date - The "as-of" date, or date in which losses are valued on the loss run or other loss report.

Exposure - A relative measure of risk such as payroll.

Frequency - The number of claims per some unit of exposure.

Incurred But Not Reported (IBNR) - Losses that have occurred, but have either not been reported or have not yet developed. IBNR can be used to describe claim counts or loss dollars.

Incurred Losses and ALAE - The sum of Paid Losses and ALAE plus Case Reserves for a group of claims. This number is a fixed amount as of a certain point in time.

Industry Data - Generic term used to describe miscellaneous insurance company statistics gathered and published by various organizations affiliated with the insurance industry.

Loss Development - The change in losses between two evaluation dates.

Loss Development Factor (LDF) - A ratio applied to paid or incurred losses as of a certain date to estimate their ultimate value.

Loss Rate - Ultimate loss dollars per some unit of exposure.

Nominal Basis – Actual value with no discounting for time value of money.

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Paid Losses and ALAE - The dollar amount actually paid to claimants including partial payments on open claims and total payments on closed claims as of a particular date.

Pure Premium - See "Loss Rate".

Report Date - The date in which a claim is made.

Severity - The average cost per claim.

Subrogation Recoveries – Recovery of payments made on a claim from whom the injury was caused and is legally responsible.

Trend Factor - A ratio applied to historical losses to adjust for changes in claim cost levels between the historical and prospective periods.

Ultimate Losses and ALAE - The amount of dollars paid when all claims from a specific period have been settled. This value is the sum of paid losses, case reserves, and IBNR as of a particular date and could change over time.

Unallocated Loss Adjustment Expenses (ULAE) - Claim handling charges and other claim expenses not assigned to specific claims.

List of Exhibits

Summary Exhibits

Supporting Exhibits

Forecast Exhibits

Data Exhibits

RCCD

Calculation of Unpaid Claim Liability - Net of Insurance Recoveries
Workers' Compensation
as of 3/31/2019

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Policy Inception	Limit	Limited Ultimate Losses	Limited Incurred Losses	Limited Paid Losses	Limited Unpaid Claim Liability	Limited Case Reserves	IBNR
07/01/01	250,000	802,249	802,249	802,249	0	0	0
07/01/02	250,000	452,199	452,199	452,199	0	0	0
07/01/03	250,000	597,926	597,926	597,926	0	0	0
07/01/04	350,000	776,121	776,121	776,121	0	0	0
07/01/05	350,000	796,603	796,603	796,603	0	0	0
07/01/06	350,000	450,674	450,674	450,674	0	0	0
07/01/07	350,000	393,424	393,424	393,424	0	0	0
07/01/08	350,000	132,604	132,604	132,604	0	0	0
07/01/09	350,000	1,813,236	1,813,236	1,813,236	0	0	0
07/01/10	350,000	1,475,000	1,449,859	1,430,872	44,128	18,987	25,141
07/01/11	500,000	1,219,683	1,219,683	1,219,683	0	0	0
07/01/12	500,000	450,000	431,878	420,980	29,020	10,898	18,122
07/01/13	500,000	450,000	418,002	374,902	75,098	43,100	31,998
07/01/14	500,000	750,000	650,479	628,005	121,995	22,473	99,521
07/01/15	500,000	900,000	749,271	619,451	280,549	129,820	150,729
07/01/16	500,000	1,600,000	1,325,837	946,202	653,798	379,635	274,163
07/01/17	500,000	1,600,000	1,213,609	787,594	812,406	426,015	386,391
07/01/18	500,000	900,000	199,008	95,546	804,454	103,463	700,992
Total		**15,559,719**	**13,872,663**	**12,738,273**	**2,821,447**	**1,134,390**	**1,687,056**

Notes:

(3) From Support Exhibit 1, Column 9. Current year is pro-rata (9 months).
(4) From Data Exhibit 5, Column 6
(5) From Data Exhibit 4, Column 6
(6) = (3) - (5)
(7) = (4) - (5)
(8) = (6) - (7)

RCCD
Net Loss Reserve Reconciliation
4/30/18 to 3/31/19

Net Unpaid Claim Liability as of 4/30/18	2,447,672
Add Change in Ultimate Loss Estimates	357,296
Add Ultimate Loss for New Claims	1,166,667
Subtract Paid Losses	(1,150,188)
Net Unpaid Claim Liability as of 3/31/19	2,821,447

RCCD

Ultimate Loss Comparison
Workers' Compensation

Evaluation Date-- >

Policy Year	6/30/2013	6/30/2014	5/31/2015	4/30/2016	4/30/2017	4/30/2018	3/31/2019
07/01/01	900,000	802,109	802,115	802,115	802,115	802,115	802,249
07/01/02	550,000	550,000	451,097	451,187	451,944	451,944	452,199
07/01/03	750,000	586,199	597,926	597,926	597,926	597,926	597,926
07/01/04	725,000	800,000	800,000	800,000	775,688	777,226	776,121
07/01/05	795,963	796,603	796,603	796,603	796,603	796,603	796,603
07/01/06	441,633	450,674	450,674	450,674	450,674	450,674	450,674
07/01/07	500,000	393,411	393,411	393,411	393,411	393,411	393,424
07/01/08	124,817	127,175	128,805	132,598	132,598	132,598	132,604
07/01/09	2,000,000	2,100,000	1,900,000	1,811,727	1,812,995	1,813,236	1,813,236
07/01/10	1,300,000	1,600,000	1,800,000	1,450,000	1,475,000	1,475,000	1,475,000
07/01/11	1,300,000	1,400,000	1,700,000	1,500,000	1,215,632	1,215,787	1,219,683
07/01/12	1,200,000	1,000,000	700,000	600,000	500,000	420,901	450,000
07/01/13		1,300,000	1,100,000	700,000	550,000	450,000	450,000
07/01/14			1,300,000	1,000,000	900,000	775,000	750,000
07/01/15				1,150,000	1,050,000	1,000,000	900,000
07/01/16					1,200,000	1,400,000	1,600,000
07/01/17						1,300,000	1,600,000
07/01/18							1,200,000

Loss Reserve Development	(1,227,694)	(2,096,452)	(2,315,080)	(1,134,857)	(111,535)	357,296	
Initial Unpaid Claim Liability	4,191,347	3,837,492	3,627,977	2,391,375	2,125,211	2,447,672	2,821,447
Restated Unpaid Claim Liability	2,963,653	1,741,040	1,312,897	1,256,518	2,013,676	2,804,968	2,821,447
Percentage Difference	-29.3%	-54.6%	-63.8%	-47.5%	-5.2%	14.6%	0.0%

RCCD

Claim Diagnostics
Workers' Compensation
as of 3/31/2019

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Policy Inception	Limit	Exposure: Payroll	Limited Ultimate Losses	Ultimate Claim Count	Claim Frequency	Limited Claim Severity	Loss Rate per $100 of Payroll
07/01/08	$350,000	116,511,097	132,604	53	0.45	2,502	0.11
07/01/09	$350,000	115,408,330	1,813,236	54	0.47	33,578	1.57
07/01/10	$350,000	113,836,468	1,475,000	59	0.52	25,000	1.30
07/01/11	$500,000	105,846,966	1,219,683	58	0.55	21,029	1.15
07/01/12	$500,000	103,044,365	450,000	45	0.44	10,000	0.44
07/01/13	$500,000	106,000,000	450,000	51	0.48	8,824	0.42
07/01/14	$500,000	112,922,000	750,000	30	0.27	25,000	0.66
07/01/15	$500,000	126,544,627	900,000	44	0.35	20,455	0.71
07/01/16	$500,000	131,899,855	1,600,000	45	0.34	35,556	1.21
07/01/17	$500,000	145,029,292	1,600,000	67	0.46	23,881	1.10
07/01/18	$500,000	150,000,000	1,200,000	83	0.55	14,458	0.80

Loss Forecast

| 07/01/19 | $500,000 | 150,000,000 | 1,340,000 | 53 | 0.35 | 25,325 | 0.89 |

SUPPORTING EXHIBITS

RCCD
Selection of Ultimate Losses & ALAE
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Policy Inception	Limited Incurred Losses	Open Claim Count	Paid Loss Development Method	Incurred Loss Development Method	Expected Loss Method	Paid B-F Method	Incurred B-F Method	Selected Ultimate Losses & ALAE
07/01/01	802,249	0	810,477	806,260				**802,249**
07/01/02	452,199	0	458,247	454,460				**452,199**
07/01/03	597,926	0	608,113	600,974				**597,926**
07/01/04	776,121	0	793,708	781,034				**776,121**
07/01/05	796,603	0	818,558	803,171				**796,603**
07/01/06	450,674	0	465,996	455,440				**450,674**
07/01/07	393,424	0	412,728	399,225				**393,424**
07/01/08	132,604	0	140,736	135,352				**132,604**
07/01/09	1,813,236	0	1,948,753	1,869,056				**1,813,236**
07/01/10	1,449,859	2	1,562,920	1,505,199				**1,475,000**
07/01/11	1,219,683	0	1,359,460	1,276,294				**1,219,683**
07/01/12	431,878	1	481,112	454,643				**450,000**
07/01/13	418,002	1	441,199	446,181	1,049,051	532,538	484,255	**450,000**
07/01/14	650,479	1	799,182	712,375	1,137,418	871,629	749,306	**750,000**
07/01/15	749,271	5	898,521	853,453	1,278,882	1,016,656	905,385	**900,000**
07/01/16	1,325,837	11	1,638,273	1,678,767	1,188,873	1,448,429	1,575,776	**1,600,000**
07/01/17	1,213,609	19	1,738,615	1,729,420	1,304,542	1,501,177	1,602,697	**1,600,000**
07/01/18	199,008	14	768,625	698,939	1,358,721	1,285,368	1,170,862	**1,200,000**

Notes:

(2) From Data Exhibit 5, Column 6
(3) From Data Exhibit 2, Column 3
(4) From Exhibit 2, Column 7
(5) From Exhibit 3, Column 7
(6) From Exhibit 4, Column 9.   Current year from Forecast Exhibit 1.
(7) From Exhibit 5, Column 8
(8) From Exhibit 6, Column 8
(9) Selection based on judgment using results of Methods in Columns (4) through (8)

RCCD
Paid Loss Development Method
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)
				Limited		Limited
Policy		Evaluation	Age	Paid	Paid	Ultimate
Inception	Limit	Date	In Months	Losses	LDF	Losses
07/01/01	$250,000	03/31/19	213	802,249	1.010	810,477
07/01/02	$250,000	03/31/19	201	452,199	1.013	458,247
07/01/03	$250,000	03/31/19	189	597,926	1.017	608,113
07/01/04	$350,000	03/31/19	177	776,121	1.023	793,708
07/01/05	$350,000	03/31/19	165	796,603	1.028	818,558
07/01/06	$350,000	03/31/19	153	450,674	1.034	465,996
07/01/07	$350,000	03/31/19	141	393,424	1.049	412,728
07/01/08	$350,000	03/31/19	129	132,604	1.061	140,736
07/01/09	$350,000	03/31/19	117	1,813,236	1.075	1,948,753
07/01/10	$350,000	03/31/19	105	1,430,872	1.092	1,562,920
07/01/11	$500,000	03/31/19	93	1,219,683	1.115	1,359,460
07/01/12	$500,000	03/31/19	81	420,980	1.143	481,112
07/01/13	$500,000	03/31/19	69	374,902	1.177	441,199
07/01/14	$500,000	03/31/19	57	628,005	1.273	799,182
07/01/15	$500,000	03/31/19	45	619,451	1.451	898,521
07/01/16	$500,000	03/31/19	33	946,202	1.731	1,638,273
07/01/17	$500,000	03/31/19	21	787,594	2.208	1,738,615
07/01/18	$500,000	03/31/19	9	95,546	8.045	768,625

Notes:

(6) From Data Exhibit 8
(7) = (5) x (6)

RCCD
Incurred Loss Development Method
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)
				Limited		Limited
Policy		Evaluation	Age	Incurred	Incurred	Ultimate
Inception	Limit	Date	In Months	Losses	LDF	Losses
07/01/01	$250,000	03/31/19	213	802,249	1.005	806,260
07/01/02	$250,000	03/31/19	201	452,199	1.005	454,460
07/01/03	$250,000	03/31/19	189	597,926	1.005	600,974
07/01/04	$350,000	03/31/19	177	776,121	1.006	781,034
07/01/05	$350,000	03/31/19	165	796,603	1.008	803,171
07/01/06	$350,000	03/31/19	153	450,674	1.011	455,440
07/01/07	$350,000	03/31/19	141	393,424	1.015	399,225
07/01/08	$350,000	03/31/19	129	132,604	1.021	135,352
07/01/09	$350,000	03/31/19	117	1,813,236	1.031	1,869,056
07/01/10	$350,000	03/31/19	105	1,449,859	1.038	1,505,199
07/01/11	$500,000	03/31/19	93	1,219,683	1.046	1,276,294
07/01/12	$500,000	03/31/19	81	431,878	1.053	454,643
07/01/13	$500,000	03/31/19	69	418,002	1.067	446,181
07/01/14	$500,000	03/31/19	57	650,479	1.095	712,375
07/01/15	$500,000	03/31/19	45	749,271	1.139	853,453
07/01/16	$500,000	03/31/19	33	1,325,837	1.266	1,678,767
07/01/17	$500,000	03/31/19	21	1,213,609	1.425	1,729,420
07/01/18	$500,000	03/31/19	9	199,008	3.512	698,939

Notes:

(6) From Data Exhibit 8
(7) = (5) x (6)

RCCD

Expected Loss Method
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Policy Inception	Limit	2019 De-Trended Loss Rate	Limit Adjustment Factor	2019 Adjusted Loss Rate	Initial Forecasted Loss Rate	Selected Expected Loss Rate	Payroll	Limited Ultimate Losses
07/01/13	$500,000	0.90	1.000	0.90	1.25	0.99	$106,000,000	1,049,051
07/01/14	$500,000	0.92	1.000	0.92	1.28	1.01	$112,922,000	1,137,418
07/01/15	$500,000	0.91	1.000	0.91	1.30	1.01	$126,544,627	1,278,882
07/01/16	$500,000	0.91	1.000	0.91	0.88	0.90	$131,899,855	1,188,873
07/01/17	$500,000	0.90	1.000	0.90	0.89	0.90	$145,029,292	1,304,542
07/01/18	$500,000	0.90	1.000	0.90	0.93	0.91	$150,000,000	1,358,721

Notes:

(3) From Forecast Exhibit 1
(4) From Data Exhibit 7
(5) = (3) x (4)
(6) From Previous Studies
(8) Provided by Client
(9) = (7) x (8) / 100

RCCD
Paid Bornhuetter-Ferguson Method
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Expected Loss	Paid Loss Development	Paid	Weight-Expected Loss	Weight-Paid Loss Development	Limited Ultimate
Policy Inception	Limit	Method	Method	LDF	Method	Method	Losses
07/01/13	$500,000	1,049,051	441,199	1.177	15.0%	85.0%	532,538
07/01/14	$500,000	1,137,418	799,182	1.273	21.4%	78.6%	871,629
07/01/15	$500,000	1,278,882	898,521	1.451	31.1%	68.9%	1,016,656
07/01/16	$500,000	1,188,873	1,638,273	1.731	42.2%	57.8%	1,448,429
07/01/17	$500,000	1,304,542	1,738,615	2.208	54.7%	45.3%	1,501,177
07/01/18	$500,000	1,358,721	768,625	8.045	87.6%	12.4%	1,285,368

Notes:

(3) From Exhibit 4, Column 9
(4) From Exhibit 2, Column 7
(6) = 1 - [1 / (5)]
(7) = 1 / (5)
(8) = [(3) x (6)] + [(4) x (7)]

RCCD
Incurred Bornhuetter-Ferguson Method
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Expected Loss	Incurred Loss Development	Incurred	Weight-Expected Loss	Weight-Incurred Loss Development	Limited Ultimate
Policy Inception	Limit	Method	Method	LDF	Method	Method	Losses
07/01/13	$500,000	1,049,051	446,181	1.067	6.3%	93.7%	484,255
07/01/14	$500,000	1,137,418	712,375	1.095	8.7%	91.3%	749,306
07/01/15	$500,000	1,278,882	853,453	1.139	12.2%	87.8%	905,385
07/01/16	$500,000	1,188,873	1,678,767	1.266	21.0%	79.0%	1,575,776
07/01/17	$500,000	1,304,542	1,729,420	1.425	29.8%	70.2%	1,602,697
07/01/18	$500,000	1,358,721	698,939	3.512	71.5%	28.5%	1,170,862

Notes:

(3) From Exhibit 4, Column 9
(4) From Exhibit 3, Column 7
(6) = 1 - [1 / (5)]
(7) = 1 / (5)
(8) = [(3) x (6)] + [(4) x (7)]

FORECAST EXHIBITS

RCCD
Development of Forecasted Losses for 2019-20
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Policy Inception	Payroll	Payroll Trend Factor	Trended Payroll	Selected Ultimate Losses $0 - $500,000	Benefit Level Factor	Loss Trend Factor	Trended Ultimate Losses $0 - $500,000	Loss Rate per $100 of Payroll
07/01/08	116,511,097	1.312	152,872,656	132,604	1.008	1.243	166,209	0.11
07/01/09	115,408,330	1.280	147,732,420	1,963,236	1.001	1.219	2,395,735	1.62
07/01/10	113,836,468	1.249	142,166,149	1,661,103	1.001	1.195	1,986,304	1.40
07/01/11	105,846,966	1.218	128,964,250	1,219,683	1.000	1.172	1,429,153	1.11
07/01/12	103,044,365	1.189	122,487,369	467,877	1.019	1.149	547,823	0.45
07/01/13	106,000,000	1.160	122,927,502	443,690	1.021	1.126	509,919	0.41
07/01/14	112,922,000	1.131	127,760,878	755,778	1.001	1.104	834,968	0.65
07/01/15	126,544,627	1.104	139,681,591	875,987	0.998	1.082	946,429	0.68
07/01/16	131,899,855	1.077	142,041,717	1,658,520	0.999	1.061	1,759,146	1.24
07/01/17	145,029,292	1.051	152,371,400	1,734,018	1.001	1.040	1,805,876	1.19
07/01/18	150,000,000	1.025	153,750,000	733,782	1.000	1.020	748,458	0.49

8-year Wtd Average:	0.94
6-year Wtd Average:	0.79
4-year Wtd Average:	0.89

Notes:

(2) Provided by Client

(3) Payroll Trend of 2.5% per year based on Industry Info

(4) = (2) x (3)

(5) From Exhibit 2, Column 10

(6) Based on NCCI industry data

(7) 2.0% Trend per Year (based on industry and client data)

(8) = (5) x (6) x (7)

(9) = (8) / (4) x 100

(10) Forecasted Loss Rate selected from Historical Averages

(11) Forecasted Payroll provided by Client

(12) = (10) x (11) / 100

(10) Selected: **0.89**

(11) Forecasted Payroll 2019-20: $150,000,000

(12) Forecasted Losses 2019-20: **1,340,000**

RCCD

Development of Ultimate Losses for Forecast
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Policy Inception	Paid Losses $0 - $500,000	Incurred Losses $0 - $500,000	Evaluation Date	Age in Months	Paid LDF	Incurred LDF	Paid Loss Development Method	Incurred Loss Development Method	Selected Ultimate Losses $0 - $500,000
07/01/08	132,604	132,604	03/31/19	129	1.061	1.021	140,736	135,352	132,604
07/01/09	1,963,236	1,963,236	03/31/19	117	1.075	1.031	2,109,963	2,023,674	1,963,236
07/01/10	1,550,137	1,569,124	03/31/19	105	1.092	1.038	1,693,191	1,629,016	1,661,103
07/01/11	1,219,683	1,219,683	03/31/19	93	1.115	1.046	1,359,460	1,276,294	1,219,683
07/01/12	420,980	431,878	03/31/19	81	1.143	1.053	481,112	454,643	467,877
07/01/13	374,902	418,002	03/31/19	69	1.177	1.067	441,199	446,181	443,690
07/01/14	628,005	650,479	03/31/19	57	1.273	1.095	799,182	712,375	755,778
07/01/15	619,451	749,271	03/31/19	45	1.451	1.139	898,521	853,453	875,987
07/01/16	946,202	1,325,837	03/31/19	33	1.731	1.266	1,638,273	1,678,767	1,658,520
07/01/17	787,594	1,213,609	03/31/19	21	2.208	1.425	1,738,615	1,729,420	1,734,018
07/01/18	95,546	199,008	03/31/19	9	8.045	3.512	768,625	698,939	733,782

Notes:

(2) From Data Exhibit 6
(3) From Data Exhibit 7
(6) From Data Exhibit 8
(7) From Data Exhibit 9
(8) = (2) x (6)
(9) = (3) x (7)
(10) Selection based on judgment using results of Methods in Columns (8) and (9)

RCCD
Frequency Forecast for 2019-20
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Policy Inception	Evaluation Date	Age In Months	Total Claim Count	Claim Count LDF	Ultimate Claim Count	Trended Payroll	Trend Factor	Trended Frequency
07/01/08	03/31/19	129	53	1.000	53	152,872,656	0.904	0.31
07/01/09	03/31/19	117	54	1.000	54	147,732,420	0.914	0.33
07/01/10	03/31/19	105	59	1.000	59	142,166,149	0.923	0.38
07/01/11	03/31/19	93	58	1.000	58	128,964,250	0.932	0.42
07/01/12	03/31/19	81	45	1.000	45	122,487,369	0.941	0.35
07/01/13	03/31/19	69	51	1.000	51	122,927,502	0.951	0.39
07/01/14	03/31/19	57	30	1.000	30	127,760,878	0.961	0.23
07/01/15	03/31/19	45	44	1.000	44	139,681,591	0.970	0.31
07/01/16	03/31/19	33	45	1.001	45	142,041,717	0.980	0.31
07/01/17	03/31/19	21	66	1.020	67	152,371,400	0.990	0.44
07/01/18	03/31/19	9	56	1.488	83	153,750,000	1.000	0.54

5-Year Weighted Average:	0.34
3-Year Weighted Average:	0.35

Notes:

(4) From Data Exhibit 2, Column 5

(5) From Data Exhibit 10

(6) = (4) x (5)

(7) From Exhibit 1

(8) Based on industry and client data

(9) = (6) x (8) / (7) x $1M

(10) Forecasted frequency selected from historical averages

(10)	Selected:	**0.35**

PROGRAM SUMMARY & LOSS DATA

RCCD
Summary of Program Provisions
Workers' Compensation

Policy Inception	Plan Type	Per Occurrence Retention	Excess Insurance	Claims Adjusting	ALAE	ULAE
07/01/01	Self-Insurance	$250,000		York	Included	N/A
07/01/02	Self-Insurance	$250,000		York	Included	N/A
07/01/03	Self-Insurance	$250,000		York	Included	N/A
07/01/04	Self-Insurance	$350,000		York	Included	N/A
07/01/05	Self-Insurance	$350,000		York	Included	N/A
07/01/06	Self-Insurance	$350,000		York	Included	N/A
07/01/07	Self-Insurance	$350,000		York	Included	N/A
07/01/08	Self-Insurance	$350,000		York	Included	N/A
07/01/09	Self-Insurance	$350,000		York	Included	N/A
07/01/10	Self-Insurance	$350,000		York	Included	N/A
07/01/11	Self-Insurance	$500,000		York	Included	N/A
07/01/12	Self-Insurance	$500,000		York	Included	N/A
07/01/13	Self-Insurance	$500,000		York	Included	N/A
07/01/14	Self-Insurance	$500,000		York	Included	N/A
07/01/15	Self-Insurance	$500,000		York	Included	N/A
07/01/16	Self-Insurance	$500,000		York	Included	N/A
07/01/17	Self-Insurance	$500,000		York	Included	N/A
07/01/18	Self-Insurance	$500,000	State National Insurance Co.	York	Included	N/A

RCCD
Summary of Historical Loss Data
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
					Unlimited		
Policy Inception	Evaluation Date	Open Claim Count	Closed Claim Count	Total Claim Count	Paid Losses & ALAE	Case Reserves	Incurred Losses & ALAE
07/01/01	03/31/19	0	38	38	802,249	0	802,249
07/01/02	03/31/19	0	50	50	452,199	0	452,199
07/01/03	03/31/19	0	61	61	1,027,831	0	1,027,831
07/01/04	03/31/19	0	47	47	776,121	0	776,121
07/01/05	03/31/19	0	59	59	796,603	0	796,603
07/01/06	03/31/19	0	59	59	450,674	0	450,674
07/01/07	03/31/19	0	66	66	393,424	0	393,424
07/01/08	03/31/19	0	53	53	132,604	0	132,604
07/01/09	03/31/19	0	54	54	2,374,680	0	2,374,680
07/01/10	03/31/19	2	57	59	1,550,137	18,987	1,569,124
07/01/11	03/31/19	0	58	58	1,219,683	0	1,219,683
07/01/12	03/31/19	1	44	45	420,980	10,898	431,878
07/01/13	03/31/19	1	50	51	374,902	43,100	418,002
07/01/14	03/31/19	1	29	30	628,005	22,473	650,479
07/01/15	03/31/19	5	39	44	619,451	129,820	749,271
07/01/16	03/31/19	11	34	45	946,202	379,635	1,325,837
07/01/17	03/31/19	19	47	66	787,594	426,015	1,213,609
07/01/18	03/31/19	14	42	56	95,546	103,463	199,008

Data Source: Loss Runs Provided by Client. Incident-only claims not included in claim count.

RCCD
Claims > $200,000 Incurred
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)
		Accident	Policy	Paid	Case	Incurred
Claim Number	Name	Date	Year	Loss & ALAE	Reserves	Loss & ALAE
0433000034	RANGEL, SYLVIA	12/01/03	07/01/03	679,905	0	679,905
0533000031	SEMONELLA, JOAN	03/02/05	07/01/04	342,679	0	342,679
0633000042	Plascencia, Grace	04/14/06	07/01/05	246,227	0	246,227
0733000059	MIDDLESWORTH, WILLIAM	06/04/07	07/01/06	229,194	0	229,194
10123456979	Jackson, Robin Louise	09/12/09	07/01/09	911,443	0	911,443
10123456986	Cornejo, Efren	10/13/09	07/01/09	348,609	0	348,609
11123457081	Berber, Alicia	05/09/11	07/01/10	237,148	0	237,148
11123457092	Carbajal, Marc	06/13/11	07/01/10	469,264	0	469,264
12123457181	CARMONA, MARIA	10/04/11	07/01/11	393,529	0	393,529
15123457298	Villarreal, Micah	11/12/14	07/01/14	181,123	22,473	203,596
17123457386	Gutierrez, Edgar	11/16/16	07/01/16	213,853	19,217	233,070
17123457416	Mendoza, Rene	05/10/17	07/01/16	118,612	134,784	253,395

RCCD
Summary of Limited Paid Losses by Policy Year
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)
Policy Inception	Limit	Unlimited Paid	Excess Loss	Number of Excess Losses	Limited Paid
07/01/01	250,000	802,249	0	0	802,249
07/01/02	250,000	452,199	0	0	452,199
07/01/03	250,000	1,027,831	429,905	1	597,926
07/01/04	350,000	776,121	0	0	776,121
07/01/05	350,000	796,603	0	0	796,603
07/01/06	350,000	450,674	0	0	450,674
07/01/07	350,000	393,424	0	0	393,424
07/01/08	350,000	132,604	0	0	132,604
07/01/09	350,000	2,374,680	561,443	1	1,813,236
07/01/10	350,000	1,550,137	119,264	1	1,430,872
07/01/11	500,000	1,219,683	0	0	1,219,683
07/01/12	500,000	420,980	0	0	420,980
07/01/13	500,000	374,902	0	0	374,902
07/01/14	500,000	628,005	0	0	628,005
07/01/15	500,000	619,451	0	0	619,451
07/01/16	500,000	946,202	0	0	946,202
07/01/17	500,000	787,594	0	0	787,594
07/01/18	500,000	95,546	0	0	95,546

RCCD

Summary of Limited Incurred Losses by Policy Year
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)
Policy Inception	Limit	Unlimited Incurred	Excess Loss	Number of Excess Losses	Limited Incurred
07/01/01	250,000	802,249	0	0	802,249
07/01/02	250,000	452,199	0	0	452,199
07/01/03	250,000	1,027,831	429,905	1	597,926
07/01/04	350,000	776,121	0	0	776,121
07/01/05	350,000	796,603	0	0	796,603
07/01/06	350,000	450,674	0	0	450,674
07/01/07	350,000	393,424	0	0	393,424
07/01/08	350,000	132,604	0	0	132,604
07/01/09	350,000	2,374,680	561,443	1	1,813,236
07/01/10	350,000	1,569,124	119,264	1	1,449,859
07/01/11	500,000	1,219,683	0	0	1,219,683
07/01/12	500,000	431,878	0	0	431,878
07/01/13	500,000	418,002	0	0	418,002
07/01/14	500,000	650,479	0	0	650,479
07/01/15	500,000	749,271	0	0	749,271
07/01/16	500,000	1,325,837	0	0	1,325,837
07/01/17	500,000	1,213,609	0	0	1,213,609
07/01/18	500,000	199,008	0	0	199,008

RCCD
Paid Losses at Various Limits
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Policy Inception	Evaluation Date	Limited to: $250,000	Limited to: $350,000	Limited to: $500,000	Limited to: $1,000,000	Limited to: Unlimited
07/01/01	03/31/19	802,249	802,249	802,249	802,249	802,249
07/01/02	03/31/19	452,199	452,199	452,199	452,199	452,199
07/01/03	03/31/19	597,926	697,926	847,926	1,027,831	1,027,831
07/01/04	03/31/19	683,442	776,121	776,121	776,121	776,121
07/01/05	03/31/19	796,603	796,603	796,603	796,603	796,603
07/01/06	03/31/19	450,674	450,674	450,674	450,674	450,674
07/01/07	03/31/19	393,424	393,424	393,424	393,424	393,424
07/01/08	03/31/19	132,604	132,604	132,604	132,604	132,604
07/01/09	03/31/19	1,614,627	1,813,236	1,963,236	2,374,680	2,374,680
07/01/10	03/31/19	1,330,872	1,430,872	1,550,137	1,550,137	1,550,137
07/01/11	03/31/19	1,076,153	1,176,153	1,219,683	1,219,683	1,219,683
07/01/12	03/31/19	420,980	420,980	420,980	420,980	420,980
07/01/13	03/31/19	374,902	374,902	374,902	374,902	374,902
07/01/14	03/31/19	628,005	628,005	628,005	628,005	628,005
07/01/15	03/31/19	619,451	619,451	619,451	619,451	619,451
07/01/16	03/31/19	946,202	946,202	946,202	946,202	946,202
07/01/17	03/31/19	787,594	787,594	787,594	787,594	787,594
07/01/18	03/31/19	95,546	95,546	95,546	95,546	95,546

RCCD
Incurred Losses at Various Limits
Workers' Compensation

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Policy Inception	Evaluation Date	Limited to: $250,000	Limited to: $350,000	Limited to: $500,000	Limited to: $1,000,000	Limited to: Unlimited
07/01/01	03/31/19	802,249	802,249	802,249	802,249	802,249
07/01/02	03/31/19	452,199	452,199	452,199	452,199	452,199
07/01/03	03/31/19	597,926	697,926	847,926	1,027,831	1,027,831
07/01/04	03/31/19	683,442	776,121	776,121	776,121	776,121
07/01/05	03/31/19	796,603	796,603	796,603	796,603	796,603
07/01/06	03/31/19	450,674	450,674	450,674	450,674	450,674
07/01/07	03/31/19	393,424	393,424	393,424	393,424	393,424
07/01/08	03/31/19	132,604	132,604	132,604	132,604	132,604
07/01/09	03/31/19	1,614,627	1,813,236	1,963,236	2,374,680	2,374,680
07/01/10	03/31/19	1,349,859	1,449,859	1,569,124	1,569,124	1,569,124
07/01/11	03/31/19	1,076,153	1,176,153	1,219,683	1,219,683	1,219,683
07/01/12	03/31/19	431,878	431,878	431,878	431,878	431,878
07/01/13	03/31/19	418,002	418,002	418,002	418,002	418,002
07/01/14	03/31/19	650,479	650,479	650,479	650,479	650,479
07/01/15	03/31/19	749,271	749,271	749,271	749,271	749,271
07/01/16	03/31/19	1,322,441	1,325,837	1,325,837	1,325,837	1,325,837
07/01/17	03/31/19	1,213,609	1,213,609	1,213,609	1,213,609	1,213,609
07/01/18	03/31/19	199,008	199,008	199,008	199,008	199,008
Grand Total		13,334,451	13,929,134	14,391,927	14,983,275	14,983,275
2001-2015 Total		10,599,392	11,190,679	11,653,473	12,244,821	12,244,821
Ratio to Current Limit		0.910	0.960	1.000	1.051	1.051
Industry ILF		0.853	0.926	1.000	1.108	1.282
Selected Limit Adjustment Factor		**0.900**	**0.950**	**1.000**	**1.080**	**1.200**

RCCD
Paid Loss Development Triangle
Workers' Compensation
Limited to $500,000

Months of Development

Policy Inception	10	22	34	46	58	70	82	94	106	118	130	142	154	166	178	190	202	214
07/01/99															752,656	752,725	752,753	752,753
07/01/00														181,092	181,092	181,092	181,098	181,098
07/01/01													802,109	802,109	802,115	802,115	802,115	
07/01/02												450,661	451,097	451,187	451,944	451,944		
07/01/03											833,376	847,926	847,926	847,926	847,926			
07/01/04										650,031	659,108	666,927	775,688	777,226				
07/01/05									796,603	796,603	796,603	796,603	796,603					
07/01/06								450,674	450,674	450,674	450,674	450,674						
07/01/07							393,411	393,411	393,411	393,411	393,411							
07/01/08						125,435	130,515	132,598	132,598	132,598								
07/01/09					1,618,565	1,726,628	1,817,179	1,962,995	1,963,236									
07/01/10				882,204	1,236,039	1,524,799	1,540,025	1,547,686										
07/01/11			654,521	1,079,783	1,206,513	1,215,632	1,215,787											
07/01/12		409,727	417,140	420,951	420,901	420,901												
07/01/13	108,849	281,743	327,224	354,428	363,342													
07/01/14	116,291	426,634	525,582	538,612														
07/01/15	149,963	440,775	546,161															
07/01/16	185,183	685,662																
07/01/17	171,304																	

Age-to-Age Loss Development Factors

Policy Inception	10-22	22-34	34-46	46-58	58-70	70-82	82-94	94-106	106-118	118-130	130-142	142-154	154-166	166-178	178-190	190-202	202-214	214-Ult
07/01/99															1.000	1.000	1.000	
07/01/00														1.000	1.000	1.000	1.000	
07/01/01													1.000	1.000	1.000	1.000		
07/01/02												1.001	1.000	1.002	1.000			
07/01/03											1.017	1.000	1.000	1.000				
07/01/04										1.014	1.012	1.163	1.002					
07/01/05									1.000	1.000	1.000	1.000						
07/01/06								1.000	1.000	1.000	1.000							
07/01/07							1.000	1.000	1.000	1.000								
07/01/08						1.040	1.016	1.000	1.000									
07/01/09					1.067	1.052	1.080	1.000										
07/01/10				1.401	1.234	1.010	1.005											
07/01/11			1.650	1.117	1.008	1.000												
07/01/12		1.018	1.009	1.000	1.000													
07/01/13	2.588	1.161	1.083	1.025														
07/01/14	3.669	1.232	1.025															
07/01/15	2.939	1.239																
07/01/16	3.703																	
Averages																		
4-Year	3.225	1.163	1.192	1.136	1.077	1.026	1.025	1.000	1.000	1.003	1.007	1.041	1.001	1.000	1.000	1.000	1.000	
Industry	3.276	1.614	1.295	1.159	1.106	1.069	1.050	1.035	1.034	1.021	1.016	1.015	1.010	1.009	1.011	1.007	1.006	1.068
Selected																		
Age-to-Age LDF	3.225	1.220	1.192	1.136	1.077	1.026	1.025	1.020	1.016	1.012	1.012	1.015	1.005	1.005	1.006	1.003	1.003	
Cumulative LDF	6.709	2.081	1.705	1.431	1.260	1.170	1.140	1.112	1.091	1.073	1.060	1.048	1.033	1.027	1.022	1.017	1.013	1.010

RCCD
Incurred Loss Development Triangle
Workers' Compensation
Limited to $500,000

Months of Development

Policy Inception	10	22	34	46	58	70	82	94	106	118	130	142	154	166	178	190	202	214
07/01/99															761,428	761,497	752,753	752,753
07/01/00														181,092	181,092	181,092	181,098	181,098
07/01/01													802,109	802,109	802,115	802,115	802,115	
07/01/02												482,339	451,097	451,187	451,944	451,944		
07/01/03											833,376	847,926	847,926	847,926	847,926			
07/01/04										742,970	779,690	780,956	775,688	777,226				
07/01/05									796,603	796,603	796,603	796,603	796,603					
07/01/06								450,674	450,674	450,674	450,674	450,674						
07/01/07							393,411	393,411	393,411	393,411	393,411							
07/01/08						125,435	130,515	132,598	132,598	132,598								
07/01/09					1,931,217	1,959,282	1,961,727	1,962,995	1,963,236									
07/01/10				1,153,536	1,374,628	1,526,799	1,542,025	1,549,686										
07/01/11			863,629	1,214,050	1,224,436	1,215,632	1,215,787											
07/01/12		446,617	424,709	428,520	428,139	420,901												
07/01/13	271,881	403,566	428,055	414,480	388,266													
07/01/14	202,386	538,462	601,655	646,268														
07/01/15	304,104	673,461	715,333															
07/01/16	429,364	1,011,793																
07/01/17	503,968																	

Age-to-Age Loss Development Factors

Policy Inception	10-22	22-34	34-46	46-58	58-70	70-82	82-94	94-106	106-118	118-130	130-142	142-154	154-166	166-178	178-190	190-202	202-214	214-Ult
07/01/99															1.000	0.989	1.000	
07/01/00														1.000	1.000	1.000	1.000	
07/01/01													1.000	1.000	1.000	1.000		
07/01/02												0.935	1.000	1.002	1.000			
07/01/03											1.017	1.000	1.000	1.000				
07/01/04										1.049	1.002	0.993	1.002					
07/01/05									1.000	1.000	1.000	1.000						
07/01/06								1.000	1.000	1.000	1.000							
07/01/07							1.000	1.000	1.000	1.000								
07/01/08						1.040	1.016	1.000	1.000									
07/01/09					1.015	1.001	1.001	1.000										
07/01/10				1.192	1.111	1.010	1.005											
07/01/11			1.406	1.009	0.993	1.000												
07/01/12		0.951	1.009	0.999	0.983													
07/01/13	1.484	1.061	0.968	0.937														
07/01/14	2.661	1.117	1.074															
07/01/15	2.215	1.062																
07/01/16	2.356																	
Averages																		
4-Year	2.179	1.048	1.114	1.034	1.025	1.013	1.005	1.000	1.000	1.012	1.005	0.982	1.001	1.000	1.000	0.996	1.000	
Industry	2.012	1.273	1.122	1.070	1.048	1.030	1.025	1.016	1.014	1.008	1.006	1.006	1.004	1.003	1.002	1.003	1.002	1.016
Selected																		
Age-to-Age LDF	2.250	1.080	1.114	1.034	1.025	1.013	1.005	1.008	1.007	1.010	1.006	1.004	1.002	1.002	1.001	1.000	1.000	
Cumulative LDF	3.058	1.359	1.258	1.129	1.092	1.065	1.052	1.046	1.037	1.030	1.020	1.014	1.010	1.008	1.006	1.005	1.005	1.005

RCCD
Reported Claim Count Development Triangle
Workers' Compensation
Excludes $0 claims

Months of Development

Policy Inception	10	22	34	46	58	70	82	94	106	118	130	142	154	166	178	190	202	214
07/01/99															58	58	58	58
07/01/00														38	38	38	38	38
07/01/01													38	38	38	38	38	
07/01/02												50	50	50	50	50		
07/01/03											61	61	61	61	61			
07/01/04										47	47	47	47	47				
07/01/05									59	59	59	59	59					
07/01/06								59	59	59	59	59						
07/01/07							66	66	66	66	66							
07/01/08						53	53	53	53	53								
07/01/09					54	54	54	54	54									
07/01/10				59	59	59	59	59										
07/01/11			59	59	58	58	58											
07/01/12		45	45	45	45	45												
07/01/13	42	50	51	51	51													
07/01/14	21	30	30	30														
07/01/15	31	43	44															
07/01/16	32	44																
07/01/17	44																	

Age-to-Age Loss Development Factors

Policy Inception	10-22	22-34	34-46	46-58	58-70	70-82	82-94	94-106	106-118	118-130	130-142	142-154	154-166	166-178	178-190	190-202	202-214	214-Ult
07/01/99															1.000	1.000	1.000	
07/01/00														1.000	1.000	1.000	1.000	
07/01/01													1.000	1.000	1.000	1.000		
07/01/02												1.000	1.000	1.000	1.000			
07/01/03											1.000	1.000	1.000	1.000				
07/01/04										1.000	1.000	1.000	1.000					
07/01/05									1.000	1.000	1.000	1.000						
07/01/06								1.000	1.000	1.000	1.000							
07/01/07							1.000	1.000	1.000	1.000								
07/01/08						1.000	1.000	1.000	1.000									
07/01/09					1.000	1.000	1.000	1.000										
07/01/10				1.000	1.000	1.000	1.000											
07/01/11			1.000	0.983	1.000	1.000												
07/01/12		1.000	1.000	1.000	1.000													
07/01/13	1.190	1.020	1.000	1.000														
07/01/14	1.429	1.000	1.000															
07/01/15	1.387	1.023																
07/01/16	1.375																	
Averages																		
4-Year	1.345	1.011	1.000	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Industry	1.288	1.018	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected																		
Age-to-Age LDF	1.400	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Cumulative LDF	1.415	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

RCCD
Calculation of Unpaid Claim Liability - Net of Insurance Recoveries
General Liability
as of 3/31/2019

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Policy Inception	Limit	Limited Ultimate Losses	Limited Incurred Losses	Limited Paid Losses	Limited Unpaid Claim Liability	Limited Case Reserves	IBNR
07/01/07	100,000	78,440	78,440	78,440	0	0	0
07/01/08	100,000	63,163	63,163	63,163	0	0	0
07/01/09	100,000	280,994	280,994	280,994	0	0	0
07/01/10	250,000	735,148	735,148	735,148	0	0	0
07/01/11	250,000	332,483	332,483	332,483	0	0	0
07/01/12	250,000	4,311	4,311	4,311	0	0	0
07/01/13	250,000	250,500	250,500	250,500	0	0	0
07/01/14	100,000	100,000	100,000	35,516	64,484	64,484	0
07/01/15	100,000	175,000	137,501	62,190	112,810	75,311	37,499
07/01/16	100,000	200,000	145,000	64,220	135,780	80,780	55,000
07/01/17	100,000	200,000	110,001	15,172	184,828	94,829	89,999
07/01/18	100,000	150,000	2,500	0	150,000	2,500	147,500
Total		**2,570,039**	**2,240,041**	**1,922,138**	**647,902**	**317,904**	**329,998**

Notes:

(3) From Support Exhibit 1, Column 9. Current year is pro-rata (9 months).
(4) From Data Exhibit 5, Column 6
(5) From Data Exhibit 4, Column 6
(6) = (3) - (5)
(7) = (4) - (5)
(8) = (6) - (7)

RCCD
Net Loss Reserve Reconciliation
4/30/18 to 3/31/19

Net Unpaid Claim Liability as of 4/30/18	351,826
Add Change in Ultimate Loss Estimates	243,000
Add Ultimate Loss for New Claims	183,333
Subtract Paid Losses	(130,257)
Net Unpaid Claim Liability as of 3/31/19	647,902

RCCD
Ultimate Loss Comparison
General Liability

Evaluation Date--- >

Policy Year	6/30/2013	6/30/2014	5/31/2015	4/30/2016	4/30/2017	4/30/2018	3/31/2019
07/01/07	78,440	78,440	78,440	78,440	78,440	78,440	78,440
07/01/08	63,163	63,163	63,163	63,163	63,163	63,163	63,163
07/01/09	350,000	280,994	280,994	280,994	280,994	280,994	280,994
07/01/10	900,000	900,000	760,337	732,648	735,148	735,148	735,148
07/01/11	350,000	450,000	400,000	360,000	332,483	332,483	332,483
07/01/12	400,000	150,000	100,000	25,000	4,311	4,311	4,311
07/01/13		300,000	250,000	300,000	250,000	250,000	250,500
07/01/14			200,000	75,000	40,000	30,000	100,000
07/01/15				100,000	75,000	2,500	175,000
07/01/16					225,000	200,000	200,000
07/01/17						200,000	200,000
07/01/18							200,000
Loss Reserve Development	(647,064)	(477,558)	(279,562)	(7,706)	139,667	243,000	
Initial Unpaid Claim Liability	1,209,120	1,131,166	732,067	446,657	301,290	351,826	
Restated Unpaid Claim Liability	562,056	653,608	452,505	438,951	440,957	594,826	647,902
Percentage Difference	-53.5%	-42.2%	-38.2%	-1.7%	46.4%	69.1%	

RCCD
Claim Diagnostics
General Liability
as of 3/31/2019

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Policy Inception	Limit	Exposure: Payroll	Limited Ultimate Losses	Ultimate Claim Count	Claim Frequency	Limited Claim Severity	Loss Rate per $100 of Payroll
07/01/08	$100,000	116,511,097	63,163	1	0.09	63,163	0.05
07/01/09	$100,000	115,408,330	280,994	3	0.26	93,665	0.24
07/01/10	$250,000	113,836,468	735,148	7	0.61	105,021	0.65
07/01/11	$250,000	105,846,966	332,483	2	0.19	166,242	0.31
07/01/12	$250,000	103,044,365	4,311	2	0.19	2,156	0.00
07/01/13	$250,000	106,000,000	250,500	2	0.19	125,250	0.24
07/01/14	$100,000	112,922,000	100,000	1	0.09	100,000	0.09
07/01/15	$100,000	126,544,627	175,000	2	0.16	87,500	0.14
07/01/16	$100,000	131,899,855	200,000	4	0.30	50,000	0.15
07/01/17	$100,000	145,029,292	200,000	3	0.21	66,667	0.14
07/01/18	$100,000	150,000,000	200,000	2	0.13	100,000	0.13

Loss Forecast

| 07/01/19 | $100,000 | 150,000,000 | 220,000 | 3 | 0.20 | 74,909 | 0.15 |

SUPPORTING EXHIBITS

RCCD
Selection of Ultimate Losses & ALAE
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Policy Inception	Limited Incurred Losses	Open Claim Count	Paid Loss Development Method	Incurred Loss Development Method	Expected Loss Method	Paid B-F Method	Incurred B-F Method	Selected Ultimate Losses & ALAE
07/01/07	78,440	0	84,202	81,351				**78,440**
07/01/08	63,163	0	68,609	65,898				**63,163**
07/01/09	280,994	0	310,343	295,505				**280,994**
07/01/10	735,148	0	837,488	784,458				**735,148**
07/01/11	332,483	0	392,164	360,886				**332,483**
07/01/12	4,311	0	5,350	4,780				**4,311**
07/01/13	250,500	1	334,496	287,244				**250,500**
07/01/14	100,000	1	53,810	120,993	176,945	95,672	130,701	**100,000**
07/01/15	137,501	2	117,937	182,543	198,950	156,230	186,591	**175,000**
07/01/16	145,000	3	175,432	229,040	188,274	183,573	214,082	**200,000**
07/01/17	110,001	3	74,930	238,778	204,151	177,987	220,104	**200,000**
07/01/18	2,500	1	0	12,208	209,694	197,650	169,253	**200,000**

Notes:

(2) From Data Exhibit 5, Column 6
(3) From Data Exhibit 2, Column 3
(4) From Exhibit 2, Column 7
(5) From Exhibit 3, Column 7
(6) From Exhibit 4, Column 9.   Current year from Forecast Exhibit 1.
(7) From Exhibit 5, Column 8
(8) From Exhibit 6, Column 8
(9) Selection based on judgment using results of Methods in Columns (4) through (8)

RCCD
Paid Loss Development Method
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)
				Limited		Limited
Policy		Evaluation	Age	Paid	Paid	Ultimate
Inception	Limit	Date	In Months	Losses	LDF	Losses
07/01/07	$100,000	03/31/19	141	78,440	1.073	84,202
07/01/08	$100,000	03/31/19	129	63,163	1.086	68,609
07/01/09	$100,000	03/31/19	117	280,994	1.104	310,343
07/01/10	$250,000	03/31/19	105	735,148	1.139	837,488
07/01/11	$250,000	03/31/19	93	332,483	1.179	392,164
07/01/12	$250,000	03/31/19	81	4,311	1.241	5,350
07/01/13	$250,000	03/31/19	69	250,500	1.335	334,496
07/01/14	$100,000	03/31/19	57	35,516	1.515	53,810
07/01/15	$100,000	03/31/19	45	62,190	1.896	117,937
07/01/16	$100,000	03/31/19	33	64,220	2.732	175,432
07/01/17	$100,000	03/31/19	21	15,172	4.939	74,930
07/01/18	$100,000	03/31/19	9	0	17.410	0

Notes:

(6) Based on industry data
(7) = (5) x (6)

RCCD
Incurred Loss Development Method
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Policy Inception	Limit	Evaluation Date	Age In Months	Limited Incurred Losses	Incurred LDF	Limited Ultimate Losses
07/01/07	$100,000	03/31/19	141	78,440	1.037	81,351
07/01/08	$100,000	03/31/19	129	63,163	1.043	65,898
07/01/09	$100,000	03/31/19	117	280,994	1.052	295,505
07/01/10	$250,000	03/31/19	105	735,148	1.067	784,458
07/01/11	$250,000	03/31/19	93	332,483	1.085	360,886
07/01/12	$250,000	03/31/19	81	4,311	1.109	4,780
07/01/13	$250,000	03/31/19	69	250,500	1.147	287,244
07/01/14	$100,000	03/31/19	57	100,000	1.210	120,993
07/01/15	$100,000	03/31/19	45	137,501	1.328	182,543
07/01/16	$100,000	03/31/19	33	145,000	1.580	229,040
07/01/17	$100,000	03/31/19	21	110,001	2.171	238,778
07/01/18	$100,000	03/31/19	9	2,500	4.883	12,208

Notes:

(6) Based on industry data
(7) = (5) x (6)

RCCD
Expected Loss Method
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Policy Inception	Limit	2019 De-Trended Loss Rate	Limit Adjustment Factor	2019 Adjusted Loss Rate	Initial Forecasted Loss Rate	Selected Expected Loss Rate	Payroll	Limited Ultimate Losses
07/01/13	$250,000	0.14	1.267	0.18	0.45	0.25	$106,000,000	261,876
07/01/14	$100,000	0.14	1.000	0.14	0.20	0.16	$112,922,000	176,945
07/01/15	$100,000	0.14	1.000	0.14	0.20	0.16	$126,544,627	198,950
07/01/16	$100,000	0.14	1.000	0.14	0.14	0.14	$131,899,855	188,274
07/01/17	$100,000	0.14	1.000	0.14	0.13	0.14	$145,029,292	204,151
07/01/18	$100,000	0.15	1.000	0.15	0.12	0.14	$150,000,000	209,694

Notes:

(3) From Forecast Exhibit 1
(4) From Data Exhibit 7
(5) = (3) x (4)
(6) From Previous Studies
(8) Provided by Client
(9) = (7) x (8) / 100

RCCD
Paid Bornhuetter-Ferguson Method
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
					Weight-	Weight-	
		Expected	Paid Loss		Expected	Paid Loss	Limited
Policy		Loss	Development	Paid	Loss	Development	Ultimate
Inception	Limit	Method	Method	LDF	Method	Method	Losses
07/01/13	$250,000	261,876	334,496	1.335	25.1%	74.9%	316,260
07/01/14	$100,000	176,945	53,810	1.515	34.0%	66.0%	95,672
07/01/15	$100,000	198,950	117,937	1.896	47.3%	52.7%	156,230
07/01/16	$100,000	188,274	175,432	2.732	63.4%	36.6%	183,573
07/01/17	$100,000	204,151	74,930	4.939	79.8%	20.2%	177,987
07/01/18	$100,000	209,694	0	17.410	94.3%	5.7%	197,650

Notes:

(3) From Exhibit 4, Column 9
(4) From Exhibit 2, Column 7
(6) = 1 - [1 / (5)]
(7) = 1 / (5)
(8) = [(3) x (6)] + [(4) x (7)]

RCCD
Incurred Bornhuetter-Ferguson Method
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Expected Loss	Incurred Loss Development	Incurred	Weight-Expected Loss	Weight-Incurred Loss Development	Limited Ultimate
Policy Inception	Limit	Method	Method	LDF	Method	Method	Losses
07/01/13	$250,000	261,876	287,244	1.147	12.8%	87.2%	283,999
07/01/14	$100,000	176,945	120,993	1.210	17.4%	82.6%	130,701
07/01/15	$100,000	198,950	182,543	1.328	24.7%	75.3%	186,591
07/01/16	$100,000	188,274	229,040	1.580	36.7%	63.3%	214,082
07/01/17	$100,000	204,151	238,778	2.171	53.9%	46.1%	220,104
07/01/18	$100,000	209,694	12,208	4.883	79.5%	20.5%	169,253

Notes:

(3) From Exhibit 4, Column 9
(4) From Exhibit 3, Column 7
(6) = 1 - [1 / (5)]
(7) = 1 / (5)
(8) = [(3) x (6)] + [(4) x (7)]

FORECAST EXHIBITS

RCCD
Development of Forecasted Losses for 2019-20
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Policy Inception	Payroll	Payroll Trend Factor	Trended Payroll	Selected Ultimate Losses $0 - $100,000	Loss Trend Factor	Trended Ultimate Losses $0 - $100,000	Loss Rate per $100 of Payroll
07/01/08	116,511,097	1.312	152,872,656	63,163	1.384	87,432	0.06
07/01/09	115,408,330	1.280	147,732,420	280,994	1.344	377,633	0.26
07/01/10	113,836,468	1.249	142,166,149	310,337	1.305	404,920	0.28
07/01/11	105,846,966	1.218	128,964,250	182,483	1.267	231,164	0.18
07/01/12	103,044,365	1.189	122,487,369	4,311	1.230	5,302	0.00
07/01/13	106,000,000	1.160	122,927,502	100,500	1.194	120,002	0.10
07/01/14	112,922,000	1.131	127,760,878	120,993	1.159	140,264	0.11
07/01/15	126,544,627	1.104	139,681,591	150,240	1.126	169,096	0.12
07/01/16	131,899,855	1.077	142,041,717	202,236	1.093	220,989	0.16
07/01/17	145,029,292	1.051	152,371,400	238,778	1.061	253,320	0.17
07/01/18	150,000,000	1.025	153,750,000	12,208	1.030	12,575	0.01

10-year Wtd Average:	0.15
7-year Wtd Average:	0.12
3-year Wtd Average:	0.15

Notes:

(2) Provided by Client
(3) Payroll Trend of 2.5% per year based on Industry Info
(4) = (2) x (3)
(5) From Exhibit 2, Column 10
(6) 3.0% Trend per Year (based on industry and client data)
(7) = (5) x (6)
(8) = (7) / (4) x 100
(9) Forecasted Loss Rate selected from Historical Averages
(10) Forecasted Payroll provided by Client
(11) = (9) x (10) / 100

(9)	Selected:	**0.15**
(10)	Forecasted Payroll 2019-20:	$150,000,000
(11)	Forecasted Losses 2019-20:	**220,000**

RCCD
Development of Ultimate Losses for Forecast
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Policy Inception	Paid Losses $0 - $100,000	Incurred Losses $0 - $100,000	Evaluation Date	Age in Months	Paid LDF	Incurred LDF	Paid Loss Development Method	Incurred Loss Development Method	Selected Ultimate Losses $0 - $100,000
07/01/08	63,163	63,163	03/31/19	129	1.086	1.043	68,609	65,898	63,163
07/01/09	280,994	280,994	03/31/19	117	1.104	1.052	310,343	295,505	280,994
07/01/10	310,337	310,337	03/31/19	105	1.139	1.067	353,539	331,153	310,337
07/01/11	182,483	182,483	03/31/19	93	1.179	1.085	215,239	198,072	182,483
07/01/12	4,311	4,311	03/31/19	81	1.241	1.109	5,350	4,780	4,311
07/01/13	100,500	100,500	03/31/19	69	1.335	1.147	134,199	115,242	100,500
07/01/14	35,516	100,000	03/31/19	57	1.515	1.210	53,810	120,993	120,993
07/01/15	62,190	137,501	03/31/19	45	1.896	1.328	117,937	182,543	150,240
07/01/16	64,220	145,000	03/31/19	33	2.732	1.580	175,432	229,040	202,236
07/01/17	15,172	110,001	03/31/19	21	4.939	2.171	74,930	238,778	238,778
07/01/18	0	2,500	03/31/19	9	17.410	4.883	0	12,208	12,208

Notes:

(2) From Data Exhibit 6
(3) From Data Exhibit 7
(6) Based on industry information
(7) Based on industry information
(8) = (2) x (6)
(9) = (3) x (7)
(10) Selection based on judgment using results of Methods in Columns (8) and (9)

RCCD
Frequency Forecast for 2019-20
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Policy Inception	Evaluation Date	Age In Months	Total Claim Count	Claim Count LDF	Ultimate Claim Count	Trended Payroll	Trend Factor	Trended Frequency
07/01/08	03/31/19	129	1	1.000	1	152,872,656	1.000	0.07
07/01/09	03/31/19	117	3	1.002	3	147,732,420	1.000	0.20
07/01/10	03/31/19	105	7	1.008	7	142,166,149	1.000	0.49
07/01/11	03/31/19	93	2	1.012	2	128,964,250	1.000	0.16
07/01/12	03/31/19	81	2	1.016	2	122,487,369	1.000	0.16
07/01/13	03/31/19	69	2	1.020	2	122,927,502	1.000	0.16
07/01/14	03/31/19	57	1	1.030	1	127,760,878	1.000	0.08
07/01/15	03/31/19	45	2	1.046	2	139,681,591	1.000	0.14
07/01/16	03/31/19	33	4	1.085	4	142,041,717	1.000	0.28
07/01/17	03/31/19	21	3	1.158	3	152,371,400	1.000	0.20
07/01/18	03/31/19	9	1	1.778	2	153,750,000	1.000	0.13

10-Year Weighted Average: 0.20
7-Year Weighted Average: 0.17

Notes:

(4) From Data Exhibit 2, Column 5   (10)   Selected: **0.20**
(5) Based on industry data
(6) = (4) x (5)
(7) From Exhibit 1
(8) Based on industry and client data
(9) = (6) x (8) / (7) x $10M
(10) Forecasted frequency selected from historical averages

PROGRAM SUMMARY & LOSS DATA

RCCD
Summary of Program Provisions
General Liability

Policy Inception	Plan Type	Per Occurrence Retention	Excess Insurance	Claims Adjusting	ALAE	ULAE
07/01/07	Self-Insurance	$100,000	ASCIP JPA	Corvel	Included	N/A
07/01/08	Self-Insurance	$100,000	ASCIP JPA	Corvel	Included	N/A
07/01/09	Self-Insurance	$100,000	ASCIP JPA	Corvel	Included	N/A
07/01/10	Self-Insurance	$250,000	ASCIP JPA	Corvel	Included	N/A
07/01/11	Self-Insurance	$250,000	ASCIP JPA	Corvel	Included	N/A
07/01/12	Self-Insurance	$250,000	ASCIP JPA	Corvel	Included	N/A
07/01/13	Self-Insurance	$250,000	SCSRM JPA	Carl Warren	Included	N/A
07/01/14	Self-Insurance	$100,000	SCSRM JPA	Carl Warren	Included	N/A
07/01/15	Self-Insurance	$100,000	SCSRM JPA	Carl Warren	Included	N/A
07/01/16	Self-Insurance	$100,000	SCSRM JPA	Carl Warren	Included	N/A
07/01/17	Self-Insurance	$100,000	SCSRM JPA	Carl Warren	Included	N/A
07/01/18	Self-Insurance	$100,000	SCSRM JPA	Carl Warren	Included	N/A

RCCD
Summary of Historical Loss Data
General Liability

					Unlimited		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Policy Inception	Evaluation Date	Open Claim Count	Closed Claim Count	Total Claim Count	Paid Losses & ALAE	Case Reserves	Incurred Losses & ALAE
07/01/07	03/31/19	0	2	2	78,440	0	78,440
07/01/08	03/31/19	0	1	1	63,163	0	63,163
07/01/09	03/31/19	0	3	3	735,900	0	735,900
07/01/10	03/31/19	0	7	7	948,009	0	948,009
07/01/11	03/31/19	0	2	2	411,998	0	411,998
07/01/12	03/31/19	0	2	2	4,311	0	4,311
07/01/13	03/31/19	1	1	2	262,250	2	262,251
07/01/14	03/31/19	1	0	1	35,516	79,484	115,000
07/01/15	03/31/19	2	0	2	62,190	75,311	137,501
07/01/16	03/31/19	3	1	4	64,220	215,780	280,000
07/01/17	03/31/19	3	0	3	15,172	94,829	110,001
07/01/18	03/31/19	1	0	1	0	2,500	2,500

Data Source: Loss Runs Provided by Client. Incident-only claims not included in claim count.

RCCD

Claims > $100,000 Incurred
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)
		Accident	Policy	Paid	Case	Incurred
Claim Number	Name	Date	Year	Loss & ALAE	Reserves	Loss & ALAE
'11-90330'	Radford, Tracie	07/01/09	07/01/09	194,829	0	194,829
'10-81421'	Corral, Sheri	09/01/09	07/01/09	460,077	0	460,077
'11-97123'	Hernandez, Richard	01/18/11	07/01/10	366,275	0	366,275
'11-98152'	Garcia, John	01/31/11	07/01/10	224,811	0	224,811
'11-94596'	Berber, Alicia	02/14/11	07/01/10	346,586	0	346,586
13-09351	Broyles, Lloyd	12/30/11	07/01/11	82,482	0	82,482
12-04721	Gomez, Salvador	01/02/12	07/01/11	329,515	0	329,515
	TENPAS, CYNTHIA	11/01/13	07/01/13	261,750	2	261,751
	RUIZ, RONALD	02/11/15	07/01/14	35,516	79,484	115,000
	TATE, DANA	11/21/16	07/01/16	43,627	191,373	235,000

RCCD
Summary of Limited Paid Losses by Policy Year
General Liability

(1)	(2)	(3)	(4)	(5)	(6)
Policy Inception	Limit	Unlimited Paid	Excess Loss	Number of Excess Losses	Limited Paid
07/01/07	100,000	78,440	0	0	78,440
07/01/08	100,000	63,163	0	0	63,163
07/01/09	100,000	735,900	454,906	2	280,994
07/01/10	250,000	948,009	212,861	2	735,148
07/01/11	250,000	411,998	79,515	1	332,483
07/01/12	250,000	4,311	0	0	4,311
07/01/13	250,000	262,250	11,750	1	250,500
07/01/14	100,000	35,516	0	0	35,516
07/01/15	100,000	62,190	0	0	62,190
07/01/16	100,000	64,220	0	0	64,220
07/01/17	100,000	15,172	0	0	15,172
07/01/18	100,000	0	0	0	0

RCCD
Summary of Limited Incurred Losses by Policy Year
General Liability

(1)	(2)	(3)	(4)	(5)	(6)
Policy Inception	Limit	Unlimited Incurred	Excess Loss	Number of Excess Losses	Limited Incurred
07/01/07	100,000	78,440	0	0	78,440
07/01/08	100,000	63,163	0	0	63,163
07/01/09	100,000	735,900	454,906	2	280,994
07/01/10	250,000	948,009	212,861	2	735,148
07/01/11	250,000	411,998	79,515	1	332,483
07/01/12	250,000	4,311	0	0	4,311
07/01/13	250,000	262,251	11,751	1	250,500
07/01/14	100,000	115,000	15,000	1	100,000
07/01/15	100,000	137,501	0	0	137,501
07/01/16	100,000	280,000	135,000	1	145,000
07/01/17	100,000	110,001	0	0	110,001
07/01/18	100,000	2,500	0	0	2,500

RCCD

Paid Losses at Various Limits
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Policy Inception	Evaluation Date	Limited to: $100,000	Limited to: $250,000	Limited to: $500,000	Limited to: $1,000,000	Limited to: Unlimited
07/01/07	03/31/19	78,440	78,440	78,440	78,440	78,440
07/01/08	03/31/19	63,163	63,163	63,163	63,163	63,163
07/01/09	03/31/19	280,994	525,823	735,900	735,900	735,900
07/01/10	03/31/19	310,337	735,148	948,009	948,009	948,009
07/01/11	03/31/19	182,483	332,483	411,998	411,998	411,998
07/01/12	03/31/19	4,311	4,311	4,311	4,311	4,311
07/01/13	03/31/19	100,500	250,500	262,250	262,250	262,250
07/01/14	03/31/19	35,516	35,516	35,516	35,516	35,516
07/01/15	03/31/19	62,190	62,190	62,190	62,190	62,190
07/01/16	03/31/19	64,220	64,220	64,220	64,220	64,220
07/01/17	03/31/19	15,172	15,172	15,172	15,172	15,172
07/01/18	03/31/19	0	0	0	0	0

RCCD
Incurred Losses at Various Limits
General Liability

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Policy Inception	Evaluation Date	Limited to: $100,000	Limited to: $250,000	Limited to: $500,000	Limited to: $1,000,000	Limited to: Unlimited
07/01/07	03/31/19	78,440	78,440	78,440	78,440	78,440
07/01/08	03/31/19	63,163	63,163	63,163	63,163	63,163
07/01/09	03/31/19	280,994	525,823	735,900	735,900	735,900
07/01/10	03/31/19	310,337	735,148	948,009	948,009	948,009
07/01/11	03/31/19	182,483	332,483	411,998	411,998	411,998
07/01/12	03/31/19	4,311	4,311	4,311	4,311	4,311
07/01/13	03/31/19	100,500	250,500	262,251	262,251	262,251
07/01/14	03/31/19	100,000	115,000	115,000	115,000	115,000
07/01/15	03/31/19	137,501	137,501	137,501	137,501	137,501
07/01/16	03/31/19	145,000	280,000	280,000	280,000	280,000
07/01/17	03/31/19	110,001	110,001	110,001	110,001	110,001
07/01/18	03/31/19	2,500	2,500	2,500	2,500	2,500
Grand Total		1,515,230	2,634,870	3,149,074	3,149,074	3,149,074
Ratio to Current Limit		1.000	1.739	2.078	2.078	2.078
Industry ILF		1.000	1.110	1.210	1.260	1.540
Selected Limit Adjustment Factor		**1.000**	**1.267**	**1.427**	**1.465**	**1.675**